

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
HONOLULU, HAWAII

April 22, 2024

AMENDMENT 1
TO
REQUEST FOR PROPOSALS
NO. B&F RFP 2024-01

SEALED PROPOSALS TO PROVIDE A BUDGET MANAGEMENT SOLUTION, DEPARTMENT OF BUDGET AND FINANCE, STATE OF HAWAII

I. **The following is a summary including the responses to questions submitted by potential offerors during a Pre-Proposal Conference held via Teams on April 12, 2024:**

A. **Opening the Pre-Proposal Conference** – The moderator opened the Teams event at approximately 9:00 AM HST. The moderator made the following disclosures:

- **Teams conference purpose** – Pre-proposal conference is for a Request for Proposal (RFP) issued by the Department of Budget and Finance (DBF) for a Budget Management System; Solicitation Number 24002033 in the State’s electronic procurement system (HiEPRO).
- **Recording** – The event will be recorded.
- **Rescheduling** – The event would be rescheduled should technical or other difficulties occur during the event.
- **Other Disclosures** – Other disclosures made by the moderator included:
 - i. Disclosures including responses to questions during the pre-proposal conference are for Informational purposes only. Any changes to the current RFP documents will only be via an addendum posted in HiEPRO;
 - ii. Due date for proposals – May 14, 2024, by 2:00 PM HST;
 - iii. Ensuring the accuracy of vendor information;
 - iv. Use of the upload feature of HiEPRO;
 - v. Confirming successful upload of proposal documents and;
 - vi. Review of HiEPRO instructions (e.g., file size limitations).
- **Process for Pre-Proposal Conference** –
 - i. Prefer questions to be submitted through the Chat function.
 - ii. Will proceed by document and by section within each document.
 - iii. Posting questions in HiEPRO due to reaching time limit and responding by the deadline for responding to questions as noted in the schedule of the RFP document.

B. **Leadership Introductions** – The moderator introduced leadership including the Director, Luis P. Salaveria and the Deputy Director, Sabrina Nasir.

The Director welcomed participants and noted the following:

- This project has been in the works for a while and are excited to get to this point;
- As goal is to change the way that the state of Hawaii manages and executes its \$19 billion operational budget;
- Government budgeting is an institutional process guided by statutes, laws, and rules;
- Goal is to modernize our existing processes and expand the capabilities that are not available in our current static system;
- By systemizing our budget processes, the data that is collected over time will allow the state to manage its operational budget more efficiently and effectively and;
- DBF seeks partners and vendors that can work with our current processes by keeping it simple to be able to execute without flaws. The goal is to avoid complex projects that are executed poorly.

C. **Questions and Responses** – A summary of the questions and responses follows:

<u>Number</u>	<u>Question</u>	<u>Response</u>
1	You mentioned firm fixed fee contract. Is that the same as firm fixed price?	Yes.
2	Will the state have the new ERP chart of accounts defined before the start of rollout 1?	There is a draft of a new chart of accounts that is being circulated through state government. The official rollout of the new chart of accounts is not expected to be completed until completion of the Enterprise Financial System project, which is a separate solicitation to be issued by the Department of Accounting and General Services. The budget system doesn't necessarily go into that level of detail including the budget process. The timing of integrating the new chart of accounts is currently planned for rollout 2.

3	The state anticipates paying the contractor on the basis of net thirty payment terms upon receipt of an accurate and acceptable invoice. Does that mean payments are made once per month?	The payment schedule is based upon a deliverable. There is a cost sheet that is included in the RFP. You can include your projected deliverable dates as well as any expected progress payments to be made at that time.
4	Is there a page count for the proposal?	We do not have a page count limit, but as previously noted the file size limit in HiEPRO is I believe 100 megabytes.
5	Is the number of users for rollouts 1 and 2 meant to be cumulative. For example, at the end of rollout 2, will there be 35 or 70 total department users?	It is not cumulative. At the end of rollout 2, we expect to have 35 department users; the same as we expected in rollout 1.
6	Regarding the proposal submission, have you managed RFP responses through the HiEPRO website previously? Have you experienced timeouts in the system which could cause a delay in the upload?	As the project manager we've just been advised by the State Procurement Office that offerors should submit as early as possible. I'm not aware of delays due to issues or problems in HiEPRO.
7	Can a partnership make multiple proposals?	We will confer with the state procurement office and will provide a response in HiEPRO.
8	Section 7 of the RFP currently requires a performance and payment bond with cloud projects. Public sector organizations have gone to more cost effective alternatives such as fixed fee, deliverable approach and or percentage retained.	This question was posted in HiEPRO prior to the Pre-Proposal conference. We will be providing a response to this question in HiEPRO. The conditions of the RFP do require, and the state does require some degree of performance surety. We are asking potential bidders what other type of alternative insurance surety that they can provide that the project will be completed.
9	Regarding remote access for remote support, will there be remote access provided?	We will confer with our Enterprise Technology Services (ETS) office and provide a response in HiEPRO.
10	Is the plan to replace all the current systems that are listed in Appendix A with one system which are listed in the Appendix A?	Yes.
11	Will there be API available from the current systems to the new solution?	We will consult with ETS and respond in HiEPRO.

12	How many years of historical data will need to be moved over to the new system?	The State currently budgets on a biennial process and the current plan is to upload the last two biennium periods. Accordingly, the current plan is for four years of data history.
13	Do you have an estimated start date for rollout 2?	DBF does not have an estimated start date for rollout 2 at this point in time. It is dependent upon implementation of the Department of Accounting and General Services' Enterprise Financial System project.
14	Does the system need to be FedRAMP certified?	DBF will respond in HiEPRO.
15	Does the implementation, timeline and resources for both enterprise financials and budgeting overlap each other?	There is a possibility that it will overlap but again, the current Enterprise Financial System RFP is still in development and is expected to be released in early 2025.
16	Does the state allow for offshore developers or does all work need to be done by onshore resources?	There is no policy with regards to offshore versus onshore resources. Either development alternative is allowable.
17	What Office 365 Environment does the customer have?	The State is currently using Microsoft G3 but there is a move to move our Office 365 environment to G5.
18	Can the budget books publishing be a PDF document or does it need to be an interactive budget on a portal for the public?	The budget books can be published in a PDF document format, We are leaving it up to potential offerors for alternatives for other types of formats that can be made available that would enhance this publication's usability.
19	Does the state have a general preference for either perpetual licensing versus subscription licensing?	No preference at this point in time. DBF is looking for the best value for the State.

20	Will the customer sponsor if FedRAMP or (Authority to Operate) ATO certifications are needed.	If the State does choose to comply with FedRAMP DBF would sponsor any vendor in that case. It is not something that we initially considered. We understand that potential offers may have additional information or other types of experiences dealing with other budget systems that they may have implemented. We will consider and we'll provide a response in HiEPRO.
21	If the 100 megabyte limit is reached with the proposal, can each tab be submitted separately?	The suggestion is to read the instructions in HiEPRO. There is a size limitation of 100 megabytes. We will consult with the State Procurement Office and provide a response in HiEPRO.
22	Please clarify what details are being sought on the third-party agreement.	DBF will consult and provide a response on HiEPRO.
23	For Attachment B the question is whether you can do a drop in column C.	DBF will confirm column C's functionality and respond in HiEPRO.
24	Regarding subcontractor is it the same certificates as the prime contractor?	DBF will respond at a later date.
25	Will you provide a list of the participants for this preproposal meeting?	DBF will consult with the State Procurement Office.
26	Which fiscal year is being planned to be used in the new system in the first as its biennial budget?	The State budgets on a biennium basis. The State is currently in the last year of the current biennium. Our expectation is documented in the rollout information that was included as Attachment D of the RFP documents as we will start the next biennium in our existing process. DBF desires to implement the system in the supplemental year as the State would already have an established budget in place. Any major developments related to the implementation of the new system including for the full implementation of rollout 1 will occur with the established budget in place which would be for the biennium

		<p>period fiscal 2027 to 2029. The goal is to deploy a section of the first phase of rollout 1, as documented in Attachment D, in a supplemental budget year or the second half of the biennium (fiscal 2027).</p>
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D. Close the Pre-Proposal Conference – The moderator ended the preproposal conference at approximately 10:00 AM HST.

II. The following changes are made to the HI DBF Budget Management RFP:

A. Page 7; Table 01: Schedule and Significant Dates

From:

Proposal Due Date and Time	5/14/2024; 2:00 PM Noon
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To:

Proposal Due Date and Time	5/14/2024; 2:00 PM
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III. The following changes are made to Attachment B Budget Management System Specifications

Replace:

Attachment B Budget Management System Specifications

With:

Attachment B Budget Management System Specifications Amendment 1.
Change only to Column C "Response" to provide drop down selections in this column.



Luis P. Salaveria, Director

April 22, 2024