



RELEASE DATE: JANUARY 16, 2026

# The State of Hawai‘i

Department of Accounting and General Services

Request for Proposals

Solicitation # - EFS-COSS-2026

COST OPTIMIZATION SUPPORT SERVICES

OFFERS are due at **2:00 PM**, Hawai‘i Standard Time (HST) ON  
FEBRUARY 6, 2026.

(or such later date as may be established by the State of Hawai‘i by an Addendum to this RFP)  
BY SUBMISSION TO THE STATE OF HAWAI‘I 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:

SHELLEY IZUNO

TELEPHONE - (808) 586-1851

EMAIL ADDRESS – [shelley.izuno@hawaii.gov](mailto:shelley.izuno@hawaii.gov)

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Keith A. Regan  
Comptroller  
Department of Accounting and General Services

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## Administrative Overview

RFP Title:	Cost Optimization Support Services (COSS)
RFP Project Description:	The State of Hawai'i seeks a qualified OFFEROR to provide Cost Optimization services in support of the Enterprise Financial System (EFS) Project. The selected partner will deliver expert analysis, benchmarking, and cost optimization strategy to strengthen the State's position in technology contract discussions.
RFP Point of Contact:	Buyer Name: Shelley Izuno Agency Name – Department of Accounting and General Services Agency Address – 1151 Punchbowl Street, #B10, Honolulu, HI 96813 Buyer Email – <a href="mailto:shelley.izuno@hawaii.gov">shelley.izuno@hawaii.gov</a> Buyer Phone – (808) 586-1851
Procurement Officer:	Greg Dalin
Deadline For Submission of Written Questions:	January 22, 2026; 2:00 P.M. Hawai'i Standard Time (HST) via HiePRO.
State's Response to Written Questions:	January 24, 2026; 2:00 P.M. Hawai'i Standard Time (HST) All answers will be posted to HiePRO.
Submit Proposals Electronically via the Hawai'i Electronic Procurement System (HiePRO):	Electronic Submission <a href="https://hiepro.ehawaii.gov">https://hiepro.ehawaii.gov</a>
Deadline for Submission of Proposals:	February 6, 2026; 2:00 P.M. Hawai'i Standard Time (HST) Via HiePRO.
Initial Term of Contract and Extensions:	The term of any contract resulting from this RFP shall be twelve (12 months) from the commencement date on the Notice to Proceed. The contract may be extended for up to two (2) additional twelve (12) month periods or portions thereof without rebidding, upon mutual agreement.
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 OR \$5,000.00, WHICHEVER IS LESS, PAYABLE TO TYLER HAWAII.	

## Proposal Checklist

The OFFEROR must address ALL sections and attachments and provide the information and documentation as required in the Proposal Checklist below.

	Description	Reference in RFP	Completed
1	Proposal Checklist – submittal of checklist with all items checked “completed.”	Section 3.1.1.	<input type="checkbox"/>
2	Completed and signed Proposal Form OF-1;	Attachment 1, Proposal Form, OF- 1; Section 3.1.2.	<input type="checkbox"/>
3	Table of Contents	Section 3.1.4.	<input type="checkbox"/>
4	Executive Summary, not to exceed one page	Section 3.1.5.	<input type="checkbox"/>
5	Firm’s Experience and Capability	Section 3.1.6.	<input type="checkbox"/>
6	Staff Qualifications	Section 3.1.7.	<input type="checkbox"/>
7	Technical Approach	Section 3.1.8.	<input type="checkbox"/>
8	Price	Section 3.1.9.	<input type="checkbox"/>
9	Conflict of Interest – Attestation	Section 3.1.10.	<input type="checkbox"/>
10	Proposed Exceptions (if applicable)	Attachment 3, Proposed Exceptions; Section 3.1.12.	<input type="checkbox"/>
11	Confidential Information	Attachment 4, Confidential Information; Section 3.1.13.	<input type="checkbox"/>
12	Hawai’i Compliance Express (HCE) – ensure compliance or submittal of paper certificates	Section 1.20	<input type="checkbox"/>

**REQUEST FOR PROPOSALS**  
**Enterprise Financial System – Cost Optimization Support Services**  
**RFP Document for Solicitation # EFS-COSS-2026**

**Section 1: General & Administrative Information**

**1.1 Purpose**

The State of Hawai'i is committed to ensuring the successful modernization of its financial management systems through the Enterprise Financial System (EFS) Project (RFP-EFS-2025). As part of this initiative, the State seeks proposals from qualified OFFERORS to provide Cost Optimization Support Services (COSS).

The objective of this Request for Proposals (RFP) is to secure a contractor to assist and strengthen the State's position in contract discussions and cost optimization with technology vendors by leveraging third-party expertise, market benchmarks, and proven strategies. The selected OFFEROR will provide advisory services that include detailed analysis of vendor proposals, calibration against industry standards, identification of savings opportunities, and development of cost optimization strategies.

Through this support, the State will gain access to specialized knowledge and real-time market insights that are not readily available within government. The OFFEROR will play a critical role in helping the State secure favorable pricing, licensing models, and contractual terms while preserving the integrity of the State–vendor relationship.

The State of Hawai'i seeks a partner with demonstrated expertise in technology contract cost optimization, licensing and pricing analytics, and IT procurement. The insights and recommendations provided through this engagement will directly support the EFS Project, ensuring that the State secures the best possible terms and achieves measurable value for its residents.

**1.2 Schedule and Significant Dates**

The table below contains the State's current estimate of the schedule and significant dates. All times are Hawai'i 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 before the proposal due date shall be issued by addendum.

Event	Date
Release of the RFP:	January 16, 2026
Deadline for Written Inquiries, 2:00 p.m. (HST) Electronic Submission	January 22, 2026 – 2:00PM (HST)

State's Response to OFFERORS' Written Inquiries Electronic Submission	January 24, 2026 – 2:00PM (HST)
Proposal Submittal Deadline, 4:00 p.m. (HST) Electronic Submission	February 6, 2026 – 2:00PM (HST)
OFFEROR'S Presentations and Discussions, if required	To be determined, if necessary
Best and Final Offer (BAFO) Deadline, 2:00 p.m. (HST)	To be determined, if necessary
Proposal Evaluation Period	Within approximately 10 days after Date of BAFO/Proposal
OFFEROR Selection	Within approximately 10 days after Date of BAFO/Proposal
Estimated Date of Notice of Award	Within 5 days after OFFEROR Selection
Estimated Contract Start Date / Notice to Proceed	Within 25 Days of Notice of Award

### 1.3 Contract Type

The contract shall be a Performance Incentive contract.

### 1.4 Point of Contact

The Department of Accounting and General Services (DAGS) is the issuing department for this RFP and all subsequent addenda relating to it. The reference number for the transaction is Solicitation #EFS-COSS-2026. 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, 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 Hawai'i, Department of Accounting and General Services is:

Shelley Izuno  
HIMOD Project Manager  
DAGS - Office of Enterprise Technology Services  
1151 Punchbowl St, #501  
Honolulu HI 96813  
808-586-1851  
[shelley.izuno@hawaii.gov](mailto:shelley.izuno@hawaii.gov)

**1.5 Definitions**

The following definitions apply to this solicitation.

- BAFO = Best and Final Offer
- Contracting Office = The Contracting Office is DAGS
- CPO = Chief Procurement Officer
- DAGS = Department of Accounting and General Services
- DCCA = Department of Commerce and Consumer Affairs
- DLIR = Department of Labor and Industrial Relations
- EFS = Enterprise Financial System
- ETS = Office of Enterprise Technology Services, a Division of DAGS
- GC = State of Hawai'i General Conditions
- GET = General Excise Tax
- HAR = Hawai'i Administrative Rules
- HOPA = Head of the Purchasing Agency
- OFFEROR = Any individual, partnership, firm, corporation, joint venture, or representative or agent submitting a proposal in response to this solicitation
- PO = Procurement officer
- RFP = Request for Proposals
- STATE = State of Hawai'i, including its departments, agencies, and political subdivisions

**1.6 Authority**

This RFP is issued under the provisions of Chapter 27-43 and 103D, HRS, and the implementing Hawai'i Administrative Rules. All prospective OFFERORS are charged with presumptive knowledge of all requirements of the cited authorities. Submission of a proposal by any prospective OFFEROR shall constitute a representation of such knowledge on the part of such prospective OFFEROR.

**1.7 Communications with the State**

OFFERORS and prospective OFFERORS (including agents of OFFERORS and potential OFFERORS) shall not contact any State employee to discuss or ask questions regarding the content of this RFP, except as instructed and specified in this RFP.

All questions regarding the RFP shall be submitted electronically via HIEPRO. To facilitate a meaningful response, written questions shall reference the page, paragraph, and line or sentence to which the question relates. Such inquiries must contain identification of the OFFEROR, its email address, telephone and fax numbers, the name and title of the person requesting the information, and the RFP number. Questions will be accepted until the due date to submit questions specified in Section 1.2 Schedule and Significant Dates. No telephone calls will be accepted.

DAGS will respond to questions electronically via HIEPRO by the date specified in Section 1.2 Schedule and Significant Dates.

## **1.8 Modifications Prior to Deadline or Withdrawal of Proposals**

Proposals may be modified or withdrawn at any time prior to the deadline for submitting Proposals. Any Proposal received after the deadline for submitting Proposals shall be rejected and returned to the OFFEROR.

## **1.9 Electronic Procurement & Submission of Proposals**

The State has established the Hawai'i State eProcurement (HIEPRO) System to promote an open and transparent system for vendors 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 website: <http://spo.hawaii.gov/HIEPRO/>; select HIEPRO Vendor Registration and then select HIEPRO Vendor Registration Guide.

The RFP Process, including issuance of the RFP, submission of Proposals, issuance of Addenda, and changes to Section 1.2 Schedule and Significant Dates, shall be conducted through HIEPRO. The State shall not be responsible for the failure of any OFFEROR to receive the RFP Process information.

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 or \$5,000.00, whichever is less, payable to Tyler Hawaii.

Proposals shall be submitted and received through HIEPRO by 2:00pm HST on the date specified in Section 1.2 Schedule and Significant Dates. This electronically submitted proposal shall be considered the original. HIEPRO Special Instructions: OFFEROR shall view all special instructions located in HIEPRO. OFFERORS are responsible for ensuring that all necessary files are attached to its proposal prior to the proposal deadline.

OFFERORS shall enter \$1.00 as the Unit Price in US Dollars and Cents when submitting its proposal in HIEPRO.

The maximum file size that HIEPRO can accept is 100MB. Files larger than 100MB must be reduced into two or more files.

OFFERORS must carefully examine this RFP, all addenda, required contract forms, and other documents, laws, and rules, as necessary, before submitting a proposal. The submission of a proposal shall be considered to be a warranty and representation that the OFFEROR has made a careful examination of the RFP and understands the work and the requirements of this RFP. Each qualified OFFEROR may submit only one (1) proposal.

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 Scope of Work elements.

The OFFEROR'S proposal, including all of its required submission types as noted above, must be received through HIEPRO no later than the closing date and time specified for the receipt of proposals in Section 1.2 Schedule and Significant Dates. Any proposals received outside of HIEPRO, including faxed, emailed, or handwritten proposals, will not be considered.

### **1.10 Discussion and Presentations**

DAGS, in its discretion, may hold discussions with the OFFERORS whose Proposals are determined to be acceptable or potentially acceptable (the "Priority Listed OFFERORS"). DAGS reserves the right to limit the priority list to the three (3) highest ranked, Priority Listed OFFERORS. DAGS may invite Priority Listed OFFERORS to discuss their Proposals to ensure a thorough, mutual understanding. DAGS in its sole discretion shall schedule the time and location for these discussions, generally within the timeframe indicated in Section 1.2 Schedule and Significant Dates. DAGS may also conduct discussions with Priority Listed OFFERORS to clarify issues regarding the Proposals before requesting Best and Final Offers, if necessary.

Discussions will be conducted via the Microsoft Teams application arranged by the DAGS and recorded for evaluation purposes only. These recordings will be treated as proprietary and confidential.

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

### **1.11 Best and Final Offer**

DAGS, 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 Procurement Officer via HIEPRO on or before the deadline provided in Section 1.2 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.

### **1.12 Preparation of Proposal and Costs**

Expenses for the development and submission of proposals and other responses to the RFP are the sole responsibility of the OFFEROR whether or not any award results from this RFP. Travel and expenses to and from the state are also the responsibility of the OFFEROR.

### **1.13 Conflict of Interest Exclusion**

Any contractor (and its subcontractors) providing the requested services in this RFP to the State is prohibited from providing, proposing, or being awarded in whole or in part services pursuant to the EFS implementation project solicitation ([RFP-EFS-2025](#)).

The purpose of this exclusion is to avoid any real or perceived conflicts of interest.

### **1.14 Rejection of Proposals**

Proposals shall be rejected for reasons including but not limited to the following: the proposal is unsigned by the OFFEROR, the proposal is noncompliant with applicable law or contains unauthorized additions or deletions of any portion of the RFP, proof of collusion exists, in which case, all Proposals involved in the collusive action will be rejected and any participant to such collusion will be barred from future solicitations until reinstated.

### **1.15 RFP Amendments and Addendum**

DAGS reserves the right to amend this RFP at any time prior to the closing date of the BAFOs. All amendments will be issued by written addendum and will be posted on HIEPRO (<http://hiepro.ehawaii.gov>).

### **1.16 Cancellation of Procurement Part of or Entire Proposal**

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

### **1.17 Proposal Bonds; Performance and Payment Bonds**

No proposal bond is required to be submitted with the proposal and no performance or payment bond will be required for the contract awarded pursuant to this RFP.

### **1.18 Award of Contract**

A Notice of Award of the Contract shall be made to the responsible OFFEROR whose Proposal is determined to provide the best value 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 Hawai'i State eProcurement (HIEPRO) System at <https://hiepro.eHawaii.gov/>. Failure by the chosen OFFEROR to accept the award within five (5) days of the Notice of Award will be deemed a rejection of the award.

If the award is accepted, the successful OFFEROR will be required to enter into a formal written contract with the State. The contract shall include or be deemed to incorporate this RFP, the OFFEROR'S Proposal or BAFO, the State of Hawai'i General Conditions, the Special Conditions set forth in Section 1.25 below, and other terms as may be agreed to by the State and the OFFEROR. To the extent that the RFP and the successful proposal conflict, the terms of the RFP shall govern. A copy of the contract form and the State of Hawaii General Conditions can be found in Exhibit A.

### **1.19 Contract Execution**

The successful OFFEROR shall enter into a formal written contract (see Exhibit A, *Contract Form and General Conditions*). In submitting the proposal, the OFFEROR will be deemed to have agreed to each provision set forth in Exhibit A, Contract Form and General Conditions. The State shall have

no obligation to accept terms and conditions that vary from those set forth in Exhibit A, Contract Form and General Conditions.

Upon selection and award of the contract, the State will send the formal contract to the successful OFFEROR by eSign for signature. The State reserves the right to cancel any contract and request new proposals or negotiate with remaining OFFERORS if the State is not satisfied with the awarded OFFEROR'S performance.

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

No contract is binding on the State unless and until the contract has been fully executed by all parties and the State Comptroller has endorsed on the contract, in accordance with HRS section 103D-309, a certificate stating that there is an available appropriation, or balance of an appropriation, over and above all outstanding contracts, that is sufficient to cover the amount required by the contract.

For a multi-term (multi-year) contract, the State Comptroller is required to certify upon each separate term only that there is an available appropriation, or balance of an appropriation, over and above all outstanding contracts, that is sufficient to cover the amount required to be paid under the contract during the current fiscal year, or the remaining portion of the fiscal year, of that certain term.

If an option to extend the contract is mutually agreed upon between the parties, a supplemental contract for the additional extension period shall be completed between both parties.

## **1.20 Hawai'i Compliance Express**

OFFERORS may use the Hawai'i Compliance Express (HCE), an electronic system that allows persons or entities 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 the Department of Commerce and Consumer Affairs.

OFFERORS intending to use HCE to demonstrate compliance are advised to register on HCE as soon as possible at <https://vendors.ehawaii.gov>. The annual registration fee is \$12.00, and the Certificate of Vendor Compliance is accepted at execution of a contract and at final payment.

OFFERORS not utilizing HCE shall provide current certificates of compliance as indicated below via email to the Procurement Officer. Timely applications for certificates of compliance are the responsibility of the OFFEROR.

1. HRS Chapter 237 tax clearance requirement for award.

Pursuant to HRS section 103D-328, the OFFEROR shall submit a tax clearance certificate issued by the Hawai'i 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/>.

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

Pursuant to HRS section 103D-310(c), the OFFEROR shall submit a certificate of compliance issued by the Hawai'i State Department of Labor and Industrial Relations (DLIR). The certificate is valid for six (6) months from the date of issue.

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

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

The OFFEROR shall submit a Certificate of Good Standing (COGS) issued by the State of Hawai'i Department of Commerce and Consumer Affairs (DCCA) - Business Registration Division (BREG). The Certificate is valid for six (6) months from the date of issue.

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

## **1.21 Campaign Contributions by State and County OFFERORS**

OFFERORS are hereby notified of the applicability of HRS section 11-355, which states that campaign contributions are prohibited from any State or county government contractor during the term of the contract if the contractor is paid with funds appropriated by a legislative body.

For more information, FAQs are available at the Campaign Spending Commission webpage (<http://hawaii.gov/campaign>). Information on spending issues should be directed to the Campaign Spending Commission at (808) 586-0285.

## **1.22 Public Examinations of Proposals**

The existing contract procurement file, except those portions the OFFEROR designates in writing as trade secrets or other proprietary data to be confidential subject to HAR section 3-122- 58(b), shall be available for public inspection upon posting of the award pursuant to HRS section 103D-701.

If a person is denied access to a State procurement record, the person may appeal the denial to the State Office of Information Practices in accordance with HRS section 92F- 42(12).

### **1.23 Debriefing**

Pursuant to HAR section 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 a 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.

### **1.24 Protest Procedures**

Pursuant to HRS section 103D-701 and HAR section 3-126-3, an 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 on HIEPRO at:

Greg Dalin  
HIMOD Program Manager  
DAGS - Office of Enterprise Technology Services  
1151 Punchbowl St, #B10  
Honolulu HI 96813  
[greg.b.dalin@hawaii.gov](mailto:greg.b.dalin@hawaii.gov)

The notice of award resulting from this solicitation, if any, shall be posted on HIEPRO.

### **1.25 Special Conditions**

The following Special Conditions will supplement the Contract Form and General Conditions, Exhibit A:

1. Liquidated Damages. In the event of any breach of the contract by the OFFEROR, liquidated damages shall be assessed against the OFFEROR in the sum of ONE HUNDRED AND NO/100 DOLLARS (\$100.00) per calendar day until the breach is remedied by the OFFEROR.
2. Insurance. In order to be awarded a contract, the OFFEROR shall procure at its sole expense the insurance coverage indicated below. The OFFEROR shall provide proof of the required insurance prior to award with the following minimum insurance coverage(s) and limit(s), and shall maintain all required insurance in full force and effect throughout the term of the contract:
  - a. A fidelity bond, commercial crime policy, or other equivalent insurance that provides insurance coverage or similar protection to DAGS against forgery, theft, robbery, fraud, dishonest and criminal acts committed by any of the OFFEROR'S employees that causes DAGS to sustain monetary loss. The bond or policy shall provide coverage with limits of \$5,000,000 per occurrence, subject to an annual aggregate limit of \$5,000,000.
  - b. Commercial general liability insurance coverage against claims for bodily injury and property damage arising out of all operations, activities or contractual liability by

the OFFEROR, its employees and subcontractors during the term of the contract. This insurance shall include the following coverage, and limits specified or required by any applicable law: bodily injury and property damage coverage with a minimum of \$1,000,000 per occurrence; personal and advertising injury of \$1,000,000 per occurrence; and with an aggregate limit of \$2,000,000. The commercial general liability policy shall be written on an occurrence basis and the policy shall provide legal defense costs and expenses in addition to the limits of liability stated above. The OFFEROR shall be responsible for payment of any deductible applicable to this policy.

- c. Automobile liability insurance covering owned, non-owned, leased, and hired vehicles with a minimum of \$1,000,000 for bodily injury for each person, \$1,000,000 for bodily injury for each accident, and \$1,000,000 for property damage for each accident or \$2,000,000 combined single limit.
- d. Appropriate levels of per occurrence insurance coverage for workers' compensation and any other insurance coverage required by Federal or State law.
- e. Professional Liability Insurance covering all activities under the contract with a minimum of \$1,000,000 per claim and with an aggregate limit of \$2,000,000.
- f. Privacy and Network Security (Cyber) insurance with minimum limits of \$1,000,000 per incident/claim and \$2,000,000 in the aggregate, for any security breach, including privacy violations, information theft, damage to or destruction of electronic information, intentional and/or unintentional release of private information, alteration of electronic information, extortion and network security, including any act or omission that compromises either the security, confidentiality or integrity of personal information in the contractor's care, custody or control, or for which the contractor is responsible under the contract, or the physical, technical, administrative or organizational safeguards put in place by the contractor or its authorized personnel that relate to the protection of the security, confidentiality or integrity of personal information. Such coverage shall name the State of Hawaii as an additional insured.

If the OFFEROR maintains broader coverage or higher limits than the minimums shown above, the State requires and shall be entitled to the broader coverage or higher limits maintained by the OFFEROR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the State.

- g. Any and all other insurance that is required by applicable law and that is reasonably necessary in order for the OFFEROR to perform the work and services required under the contract. The insurance policies shall have limits of liability, per occurrence and in the aggregate, in amounts that are reasonably satisfactory to the

State, as measured by what a reasonably prudent trustee would require of a contractor in similar circumstances.

The adequacy of the coverage afforded by the OFFEROR'S insurance shall be subject to review by the State, from time to time, and if it appears that a reasonably prudent person, overseeing a project similar to one specified by this RFP, would require an increase in the limits of liability of such insurance, the OFFEROR shall, to that extent, take all necessary actions to increase such limits.

All the required insurance shall be carried with insurance carriers that have a general policyholder's rating of not less than A and a financial rating of no less than VII in the most current A.M. Best's Insurance Reports. If the A.M. Best's ratings are changed or discontinued, the parties shall agree to an equivalent method of rating insurance companies.

Throughout the term of the entire contract, the State of Hawaii shall be named as additional insured on all the required policies except for professional liability/errors and omissions and worker's compensation policies. At the commencement of the contract, the OFFEROR shall provide DAGS with certificates of insurance showing that it is carrying all the insurance required hereunder. At or prior to the expiration of all insurance policies required hereunder, the OFFEROR shall provide State with certificates of insurance showing the renewal or replacement of such insurance policies. All policies of insurance or the OFFEROR shall provide that the State will be given 30 days' notice in writing in advance of any cancellation, lapse, or reduction in the amount of insurance.

Each insurance policy required by this contract, including a subcontractor's policy, shall contain the following phrases:

- a. "This insurance shall not be canceled, limited in scope of coverage, or non-renewed until after 30 days' written notice has been given to the DAGS - Office of Enterprise Technology Services, Kalanimoku Building, 1151 Punchbowl Street, Room B-10, Honolulu, Hawai'i 96813."
- b. "The State of Hawai'i is added as an additional insured with respect to operations performed for the State of Hawai'i."
- c. "It is agreed that any insurance maintained by the State of Hawai'i or the DAGS will apply in excess of, and not contribute with, insurance provided by this policy."

The minimum insurance required shall be in full compliance with the Hawai'i Insurance Code throughout the entire term of the contract, including supplemental contracts.

Upon the OFFEROR'S execution of the contract, the OFFEROR agrees to deposit with DAGS, certificate(s) of insurance necessary to satisfy the State that the insurance

provisions of the contract 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 this contract, including those of its subcontractor(s), where appropriate.

Upon request by the State, the OFFEROR shall be responsible for furnishing a copy of the policy or policies.

Failure of the OFFEROR to provide and keep in force such insurance shall be regarded as material default under this contract, entitling DAGS to exercise any or all of the remedies provided in this contract for a default of the OFFEROR.

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

3. Transition Procedures. At no cost to DAGS, the OFFEROR shall comply with the following provisions upon receipt of a notice of termination or upon expiration of the contract:
  - a. The OFFEROR shall transfer title and deliver to DAGS or its designee, any and all completed or partially completed goods, materials, reports, information, data, or other work product of the OFFEROR that were made under the contract or as part of the OFFEROR'S performance of the contract.
  - b. As directed by DAGS, the OFFEROR shall destroy or deliver to DAGS or its designee, all confidential or proprietary documents, information, and data that the OFFEROR has received under the contract and all copies thereof.

## **1.26 Contract Term**

The term of any contract resulting from this RFP shall be twelve (12) months from the commencement date on the Notice to Proceed. The contract may be extended for up to two (2) additional twelve (12) month periods or portions thereof without rebidding, upon mutual agreement.

Pursuant HRS section 103D-315 and HAR section 3-122-149, OFFERORS are advised that funds are available only for the current fiscal period, and the contractual obligation of both parties in each fiscal period succeeding the first term is subject to the appropriation and availability of funds.

When interests of the State so require, the State may terminate the contract for convenience.

The contract resulting from this RFP is subject to availability of funds. A Non-Funding Event occurs when funds are not appropriated to support the contract. If a Non-Funding Event occurs, the State shall have the right to partially or fully terminate or suspend the contract. If the State does not exercise the right to fully terminate or suspend the contract, the State shall determine which aspects of the contract shall move forward and which services shall be performed. A Non-Funding

Event can also include lack of sufficient funding approved by the State of Hawai'i Legislature specifically for the EFS Project.

OFFEROR agrees that no penalty or damages shall be applied to, or shall accrue to, the State due to a Non-Funding Event. OFFEROR further agrees that the State shall not be responsible for any costs, expenses, or losses incurred by OFFEROR due, in whole or in part, to a Non-Funding Event.

## Section 2: Scope of Work

Many government organizations, including the State of Hawai'i, lack access to software licensing pricing benchmark data and contract data from comparable government enterprise software agreements, which would significantly aid in contract cost optimization with technology vendors. This information gap can place the State at a disadvantage when negotiating for software, Software as a Service (SaaS), hardware, or IT services.

To address this, the State seeks to engage a third-party OFFEROR with proven expertise and broad market exposure in technology software license pricing cost optimization. By leveraging such expertise, the State will strengthen its position, ensure favorable terms, and deliver measurable savings and value for Hawai'i's taxpayers.

### 2.1 Phase 1

#### 2.1.1 Analysis

The OFFEROR shall conduct a detailed analysis of each subject proposal and vendor's current software licensing offer. This must be done for all three (3) priority-listed vendors that are being evaluated as part of the EFS solicitation ([RFP-EFS-2025](#)). The SaaS licensing model for a vendor's offer typically includes fees for software licensing, hosting and infrastructure, maintenance and updates, and basic support. This analysis may include, but is not limited to:

##### Negotiated Period (Start Point)

- Calibration of the most recent vendor proposal
- Validation of list pricing and alternatives that may exist
- Analysis of licensing and pricing metrics and models proposed
- Assessment of terms offered to assess the impact of potential cost escalation

##### Calibration

- Detailed and granular calibration of terms offered with comparative analytics of each component of the vendor's responses
- Calibration of the maintenance and support base and the method of calculation of the proposed maintenance or support fees

##### Relationship

- Assessment of the State and vendor relationship (existing or new) to determine leverage points and the specific circumstances (current and historic) in play between the State and the vendor that materially impact leverage

#### Savings

- Detailed and precise assessment of the scope for improved commercial and contractual terms that can be achieved with the target for measurable savings

#### Recommendation

- Advice and recommendation during assisted discussions based upon the assessments and findings above: Do savings opportunities exist? Is there a realistic chance of achieving these?

### **2.1.2 Deliverables**

The OFFEROR shall prepare a Contract Briefing Document to be delivered and presented on-site or virtually to the State of Hawai'i leadership team. This will be a working "reference document" for discussions during Phase 2 of this engagement and should contain the following:

- Starting Position
- Calibration
- Relationship
- Savings
- Recommendation

The OFFEROR shall develop a Cost Optimization Strategy to be discussed and agreed upon with the State to leverage the savings identified in the Contract Briefing Document.

## **2.2 Phase 2**

### **2.2.1 Execution**

Based upon the agreed upon Cost Optimization Strategy, the OFFEROR will:

- Agree on the roles and responsibilities of key State personnel assigned to work with the OFFEROR under this RFP.
- Advise on the most appropriate contact levels with the vendor and when escalations may be appropriate.
- Suggest and assist with the most appropriate format of written correspondence to be sent from the State to the vendor.
- Assess and analyze all vendor responses and determine next steps.
- Discuss, plan, and support all appropriate discussions with the vendor for meetings and phone calls. This can be comprised of agendas, presentations, analysis, discussion documents, and spreadsheets.
- Advise and support all responses from the State to the vendor.

- Identify and assess responses, strategies, and sales tactics deployed by the vendor.
- Advise and recommend on the timing of contract execution and the continuance of the cost optimization process.

### **2.2.2 State Role**

At all stages of this engagement, the State, at its sole discretion:

- Will determine how and when to conclude contract discussions, regardless of any savings achieved.
- Will conduct all direct communications and interactions with the vendor.
- Will maintain control over the communication process to preserve the integrity of the State's relationship with the vendor during and after proposal discussions.
- May authorize the OFFEROR to communicate or interact directly with the vendor, but only upon the State's prior written consent.

The State retains sole authority and discretion over all contract discussions and final decisions.

### **2.2.3 OFFEROR Role**

Throughout the engagement, the OFFEROR shall:

- Collaborate with the State in preparing draft versions of the potential final contract with the selected vendor.
- Review and provide comments on any terms and conditions presented by the vendor.
- Advise the State on market-standard terms, pricing models, deal structures, licensing metrics, and commercial options.
- Ensure that all agreed-upon pricing (including future price holds), deal structure, and contractual terms are accurately reflected in the final contract.
- Prepare a Completion Schedule consisting of a final savings analysis of the terms of the final contract between the State and the selected vendor. This Completion Schedule will be reviewed jointly by the State and the Offeror.

Execution of both the Completion Schedule and the contract between the State and the selected vendor will conclude the Offeror's engagement.

## **2.3 OFFEROR Personnel Qualifications**

The State requests the OFFEROR to fulfill the requirements of this RFP by providing qualified staff, per the requirements below. The OFFEROR'S proposed staff, inclusive of all subcontractors, shall:

- Experience: Have demonstrated experience performing the requested work, ideally with large public sector organizations of the size and complexity of the State of Hawai'i.
- Expertise: Have extensive experience in contract discussions and cost optimization for information technology investments, including SaaS, software licensing, hardware, and

related IT services. This includes the ability to benchmark pricing, evaluate licensing models, assess contractual terms and conditions, and recommend cost optimization strategies that align with market norms.

- Market Knowledge: Maintain current knowledge of IT contract market dynamics through ongoing, high-volume transactions with major technology vendors to ensure accurate benchmarking and comparative analytics.
- Availability: The OFFEROR'S (and its subcontractors') assigned staff will be expected to be available for the duration of this engagement and be available for calls and meetings at the discretion of the State during normal business hours: M-F 7:45 am thru 4:30 pm HST. Be available to begin work promptly upon award and execution of the contract.

### **2.3.1 Designated Project Manager**

The OFFEROR shall include a designated Project Manager with suitable qualifications as described below:

- Extensive managerial and project oversight experience, with direct responsibility for activities such as contract strategy development, stakeholder coordination, fiscal tracking, and deliverable management.
- Proven leadership skills and advanced cost optimization advisory experience, demonstrating the ability to guide executive decision-making and drive contract discussions to successful outcomes.
- Bachelor's degree in business, law, computer science, MIS, or a related field. A Juris Doctor (JD), MBA, or equivalent advanced degree is desirable.
- Strong written, oral, and presentation skills to convey complex contractual, pricing, and cost optimization analysis to diverse stakeholders, including executives, attorneys, procurement officers, and IT staff.
- Professional work experience supporting IT contract cost optimization, procurement evaluations, or contract lifecycle management for large-scale IT projects.

### **2.3.2 Key Personnel Requirements**

- The OFFEROR and the State agree that the proposed staff are critical to the performance of the contract. The State reserves the right of refusal for any proposed replacements, substitutions, or reassignments of duties of personnel assigned to this contract.
- The OFFEROR shall secure written approval from the State prior to making any changes to key personnel assigned to perform services under this contract.

### **2.4 Work Offices**

The main offices are located in the Kalanimoku Building, 1151 Punchbowl Street, Honolulu, HI 96813, although work may also be required to be performed at State office locations throughout Honolulu. Normal business hours are between 7:45 am and 4:30 pm, Hawai'i Standard Time (HST). Work plans shall be structured such that any need for or involvement of the State staff is during normal business hours.

A portion of the work required is normally done on-site at State facilities such as stakeholder meetings, interviews, briefings of monthly reports, observation, and verification. Accommodations will be made for remote participation and collaboration (e.g., Microsoft Teams) in lieu of on-site and in-person interactions. Any proposed remote work must be identified in the proposal by the OFFEROR and must be pre-approved by the State. OFFERORS shall take this into account when preparing their proposals.

OFFEROR may utilize its own equipment including laptops, desktops, and networks, provided they are in accordance with the security benchmarks approved and allowed by ETS. Reference the ETS policies that currently prioritizes how to protect devices connecting to the State of Hawai'i government network (Next Generation Network – NGN) and Microsoft O365, DHRD acceptable use policy, and DAGS acceptable use guidelines.

<sup>1</sup><http://ets.hawaii.gov/policies/>

<sup>2</sup><https://dhrd.hawaii.gov/wp-content/uploads/2012/11/0103001-090717.pdf>

## Section 3: Proposal Instructions

### 3.1 Proposal Format and Content

All Proposals must be submitted in the following format. Detailed information on submitting each of these sections is contained in this RFP. Proposal shall be submitted in size 12, Aptos font, or equivalent.

#### 1. Proposal Checklist.

Complete and submit all items noted on the Proposal Checklist.

#### 2. Attachment 1: Proposal Form, OF-1

OFFEROR shall complete and sign OF-1 Proposal Form.

#### 3. Table of Contents

A Table of Contents must be included with each proposal. All major parts of the proposal shall be identified by referencing page number.

#### 4. Executive Summary

The executive summary, not to exceed two (2) pages, should briefly describe the OFFEROR'S proposal and highlight its major features. The proposal should demonstrate the OFFEROR'S understanding of and ability to meet the Requirements of the RFP. The State should be able to determine the essence of the Proposal by reading the executive summary.

The OFFEROR shall also include the name and contact information of the person the State should contact regarding the OFFEROR'S proposal.

## 5. Firm's Experience and Capability

Provide three (3) references for large-scale, public-sector technology projects covering IT contract cost optimization engagements and software license price optimization for large, enterprise organizations that resulted in measurable savings.

- a. Organization name
- b. Project title and summarized description of work
- c. Start and end dates
- d. Point of contact name, title, email, phone
- e. Description of company experience, including number of years of technical and industry experience, showing knowledge of and proficiency in IT contract cost optimization, cost optimization engagements, and software license price optimization for large, enterprise organization projects, particularly within large-scale public-sector or comparable enterprise environments.

## 6. Staff Qualifications

Submit resumes of individuals, including all subcontractors, who will perform the activities described in the RFP. OFFEROR must identify any subcontractor that will be used and include the name of the company, telephone number, contact person, and type of work subcontractor will perform. When requested by the State, OFFEROR shall provide additional information (such as references) on subcontractor.

## 7. Technical Approach

Include the proposed methodology to fulfill the RFP requirements, demonstrating an understanding of the outlined deliverables.

- a. OFFEROR is expected to provide as much detail as necessary for the State to gain a solid understanding of how OFFEROR proposes to meet the requirements for the work, including, but not limited to the overall approach and philosophy, benchmarks and measurement, anticipated activities and tasks, number of personnel assigned or involved at each stage, identification of who is performing work (prime vs. subcontractor(s)), on-site work vs. off-site work, description of reports, and briefings. OFFEROR shall also provide formats or samples of an assessment report or similar report.
- b. OFFEROR shall include a project organization chart and staffing approach (to include all subcontractors).
- c. The required work may be conducted on-site at State facilities or remotely. Accommodations for remote participation and collaboration (e.g., Microsoft Teams)

will be made where necessary. Any proposed remote work must be identified by the OFFEROR and agreed upon by the State prior to commencement.

- d. For off-site portions of the Work, the OFFEROR'S proposal must include:
  - i. A detailed description of how off-site work will be managed.
  - ii. Identification of work to be performed off-site.
  - iii. Location of the off-site work.
  - iv. Potential cost savings for the State if work is performed off-site.
  - v. The State reserves the right to accept or reject any off-site work conditions.

## **8. Price**

### **a. Pricing Overview**

This engagement will be structured as performance-based, no up-front costs, for the State of Hawai'i. The OFFEROR will be compensated only when measurable savings are achieved and verified as a direct result of successful proposal discussions. No retainers, minimum fees, advance payments, or travel payments will be made under this contract. Compensation, if any, will be based on an agreed-upon percentage of net verified savings and will be payable only upon written approval by the State.

### **b. Pricing Model**

OFFEROR shall propose a performance-based compensation model that clearly outlines how payment will be determined based on verified savings achieved during proposal discussions.

The OFFEROR'S proposal shall include the following details:

- i. The percentage share of net savings to be paid to the OFFEROR, calculated as the difference between the vendor's initial proposal and the final executed contract amount.
- ii. A transparent and clearly documented methodology for calculating savings, including how baselines will be established and verified.
- iii. The process for validating and approving savings with the State prior to any payment authorization.
- iv. Confirmation that no retainers, minimum fees, or advance payments will be charged.
- v. All proposed compensation shall be inclusive of the State of Hawai'i General Excise Tax (GET) of 4.712%.

Payments, if applicable, will only be made upon verification and written acceptance by the State of actual savings achieved.

Illustrative Example

Scenario	Initial Vendor Proposal	Final Negotiated Agreement	Net Savings Achieved	OFFEROR Share (e.g., 20%)	Total OFFEROR Fee (incl. GET)
Example 1	\$10,000,000	\$9,000,000	\$1,000,000	20%	\$200,000 + 4.712% GET

*Note: This table is for illustration purposes only. The OFFEROR shall propose its own percentage share and savings calculation methodology as part of its pricing proposal. Final compensation will be based solely on verified and approved savings achieved.*

## 9. Payment Verification and Invoicing

All payments to the OFFEROR shall be contingent upon the State’s written verification and acceptance of documented savings achieved as a direct result of the OFFEROR’S work.

### a. Savings Verification:

- i. The OFFEROR shall submit a Savings Verification Report for each cost optimization effort, summarizing:
  1. The initial proposal amount (baseline) and date received for the awarded vendor.
  2. The final negotiated amount agreed to by the State and awarded vendor.
  3. The calculated net savings (difference between baseline and final amount).
  4. Supporting documentation such as awarded vendor correspondence, proposal redlines, or pricing analyses.
- ii. The State will review and validate all supporting documentation. Only verified savings approved in writing by the State will be eligible for compensation.

### b. Invoicing:

- i. Following written verification of savings, the OFFEROR may submit an invoice for the agreed-upon percentage of verified savings, inclusive of GET.
- ii. Invoices must reference the corresponding Savings Verification Report and include written approval from the State confirming the savings amount.
- iii. The State will not authorize payment for projected, estimated, or disputed savings.

### c. Timing of Payments:

- i. Payments will be made on a per-contract basis following verification of each completed cost optimization effort or upon completion of a group of efforts, as mutually agreed upon.

- ii. No payment shall be made prior to completion of services and State acceptance.

**d. No Additional Charges:**

- i. The OFFEROR shall not charge any retainers, administrative fees, or additional expenses beyond the approved percentage share of verified savings.
- ii. All travel or incidental costs shall be included in the OFFEROR'S proposed share percentage.

**10. Conflict of Interest Exclusion – Attestation**

The proposal must provide attestations, as described in Section 1.13 Conflict of Interest Exclusion.

**11. Attachment 2: Proposed Exceptions**

OFFEROR shall list any proposed exceptions to specifications or other requirements contained in Section II: Scope of Work of this RFP. NO EXCEPTIONS SHALL BE MADE TO THE GENERAL OR SPECIAL CONDITIONS. OFFEROR shall reference the RFP section where exception is taken, describe the exception, the proposed alternative, and the reason for the proposed alternative. Failure to note any exception means that OFFEROR accepts and will comply with every specification and requirement of this RFP. The State reserves the right to not accept any exception or alternative proposals by an OFFEROR.

**12. Attachment 3: Confidential Information**

All confidential, protected or proprietary information must be included in this section of the proposal. Provide a reference in the proposal directing the State to the specific area of this protected information section. Price is not considered confidential and shall not be withheld. Information included in the Confidential, Protected or Proprietary Information section of an OFFEROR'S proposal is not automatically accepted as protected. All information identified as confidential, protected, or proprietary will be subject to review by the State in accordance with the State's open records statute (HRS Chapter 92F, Uniform Information Practices Act), freedom of information act, or similar law and applicable procurement rules.

**3.2 OFFEROR'S Terms and Conditions**

OFFERORS shall not submit OFFEROR'S terms and conditions, standard contracts or other agreements. General references to such terms, attempts at complete substitution of such terms, or modification of the State's terms and conditions, may be cause to declare OFFEROR'S proposal non-responsive and result in the rejection of OFFEROR'S proposal.

### 3.3 Submission of Requested Information and Documents

If any additional information is required by the State regarding any aspect of OFFEROR'S proposal, it shall be provided within two (2) business days after requested.

## Section 4: Proposal Evaluation

### 4.1 Introduction

The State will consider all responsive and responsible proposals to determine the best value to the State of Hawai'i in meeting State's objectives for this engagement. Best value means the most advantageous proposal based on an evaluation of experience, methodology, staffing, and the proposed compensation model.

Because this procurement is a performance-based, no-cost arrangement, proposals will be evaluated primarily on demonstrated expertise, proven results, and the ability to achieve measurable savings. The proposed share-of-savings model will also be reviewed for reasonableness, realism, transparency, and alignment with the State's interests. Proposals that fail to meet material requirements, include an unjustifiable pricing structure, or reflect unreasonable technical or schedule commitments may be deemed non-responsive.

### 4.2 Phase 1 – Evaluation of Proposals

The procurement officer will review and evaluate all proposals submitted by the Proposal Due Date as specified in this RFP.

The evaluation will be conducted in six (6) phases:

**Phase 1:** Evaluation of OFFEROR'S proposal

**Phase 2:** Establishment of PRIORITY-LISTED OFFERORS

**Phase 3:** Discussion and/or Clarification with PRIORITY-LISTED OFFERORS (Optional)

**Phase 4:** Best and Final Offer (if applicable)

**Phase 5:** Final Evaluation of Proposals

**Phase 6:** Recommendation for Award

#### EVALUATION CRITERIA AND POSSIBLE POINTS

Evaluation Criteria	Possible Points
Experience and Past Performance	45
Methodology and Approach	25
Staff Qualifications	20
Price (Share of Savings)	10
<b>Total Possible Points</b>	<b>100</b>

## 4.2.1 Evaluation Criteria

### 1. Experience and Past Performance - 45 Points Maximum

Evaluated based on the OFFEROR'S demonstrated experience supporting IT contract cost optimization engagements, and measurable savings for large-scale, public-sector technology projects.

#### Scoring Guide:

- **Excellent (41-45 pts):** OFFEROR provides extensive, directly relevant experience with large public sector clients; multiple references demonstrate significant savings and favorable contract outcomes.
- **Very Good (36-40 pts):** OFFEROR has strong experience with cost optimization and IT contracting, with successful engagements of similar complexity.
- **Good (26-35 pts):** OFFEROR has relevant experience but fewer comparable public-sector projects or limited measurable savings data.
- **Fair (11-25 pts):** OFFEROR demonstrates limited experience with cost optimization or public sector cost optimization projects.
- **Poor (0-10 pts):** OFFEROR lacks relevant experience or does not provide adequate evidence of past performance.

### 2. Methodology and Approach – 25 Points Maximum

Evaluated based on the OFFEROR'S proposed approach to analyzing vendor proposals, benchmarking, and developing cost optimization strategies.

#### Scoring Guide:

- **Excellent (22–25 pts):** The process for assessing vendor proposals, identifying savings opportunities, and maintaining confidentiality is clearly defined; methodology is detailed, realistic, and tailored to the State's objectives.
- **Very Good (18–21 pts):** Methodology is well defined and addresses most aspects of the scope of work.
- **Good (13–17 pts):** Approach is sound but lacks detail or tailoring to the State's context.
- **Fair (6–12 pts):** Methodology is vague or generic; limited understanding of cost optimization best practices.
- **Poor (0–5 pts):** Approach is incomplete or fails to address the requirements.

### 3. Staff Qualifications – 20 Points Maximum

Evaluated based on the OFFEROR'S proposed staff experience and qualifications to perform contract cost optimization support, pricing analysis, and market benchmarking.

#### Scoring Guide:

- **Excellent (18–20 pts):** Proposed key staff possess exceptional credentials in IT contract cost optimization and pricing strategy; clear demonstration of relevant experience and leadership.

- **Very Good (15–17 pts):** Strong team with relevant backgrounds and demonstrated capability.
- **Good (10–14 pts):** Staff meet minimum qualifications; experience is adequate but not comprehensive.
- **Fair (5–9 pts):** Limited evidence of experience in comparable projects.
- **Poor (0–4 pts):** Insufficient qualifications or lack of demonstrated experience.

**4. Price (Share of Savings) – 10 Points Maximum**

**4.2.2 Price Points Conversion**

In converting price to points, the Lowest Total OFFEROR Fee will automatically receive the maximum number of points allocated to the price shown in the Evaluation Criteria table shown above. The point allocations for Price for the other offers will be determined by the method set out in the following formula: [Lowest Total OFFEROR Fee multiplied by maximum points divided by [OFFEROR’S Proposed Total OFFEROR Fee] = Price points awarded.

OFFERORS shall use the following table and insert proposed OFFEROR Share percentage value and the associated Total OFFEROR Fee portion for points calculation purposes:

OFFEROR Share of Savings

Scenario	Initial Vendor Proposal	Final Negotiated Agreement	Net Savings Achieved	OFFEROR Share (insert %)	Total OFFEROR Fee (incl. GET)
For Price Model Points Calculation	\$10,000,000	\$9,000,000	\$1,000,000	_____ %	\$_____ + 4.712% GET

For example, since the maximum points for Price is 10 points, where OFFEROR A submitted an OFFEROR Share of 20% equating to a Total OFFEROR Fee of \$209,424; OFFEROR B submitted an OFFEROR Share of 25% equating to a Total OFFEROR Fee of \$261,780; OFFEROR C submitted an OFFEROR Share of 30% equating to a Total OFFEROR Fee of \$314,136:

- OFFEROR A would receive 10 points, the maximum points for Pricing Model, based on the lowest Total OFFEROR Fee of \$209,424.
- OFFEROR B would receive 8 points [ $\$209,424 \times 10 \text{ points} / \$261,780 = 8 \text{ points}$ ].
- OFFEROR C would receive 6.7 points [ $\$209,424 \times 10 \text{ points} / \$314,136 = 6.7 \text{ points}$ ].

**4.3 Phase 2 – Establishment of PRIORITY-LISTED OFFERORS**

The Procurement Officer will evaluate all proposals and, if necessary, establish a priority list of OFFERORS who received the best preliminary evaluations. If more than three proposals are received, a priority list of not less than three OFFERORS submitting the highest-ranked proposals

shall be generated. The procurement officer may have additional discussions with PRIORITY-LISTED OFFERORS prior to the submission of the best and final offers.

#### **4.4 Phase 3 – Discussion and Clarification with PRIORITY-LISTED OFFERORS (Optional)**

If, during discussions, there is a need for any substantial clarification or change in the RFP, the RFP shall be amended by an addendum to incorporate the clarification or change. Addenda to the RFP shall be distributed only to PRIORITY-LISTED OFFERORS.

The PRIORITY-LISTED OFFERORS shall then be permitted to submit new proposals or amend its submitted proposals. The contents of any proposal shall not be disclosed to competing OFFERORS during discussions.

#### **4.5 Phase 4 – Best and Final Offer (If Applicable)**

The Procurement Officer will establish a date and time for the PRIORITY-LISTED OFFERORS to submit its BAFO. A BAFO shall be submitted only once, unless the Head of the Purchasing Agency determines in writing that it is in DAGS best interest to conduct additional discussions or change the RFP's requirements by an addendum distributed only to the PRIORITY-LISTED OFFERORS and require another submission of a BAFO. Otherwise, no discussion or changes in the BAFOs will be allowed prior to award.

If a PRIORITY-LISTED OFFEROR does not submit a notice of withdrawal or another BAFO, its latest offer will be considered its BAFO.

After BAFOs are received, final evaluations will be conducted.

#### **4.6 Phase 5 – Final Evaluation of Proposals**

The Procurement Officer will conduct final evaluations of the PRIORITY-LISTED OFFERORS' proposals in accordance with the criteria listed in 4.2 Phase 1 – Evaluation of Proposals.

#### **4.7 Recommendation for Award**

The Procurement Officer will evaluate and determine which proposal best meets the requirements of this RFP and represents the best value to the State. The Procurement Officer will prepare a report summarizing the findings and rankings and make a final recommendation to the HOPA as to the selection of the OFFEROR and award of the contract.

#### **4.8 Notification of Award – Non-Selected OFFEROR**

Upon award to the successful OFFEROR, DAGS will publicly post a notice of award on HIEPRO. DAGS will also provide written notification of the award to any unsuccessful OFFEROR(S). DAGS is not responsible for delays or non-receipt of such notification.

## Section 5: Attachments & Exhibits

### 5.1 Attachment & Exhibits

The following are included as part of the RFP on the HIePRO (<http://hiepro.ehawaii.gov>).

- Attachment 1: Proposal Form, OF-1
- Attachment 2: Proposed Exceptions
- Attachment 3: Confidential Information
- Exhibit A – Contract Form and General Conditions