

STATE PROCUREMENT OFFICE

RELEASE DATE: January 17, 2014

REQUEST FOR PROPOSALS RFP-13-020-SW

SEALED OFFERS FOR **CONSULTING SERVICES TO DEVELOP UNIFORM CHART OF ACCOUNTS (UCOA)** STATE OF HAWAII OFFICE OF INFORMATION MANAGEMENT AND TECHNOLOGY

WILL BE RECEIVED UP TO 2:00 P.M. HST, ON
FEBRUARY 18, 2014

OR AS RECEIVED THROUGH ADDENDA IF APPLICABLE, THROUGH THE HAWAII
ePROCUREMENT SYSTEM (HiePRO). DIRECT ALL QUESTIONS REGARDING THIS RFP,
QUESTIONS OR ISSUES RELATING TO THE ACCESSIBILITY OF THIS RFP (INCLUDING THE
APPENDICES AND EXHIBITS AND ANY OTHER DOCUMENT RELATED TO THIS RFP) AND
REQUESTS FOR ACCOMMODATIONS FOR PERSONS WITH DISABILITIES IN CONNECTION WITH
THIS RFP, TO BONNIE KAHAKUI, TELEPHONE (808) 587-4702 OR EMAIL AT
BONNIE.A.KAHAKUI@HAWAII.GOV.

Mara Smith
Procurement Officer

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Attachment C	Program Structure (Act 106 SLH2012)
Attachment D	State of Hawaii, Comprehensive Annual Financial Report, For the Fiscal Year Ended June 30, 2012
Attachment E	State of Hawaii, Budgeted Positions, By Dept, FY 2013

1.0 Introduction, Terms and Acronyms, Key Dates

1.1 Introduction

The State Procurement Office (SPO), on behalf of the Office of Information Management and Technology (OIMT) and the Department of Accounting and General Services (DAGS), is requesting proposals for consulting services to analyze and develop a Uniform Chart of Accounts (UCOA) for the State of Hawaii (State). The resulting Contract requires the Contractor to assess the State's current Chart of Accounts (COA) structure, develop a draft UCOA design document, work with the State's Enterprise Resource Planning (ERP) "fit-gap" contractors, and finalize the UCOA design document based on findings from work with the State's ERP "fit-gap" contractors. Award will result in a Contract for these consulting services to be used by DAGS.

1.2 Contract Type

The State contemplates award of a Fixed Firm Price Contract resulting from this Request for Proposal (RFP).

1.3 Term of Contract

The contract shall be for a period of twelve (12) months. Unless terminated, the Contractor and the State may extend the term of the Contract for two (2) additional twelve (12) month periods or portions thereof without the necessity of re-bidding, upon mutual agreement in writing at least sixty (60) days prior to the expiration of the Contract. The Contract price paid to the Contractor for the extended period shall remain the same or as described in the contract.

1.4 Cancellation

The RFP may be cancelled and any or all proposals rejected in whole or in part, without liability to the State, when it is determined to be in the best interest of the State.

1.5 RFP Schedule and Significant Dates

The schedule represents the State's best estimate of the schedule that will be followed. All times indicated are Hawaii Standard Time (HST). If a component of this schedule, such as "Proposal Due date/time" is delayed, the rest of the schedule will likely be shifted by the same number of days. Any change to the RFP Schedule and Significant Dates will be reflected in and issued in an addendum. The approximate schedule is as follows:

Table 1. RFP Schedule and Significant Dates

Step	Deadline
Release of RFP	January 17, 2014
Due Date to Submit Questions*	January 24, 2014
State's Response to Questions*	February 3, 2014

Step	Deadline
Proposals Due Date/Time*	February 18, 2014, 2:00 PM HST
Proposal Evaluations	To Be Determined ("TBD")
Discussion with Priority Listed Offerors (if necessary)	TBD
Best and Final Offer (BAFO) (if necessary)	TBD
Notice of Award	TBD
Contract Start Date	TBD

*Submittal of questions, response to questions and proposals shall be received through the State of Hawaii eProcurement System (HlePRO) by date and time indicated above. Proposals submitted after the deadline and/or not through HlePRO shall not be considered for award.

1.6 Background Materials

The following table provides a listing of RFP attachments and document links that provide available materials related to the UCOA. Offerors are encouraged to review this information in order to gain a thorough understanding of the State and the business and technical environment in which it operates.

		Attachment Name or Document Link
1	Budget Object Code Report OBBB20R1 (sample)	Attachment A - BudgetObjectCodeReport OBBB20R1
2	FAMIS Manual (Volume 1): <ul style="list-style-type: none"> Chapter III Classification Structure Chapter IV GL Account Structure Chapter VIII Financial Reporting 	Attachment B1 - FAMIS Manual – Vol. 1, Chapter III Attachment B2 - FAMIS Manual – Vol. 1, Chapter IV Attachment B3 - FAMIS Manual – Vol. 1, Chapter VIII
3	Program Structure (Act 106 SLH2012)	Attachment C - Program Structure - Act 106 SLH2012
4	State of Hawaii, Comprehensive Annual Financial Report, For the Fiscal Year Ended June 30, 2012	Attachment D -State of Hawaii CAFR 20120630

		Attachment Name or Document Link
5	State of Hawaii, Executive Biennium Budget, Fiscal Budget 2013-15	http://budget.hawaii.gov/budget/executive-biennium-budget/
6	State of Hawaii, Dept. of Education, Organizational Charts, as of 6/30/12	http://www.hawaiipublicschools.org/DOE%20Forms/DOE%20Form/Plan%20of%20Organization.pdf
7	State of Hawaii, Dept. of Education, State Reports	http://www.hawaiipublicschools.org/VisionForSuccess/SchoolDataAndReports/StateReports/Pages/home.aspx
8	State of Hawaii, Budgeted Positions, By Dept, FY 2013	Attachment E -State of Hawaii, Fiscal Year 2013, Budgeted Positions, By Department
9	Enterprise Resource Planning Solicitation	https://hiepro.ehawaii.gov/solicitation-notices.html Enterprise Resource Planning – P14000002, RFP13-016

1.7 Questions and Answers Prior To Opening of Proposals

All questions shall be submitted electronically through the HlePRO by the due date specified in “Section 1.5, RFP Schedule and Significant Dates”, or as amended. To facilitate a meaningful response, written questions shall reference the page, section number, paragraph and line or sentence of the RFP to which the question relates.

The State will respond to questions through Addendum by the date specified in “Section 1.5, RFP Schedule and Significant Dates”, or as amended.

If Offeror submits a question after the scheduled date, the State may answer the question in the form of an addendum, but does not guarantee that the answer will be provided prior to the Proposal due date.

2.0 Background and Scope of Work

2.1 Project Overview and History

DAGS is currently responsible for State-wide accounting functions. DAGS uses the Financial Accounting and Management Information System (FAMIS) and the FAMIS Data Mart to support its State-wide accounting functions. FAMIS is the financial system of record and the FAMIS Data Mart is used to support financial reporting for the State.

As part of its responsibilities, DAGS is accountable for maintaining the State's current COA. In order to provide the ability of the State to better support enterprise-wide and departmental reporting, DAGS is undertaking an initiative to develop, approve, and implement a Uniform Chart of Accounts (UCOA). It is expected that the UCOA will provide the State with an accurate and comparable set of records, reports, and statements of all financial data across the State. It is expected that the UCOA will incorporate and include all the accounts that are required for preparing and reporting budgeted and actual data (e.g., organization, general ledger, program, object (line item), all types of receipts, funding source/appropriation, fund classifications, project, and grant).

The following table provides a summary of the State's current COA (For additional detail on current COA, please see documents referenced in "Section 1.5, Background Materials"):

Table 2. State's Current COA

COMPONENT	CLASSIFICATION ELEMENT (FIELD LENGTH)
Fund	Fund (1) Generally Accepted Accounting Principles (GAAP) Fund (2) GAAP Subfund (2) Means of Financing (MOF) (1) Fund Detail (2)
Organization	Department (2) Division (2) Branch (2) Section (2) Unit (2) Cost Center (4)
Program	Report Program (6) Program Level I through VII (2 per Level) Appropriation Account (3) Department Activity (3) Departmental Activity Level I through VII (2 per Level) Appropriation Type Indicator (1) Appropriation Control Indicator (1)

COMPONENT	CLASSIFICATION ELEMENT (FIELD LENGTH)
	Reversion Indicator (1)
Object/Source	Cost Element (2) Allotment Category (2) Major Object (2) Minor Object (2) Source of Revenue (4)
Project	Control Project (6) State-wide Project (6) Project Type (1) User Agency (2) Project (6) Project Phase (2) Location (2)
Other	Transaction Code (3) General Ledger Account (3) Subsidiary (6) Vendor Code/ Suffix (12)

The new UCOA is being developed in coordination with the State's ERP Program. The State has initiated the ERP Program to address the administrative system requirements to support changing business priorities and on-going capital investments. It is expected that the new UCOA will provide one of the basic foundational components for the State's new ERP System.

2.2 Scope of Work

Consulting services are being sought to develop a UCOA for the State of Hawaii. All services provided shall be in accordance with this RFP, including its attachments and any addenda.

The Offeror, by submitting a proposal in response to this UCOA RFP, certifies that the proposal and price of the proposal being submitted was arrived at without any conflict of interest. Should a material conflict of interest be detected at any time during the term of the Contract, the Contract may be terminated and the Contractor shall assume all costs of the Contract project until such time that a new contractor is selected.

2.2.1 Objectives

The overall objective of the UCOA Project is to develop, approve, and implement a UCOA and associated business rules to:

- Support summary and detailed budget reporting (i.e. budgeted disbursements to actual disbursements; budgeted receipts to actual receipts).
- Support financial transaction reporting (actual data) to meet the State and individual departments reporting requirements.

- Provide a coding system with various components to meet complex reporting requirements (e.g. Comprehensive Annual Financial Report (CAFR), Schedule of Expenditures of Federal Awards (SEFA), month-end closing, year-end closing, budget to actual reporting, grants, projects, and investments) across the State.
- Address current (and any future) GAAP and Governmental Accounting Standards Board (GASB) reporting requirements.
- Provide the ability to aggregate data across and/or within the State (e.g., all cell phone costs for an organizational unit or for all State departments).
- Provide State departments, divisions, agencies and other organizational unit the flexibility to “drill down” to the lowest level of detail to view organizational data.
- Incorporate into State of Hawaii Accounting Manual (<http://files.hawaii.gov/accounting/>)

2.2.2 Organizational Scope

In general, it is envisioned that all State departments, except as noted below, will utilize the new UCOA for budgeting and financial transactions in the new ERP system.

- Department of Transportation, Highways Division, will interface data from their financial system (FAST) into the State’s new ERP System using a crosswalk to map their existing COA to the State’s new UCOA.
- The University of Hawaii will interface data from their financial systems to the State’s new ERP System, using a crosswalk that maps their COA to the State’s new UCOA.

Additionally, it is anticipated that the Legislative and Judicial Branches, as well as the Office of Hawaiian Affairs, will utilize a crosswalk to interface data from their existing financial systems to the State’s new ERP System.

2.2.3 Project Tasks and Activities

The purpose of this section is to describe the Tasks and Activities expected to occur during this Project. The following tasks and activities are included in the scope of work for this Project:

Task 1: Project Initiation/ Management (On-going)

- Prepare a project schedule including but not limited to: critical success factors, risk and risk mitigation, tasks, sub-tasks, dependencies, and key milestones for the preparation of a UCOA for the State.
- Work with the State to outline the list of individuals, departments, divisions, agencies and any other State personnel that will need to be interviewed regarding their specific reporting methods and requirements.
- Develop an interview schedule.
- Provide Project Status Reports and conduct regularly scheduled status meetings reviewing Project progress, risk mitigation, issue resolution, deliverable status, and next steps as mutually agreed upon by the State and the Contractor.

Task 2: Complete an initial assessment of the State’s current COA structure and other accounting structures utilized by departments.

- Work with the State to review, analyze and understand the financial reporting process including, but not limited to all data that is ultimately rolled up for utilization in the CAFR, SEFA, departmental reporting, the annual budget and the annual audit process.
- Interview departments, divisions, agencies and any other State personnel identified in

Task 1 to assess their specific requirements related to COA, identify those functions that are currently being utilized, identify those functions/criteria that are not currently available, feasible or functional, but would be desired in their operations.

- Prepare an “inventory” of the various versions of COA that exist within the State’s various financial structures/entities/departments. Perform a comparison between the COAs (e.g., develop crosswalk).
- Prepare a detailed summary of the results of interviews with all functional areas relative to (a) what is the current financial reporting structure, (b) what is the preferred structure, and (c) what is the best practices structure (relative to GAAP and GASB reporting).
- Prepare flow charts which detail how data currently interfaces from/to FAMIS, which is based on the current COA, to the various State financial reporting systems (e.g., departmental data warehouses).

Task 3: Develop a draft UCOA design document.

- Based upon initial assessment and input from the State, develop a UCOA model as well as any necessary business rules (e.g., number of fields required per general ledger account) to support State requirements as set forth in “Section 2.2.4, UCOA Design Document Requirements”. Include rationale and estimated impact of any recommended changes from the current COA (Task 2).
- Provide facilitation assistance and process support when presenting findings to the participating stakeholders including a demonstration of how the proposed UCOA structure would be implemented or has been implemented in other states.
- The draft UCOA design document shall include but not be limited to the following:
 - Overview of the UCOA Structure, including but not limited to:
 - Objectives
 - Statutory/ Regulatory Requirements
 - High-Level Description of Account Codes
 - UCOA Structure Layout
 - UCOA Usage Classification (e.g., mandatory codes; discretionary codes)
 - Detailed Description of Each UCOA Code
 - Purpose of the Code (e.g., use to roll-up financials across the State for preparation of CAFR; standalone code; code used for cost accounting; field used to link revenue to expense).
 - Flexibility in Use of the Code (e.g., Required for All Departments.; Optional Use by Departments)
 - List of Codes
 - Definition of Codes

Task 4: Work with the State’s ERP “fit-gap” contractors to demonstrate how the proposed UCOA structure will be implemented in the application, including field definitions and usage; and reporting. Prepare a detailed summary of the results of work performed with the State’s ERP “fit-gap” contractors.

Task 5: Prepare a final UCOA design document, which incorporates findings from Task 4 and input from the State.

- The final UCOA design document shall include but not be limited to the following:
 - Overview of the UCOA Structure, including but not limited to:
 - Objectives
 - Statutory/ Regulatory Requirements
 - High-Level Description of Account Codes

- UCOA Structure Layout
- UCOA Usage Classification (e.g., mandatory codes; discretionary codes)
- Detailed Description of Each UCOA Code
 - Purpose of the Code (e.g., use to roll-up financials across the State for preparation of CAFR; standalone code; code used for cost accounting; field used to link revenue to expense).
 - Flexibility in Use of the Code (e.g., Required for All Departments.; Optional Use by Departments)
 - List of Codes
 - Definition of Codes

2.2.4 UCOA Design Document Requirements

The purpose of this section is to provide detailed requirements which must be met as part of the UCOA Design Document – Draft and Final – deliverables, which are described in “Section 2.2.3, Project Tasks and Activities” and “Section 2.2.6, Project Deliverables”. Deliverable requirements include the following:

1. Addresses functional areas, including but not limited to:
 - Legislative Appropriation (e.g., MOF, operational and capital improvement projects)
 - Executive Budget (e.g., preparation, execution, allotment, and reporting)
 - Departmental Budgets
 - Human Resource Administration (e.g., salaries, vacation accruals, sick leave accruals)
 - Financial Reporting (e.g., variance, periodic and annual)
 - Accounting (e.g., payroll, receipts/ disbursements, encumbrances, CAFR, departmental reporting, SEFA, investments, cash management).
2. Provides an account structure and hierarchy which facilitates roll-ups for financial reporting and cost allocation functionality.
3. Provides the ability to aggregate data across and/or within organization (i.e. all cell phone costs for the organizational unit or for all State departments).
4. Provides the ability to meet State-wide budget and financial reporting requirements.
5. Allows departments, divisions, agencies and other State organizations the flexibility to drill down to meet individual and specific business and reporting requirements.
6. Provides the structural levels required for financial statement reporting and flexibility to meet department, division and other specific requirements, including but not limited to:
 - CAFR
 - Month-end Closing
 - Budget Variance Reporting
7. Provides a coding system with various components to meet complex reporting requirements (e.g. CAFR, SEFA, month-end closing, year-end closing, budget to actual reporting, grants, projects) across the organization.
8. “Section 2.2.3, Project Tasks and Activities”, Tasks 1-3 need to be completed prior to selection of the ERP vendor. It is therefore critical that the UCOA be designed in a manner that is easily convertible and flexible and that can be implemented in leading ERP systems in the current market.
9. Addresses current (and any known future) GAAP and GASB requirements.
10. Supports summary and detailed budget reporting (e.g., budgeted disbursements to actual disbursements; budgeted receipts to actual receipts).
11. Supports financial transaction reporting (actual data) to meet the State and individual

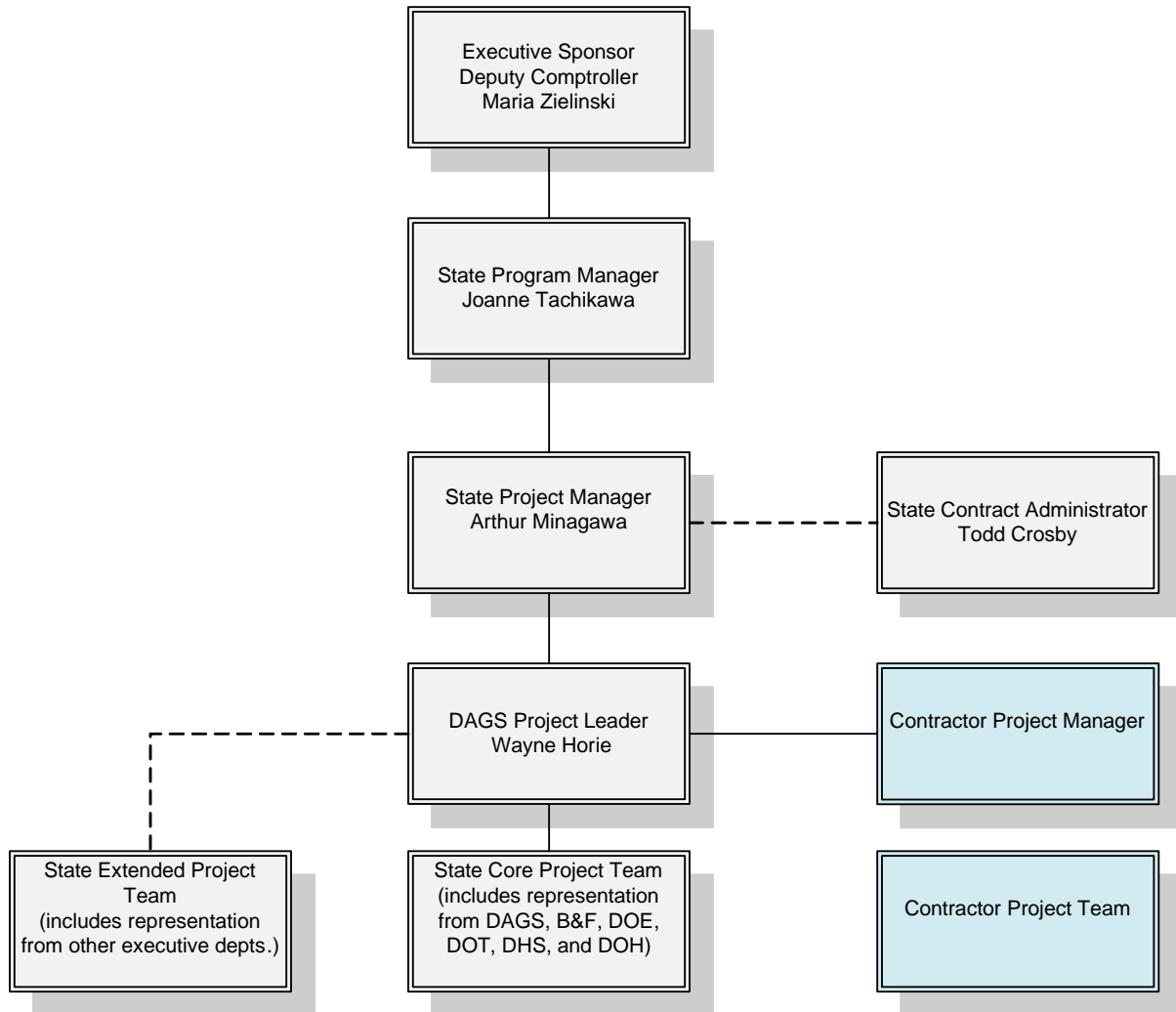
departments reporting requirements.

12. Supports the level of detail required for complex grant reporting, such as Race-to-Top (e.g., number of teachers assigned to a specific school).
13. Provides recommended coding values included in UCOA design (where applicable).

2.2.5 Project Organization and Staffing

The following figure illustrates the proposed high-level project organization. The Contractor will be responsible for providing staffing to meet the requirements set forth in this RFP. The State will also provide staff, as resources are available, to support the Project.

Figure 1. Proposed High-Level Project Organization



2.2.5.1 Key Personnel

The following table captures the roles and responsibilities of the key staff that shall be proposed by the Offeror throughout the development, implementation and deployment of a UCOA.

Table 3. Proposed Offeror Key Personnel

Role	Responsibilities	Qualifications
Offeror Project Manager	<ul style="list-style-type: none">■ Act as the primary interface with the State.■ Provide day-to-day management of the Project including overall performance, Contract compliance, and management/ direction of Contractor resources assigned to the Project.■ Manage the Project to the current work plan and coordinate the availability of scheduled resources to the Project.■ Maintain reporting, budget/cost reporting, and issue reporting, tracking, escalation, and resolution procedures.	<ul style="list-style-type: none">■ Project management experience required■ Public sector project management experience desired
Offeror Governmental Functional Lead	<ul style="list-style-type: none">■ Lead in the preparation of all deliverables.■ Work with the State team lead(s) to manage task and activities, including preparation of deliverables.■ Serve as lead functional subject matter knowledgeable resource for UCOA, including best practices regarding governmental accounting.■ Provide governmental reporting experience and guidance to State team leads.	<ul style="list-style-type: none">■ Certified public accountant (CPA) required■ Public sector experience with governmental reporting required■ K-12 experience with governmental reporting desired.■ Public sector experience with assessing and refining COA desired.
Offeror K-12 Functional Lead	<ul style="list-style-type: none">■ Serve as lead functional subject matter knowledgeable resource for governmental accounting and reporting requirements in a K-12 organization.	<ul style="list-style-type: none">■ K-12 experience with governmental reporting required.

2.2.6 Project Deliverables

The following table provides a listing of key proposed Deliverables that must be provided at a minimum. The Deliverables in the list below include: 1) formal Deliverables that are required in the Payment Schedule on Tab 4, Payment Schedule in “Appendix C, Cost Workbook”; and 2) other work products that are required for Project delivery but that are not formally tied to individual payments.

Table 4. Project Deliverables

	Name of Deliverable	Project Task	Payment Milestone
1	Project Schedule	Task 1: Project Initiation/ Management	Yes
2	Listing of Interview Participants and Interview Schedule	Task 1: Project Initiation/ Management	No
3	Inventory and Analysis of COAs Utilized Within the State	Task 2: Complete an initial assessment of the State's current COA Structure	No
4	Initial Assessment of the State's Current COA Structure and Other Accounting Structures Utilized By Departments	Task 2: Complete an initial assessment of the State's current COA Structure and other accounting structures utilized by departments	No
5	Draft UCOA Design Document	Task 3: Develop a draft UCOA design document	Yes
6	Assessment of Proposed UCOA Structure Based on Work with ERP "Fit-Gap" Contractors	Task 4: Work with the State's ERP "fit-gap" contractors to demonstrate how the proposed UCOA structure will be implemented in the application.	Yes
7	Final UCOA Design Document	Task 5: Prepare a final UCOA design document, which incorporates findings from Task 4.	Yes

2.2.6.1 Deliverable Copies

A minimum of three (3) hard copies and one (1) electronic copy of deliverables will be required under the Contract unless otherwise specified by the State. Deliverables shall be provided in Microsoft Office format (e.g. Word, PowerPoint, Excel, Visio, and MS Project) unless otherwise approved by the State in advance. The receipt of Deliverables shall be due based on the timeline submitted by the Contractor in its Offer and agreed to by the State, or as amended.

2.2.6.2 Deliverable Form and Format

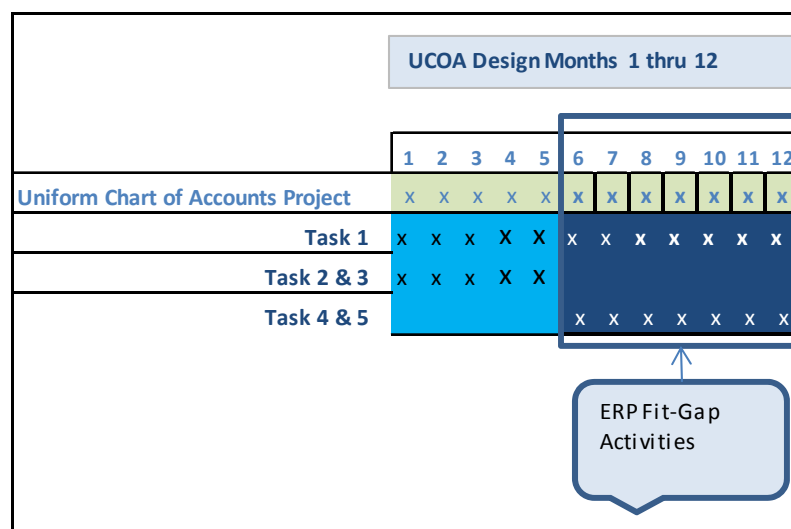
The Contractor must develop Deliverables in the form and format agreed to by the State and defined in a Deliverables Expectations Document ("DED"), which is developed by the Contractor and approved by the State. No work will be performed on any Deliverable associated with a payment milestone until the DED has been approved in writing by the State. As each Deliverable is submitted, the Contractor must include a copy of the associated DED as the

cover sheet. See “Appendix D, Deliverable Expectation Document Template” for a template to be used during execution of Consulting Services.

2.2.7 Proposed Project Timeline and Considerations

In responding to this RFP, Offerors should consider the Proposed Project Timeline for the development of the UCOA. It should be noted that this is a suggested timeline only.

Figure 2. Proposed Project Timeline



2.3 State Responsibilities

The Contract will be programmatically and fiscally monitored by the State, jointly by DAGS and OIMT, to ensure that it is in compliance with requirements set forth by Hawaii Revised Statutes (HRS) Chapter 103D. The State’s responsibilities include, but are not limited to following:

- (1) Review and approve the Project Schedule.
- (2) Monitor progress through status meetings, monthly status reports, and the project plan.
- (3) Address problems and/or concerns identified by the Contractor.
- (4) Review and approve project deliverables.
- (5) Issue payment to Contractor, after receiving appropriate invoices and the satisfactory receipt of deliverables.

The State will not be responsible for providing dedicated office space for Contractor staff.

2.4 Contract Administrator

For the purposes of this Contract, Todd Crosby, Special Assistant to the CIO, (808) 586-1930 x535, e-mail Todd.M.Crosby@hawaii.gov, or authorized representative, is designated the Contract Administrator.

3.0 Proposal Format and Content

3.1 Electronic Procurement

The State has established the HlePRO (pronounced 'HI-PRO') to electronically solicit and receive offers for procurements. Offerors interested in responding to this electronic solicitation must be registered on the HlePRO in order to participate in this procurement. Registration information is available at the State Procurement Office (SPO) website: <http://hawaii.gov/spo>, click on HePS-HlePRO, then select *HlePRO for Vendors, Contractors and Service Providers – Information, Register and Log in*.

Award(s) resulting from this solicitation, if any, shall be conducted through HlePRO and subject to a mandatory .75% (.0075) transaction fee of the award, not to exceed \$5000 for the award. This transaction fee shall be due upon award, based on the initial award amount or estimated amount, and Vendor shall be responsible for payment of the fee to Hawaii Information Consortium, LLC (HIC), the vendor administering the HlePRO. Refer to "Section 2.8, Payment to Hawaii Information Consortium, LLC."

3.2 Offeror's Authority to Submit an Offer

Each Offeror shall submit only one Proposal. Alternate Proposals shall not be accepted or considered. Submission of more than one Proposal shall invalidate all Proposals submitted by the Offeror.

The State will not participate in determinations regarding an Offeror's authority to sell a product or service. If there is a question or doubt regarding an Offeror's right or ability to obtain and sell a product or service, the Offeror shall resolve that question prior to submitting an offer.

Offerors must be capable of performing the work for which offers are being solicited.

3.3 Required Review

Before submitting a Proposal, each Offeror must thoroughly and carefully examine this RFP, any attachment, addendum, and other relevant documents, 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, using the Questions and Answer section in HlePRO, prior to the deadline for written questions as stated in "Section 1.5, RFP 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.

3.4 Proposal Preparation Costs

Any and all costs incurred by the Offeror in preparing or submitting a Proposal shall be the Offeror's sole responsibility whether or not any award results from this RFP. The State shall not reimburse such costs.

3.5 Tax Liability

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 the Hawaii General Excise Tax (GET) at the current 4.5% for sales made on Oahu, and at the 4% rate for the islands of Hawaii, Maui, Molokai, and Kauai. 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, Offeror shall state its tax exempt status and cite the HRS chapter or section allowing the exemption.

Federal I.D. Number and Hawaii GET License I.D. Offeror shall submit its current Federal I.D. No. and Hawaii GET License I.D. number in the space provided on Offer Form, page OF-1, 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.

3.6 Property of State

All proposals become the property of the State of Hawaii.

3.7 Confidential Information

If an Offeror believes that any portion of a Proposal, offer, specification, protest, or correspondence contains information that should be withheld from disclosure as confidential, the Offeror shall inform the Procurement Officer in writing and provide justification to support the Offeror's confidentiality claim. Price is not considered confidential and will not be withheld.

An Offeror shall request in writing nondisclosure of information such as designated trade secrets or other proprietary data Offeror considers to be confidential. Such requests for nondisclosure shall accompany the Proposal, be clearly marked, and shall be readily separable from the Proposal in order to facilitate eventual public inspection of the non-confidential portion of the Proposal.

3.8 Exceptions

Should Offeror take any exception to the terms, conditions, specifications, or other requirements listed in the RFP, Offeror shall list such exceptions in Section 9.0, Exceptions, of the Offeror's Proposal. Offeror shall reference the RFP section where exception is taken, a description of the exception taken, and the proposed alternative, if any. The State reserves the right to accept or not accept any exceptions.

No exceptions to statutory requirements of the Attorney General (AG) General Conditions (GC) shall be considered.

3.9 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 in a straightforward and concise manner, in a format that is reasonably consistent 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 requirements 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 as stated in "Section 2.2 Scope of Work".

Offeror shall submit a Proposal that includes an overall strategy, timeline and plan for the work proposed as well as expected results and possible shortfalls.

3.10 Proposal Forms

To be considered responsive, the Offeror's Proposal shall respond to and include all items specified in this RFP and any subsequent addendum. Any proposal offering any other set of terms and conditions that conflict with the terms and conditions provided in the RFP or in any subsequent addendum may be rejected without further consideration.

Offer Form, Page 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, OF-1 ("Appendix A, Offeror Response Form, Section 2.0, Offeror Form OF-1"). Failure to do so may delay proper execution of the Contract.

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. Ink signatures are not required for electronic submission of the Proposal on HlePRO but shall be required upon Notice of Award. The submission of the Proposal on HlePRO shall indicate Offeror's intent to be bound.

3.11 Proposal Contents

Proposals must:

1. Include a transmittal letter to confirm that the Offeror shall comply with the requirements, provisions, terms, and conditions specified in this RFP.
2. Include a signed Offer Form OF-1 with the complete name and address of Offeror's firm and the name, mailing address, telephone number, and fax number of the person the State should contact regarding the Offeror's Proposal.
3. If subcontractor(s) will be used, append a statement to the transmittal letter from each subcontractor, signed by an individual authorized to legally bind the subcontractor and stating:
 - a. The general scope of work to be performed by the subcontractor;
 - b. The subcontractor's willingness to perform the work indicated.
4. Provide all of the information requested in this RFP in the order specified.
5. Be organized into sections, following the exact format using all titles, subtitles, and numbering, with tabs separating each section described below. Each section must be addressed individually and pages must be numbered.

- a. Section 1.0: Proposal Transmittal Letter

Requirements and Instructions for completing the Proposal Transmittal Letter are detailed in "Appendix A, Offeror Response Form, Section 1.0 Proposal Transmittal Letter."

b. Section 2.0: Offeror Form OF-1

Requirements and Instructions for completing the Offeror Form OF-1 are detailed in "Appendix A, Offeror Response Form, Section 2.0 Offeror Form OF-1."

c. Section 3.0: Executive Summary

Requirements and Instructions for completing the Executive Summary are detailed in "Appendix A, Offeror Response Form, Section 3.0 Executive Summary."

d. Section 4.0: Administrative Requirements Response

Requirements and instructions for completing the Administrative Requirements Response are detailed in "Appendix A, Offeror Response Form, Section 4.0 Administrative Requirements Response."

e. Section 5.0: Offeror Qualifications

This section shall include the Offeror's response to:

- Offeror Minimum Qualifications
- Offeror Desirable Qualifications
- Offeror Reference
- Offeror Background and Experience
- Project Organization and Staffing

The State will review the Offeror's Proposal to determine whether the Offeror meets the Offeror Minimum Qualification requirements. Failure to meet an Offeror Minimum Qualification requirement may result in the Proposal being deemed non-responsive and rejected. Requirements and instructions for completing this section are included in "Appendix A, Offeror Response Form, Section 5.0 Offeror Qualifications."

f. Section 6.0: Consulting Services Requirements

This section shall include the Offeror's response to Consulting Services requirements.

These requirements and instructions on responding to these requirements are listed in "Appendix A, Offeror Response Form, Section 6.0 Consulting Services Requirements."

g. Section 7.0: Certification

This section shall include the Offeror's response to the certification requirements. These requirements and instructions on responding to these requirements are listed in "Appendix A, Offeror Response Form, Section 7.0 Certification."

h. Section 8.0: Confidential Information

This section shall include the Offeror's response to the confidential information requirements. These requirements and instructions on responding to these requirements are listed in "Appendix A, Offeror Response Form, Section 8.0 Confidential Information."

i. Section 9.0: Exceptions

This section shall include the Offeror's response to the exception requirements. These requirements and instructions on responding to these requirements are listed in "Appendix A, Offeror Response Form, Section 9.0 Exceptions."

j. Section 10.0: Cost

Offerors shall propose all inclusive firm-fixed prices ("FFP"), time and materials ("T&M") and composite rates as required in this section. Instructions and requirements for

completing the Cost Workbook are listed in “Appendix A, Offeror Response Form, Section 10.0 Cost,” which refers to “Appendix C, Cost Workbook”.

k. Section 11.0: Proposal Checklist

To aid the Offeror in completing the response, a Proposal checklist has been included for completion. The Proposal Checklist can be found in “Appendix A, Offeror Response Form, Section 11.0 Proposal Checklist.”

3.12 Electronic Submission of Proposals

The Offer shall be submitted and received electronically through the HlePRO. This electronically submitted offer shall be considered the original. Any offers received outside of the HlePRO, including faxed or e-mailed offers, shall not be accepted or considered for award. Any Offer received after the due date and time shall be rejected.

HlePRO Special Instructions. Offeror shall review all special instructions located on the HlePRO solicitation. Offerors are responsible for ensuring that all necessary files are included in their response upon submission on HlePRO by the due date and time.

Offerors are advised to not wait until the last minute to submit their offer on HlePRO. Offerors should allow ample time to review their submittals on HlePRO, including all attachments, prior to the due date/time. Submission must be completed and submitted by due date and time. If submission is not completed and submitted by the due date and time, HlePRO will not accept the offer.

The submission of an offer shall constitute an incontrovertible representation by the Offeror of compliance with every requirement of the solicitation, and that the solicitation documents are sufficient in scope and detail to indicate and convey reasonable understanding of all terms and conditions of performance of the work.

3.13 Format Instructions for Submitting Proposal on HlePRO

3.13.1 Proposal Format

The Proposal shall:

- Be submitted as attachments on HlePRO.
- Be provided in pdf format (compatible with Adobe reader version 9 or greater) and native Microsoft Word, Excel and Project file formats as applicable.
- Include a linked table of contents and bookmarks for sections and subsections.
- Restate section title.
- Respond to each section separately.
- In the footer, include the page number and total number of pages in the file as well as the filename which includes the Offeror's name.

3.13.2 File Names and Multiple Files

The Proposal shall:

- Include the RFP Number and Offeror's name in the file name.
- Be submitted as multiple files to ensure easier management, a more efficient review process, and trouble-free uploading and downloading, by utilizing the convention described below. The RFP number prefixes the filename, followed by the Offeror's

name, followed by the volume number, where each volume contains the sections of the proposal that are listed adjacent to it; namely:

Name of File	Proposal Sections Included
RFP13020SW_OfferorNameVol1.pdf	Sec. 1, Transmittal Letter, & Sec. 2, Form OF-1
RFP13020SW_OfferorNameVol2.pdf	Sec. 3, Executive Summary
RFP13020SW_OfferorNameVol3.pdf	Sec. 4, Administrative Requirements Response
RFP13020SW_OfferorNameVol4.pdf	Sec. 5, Offeror Qualifications
RFP13020SW_OfferorNameVol5.pdf	Sec. 6, Consulting Services Requirements
RFP13020SW_OfferorNameVol6.pdf	Sec. 7, Certification
RFP13020SW_OfferorNameVol7.pdf	Sec. 8, Confidential Information
RFP13020SW_OfferorNameVol8.pdf	Sec. 9, Exceptions, Sec. 10, Cost, & Sec. 11, Proposal Checklist

- Bookmark and provide the table of contents in each volume.

3.13.3 Proprietary/ Confidential Information

Proprietary information shall be contained in a separate file that is clearly identified as proprietary/confidential information. The Proposal file shall indicate the information is proprietary/confidential and located in the proprietary file. The filename with the designation, "RFP13020SW_OfferorNameVol7" shall be the only file containing confidential information in the proposal package.

3.14 Receipt and Register of Proposals

Proposals will be viewed on HlePRO on or after the date and time specified in "Section 1.5, RFP Schedule and Significant Dates", or as amended. During this time period, proposals shall not be made available to the public and shall be received and receipt verified by two or more procurement officials.

The register of proposals and proposals of the Offeror(s) shall be open to public inspection upon posting of award pursuant to section 103D-701, HRS.

3.15 Best and Final Offer (BAFO)

If the State determines a BAFO is necessary, it shall request one from the priority-listed Offerors. Offerors shall submit their BAFOs electronically through the HlePRO. Any BAFO received after the deadline or not received through HlePRO shall not be considered.

3.16 Modification Prior to Submittal Deadline or Withdrawal of Offers

The Offeror may modify or withdraw a Proposal before the proposal due date and time. Any change, addition, deletion of attachment(s) or data entry of an Offer may be made prior to the deadline for submittal of offers in the electronic system.

3.17 Mistakes in Proposals

Mistakes shall not be corrected after award of Contract. When the Procurement Officer knows or has reason to conclude before award that a mistake has been made, the Procurement Officer should request the Offeror to confirm the Proposal. If the Offeror alleges mistake, the Proposal may be corrected or withdrawn pursuant to this section.

Once discussions are commenced and after BAFOs are requested, any priority-listed Offeror may freely correct any mistake by modifying or withdrawing the Proposal until the time and date set for receipt of BAFOs.

If discussions are not held, or if the BAFOs 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.

If discussions are not held, or if the BAFOs 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 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 price, quality, or quantity. If discussions are not held or if BAFOs 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: 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 RFP, 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 price, quality or quantity.

4.0 Evaluation Criteria

Evaluation criteria and the associated points are listed in the table below. The award will be made to the responsible Offeror whose Proposal is determined to be the most advantageous to the State based on the evaluation criteria listed in this section.

Table 5. Evaluation Criteria

Evaluation Points	Evaluation Category	Evaluation Subcategory
225	Offeror Qualifications	Offeror References
		Offeror Background and Experience
225	Project Organization and Staffing	Project Organization
		Staff Experience and References
350	Consulting Services	Consulting Services (including Approach)
200	Cost	Total Cost
1000	Total	

In converting "Cost" to points, the lowest cost Proposal will automatically receive the maximum number of points allocated to cost, i.e., 200 points. The point allocations for cost on the other Proposals will be determined through the method set out as follows:

[Lowest Cost x 200 points (maximum)] divided by Offeror's Proposal Cost = Cost Points Awarded

5.0 Contractor Selection and Contract Award

5.1 Evaluation of Proposals

The Procurement Officer, or an evaluation committee of at least three (3) qualified state employees selected by the Procurement Officer, shall evaluate proposals. The evaluation will be based solely on the evaluation criteria set out in “Section 4.0, Evaluation Criteria”, of this RFP.

Prior to holding any discussion, a priority list shall be generated consisting of Offers determined to be acceptable or potentially acceptable. However, proposals may be accepted without such discussions.

If numerous acceptable and potentially acceptable proposals are submitted, the evaluation committee may rank the proposals and limit the priority list to three responsive, responsible Offerors who submitted the highest-ranked proposals.

5.2 Presentations and Discussions With Priority Listed Offerors

The State may invite priority listed Offerors to discuss their proposals to ensure thorough, mutual understanding. The State in its sole discretion shall schedule the time and location for these presentations and discussions, generally within the timeframe indicated in “Section 1.5, RFP Schedule and Significant Dates.” The State may also conduct presentations and discussions with priority listed Offerors before requesting BAFOs, if necessary.

5.3 Award of Contract

Method of Award. Award will be made to the responsible Offeror whose Proposal is determined to be the most advantageous to the State based on the evaluation criteria set forth in the RFP.

5.4 Responsibility of Offerors

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

1. Chapter 237, General Excise Tax Law;
2. Chapter 383, Hawaii Employment Security Law;
3. Chapter 386, Worker’s Compensation Law;
4. Chapter 392, Temporary Disability Insurance;
5. Chapter 393, Prepaid Health Care Act; and
6. §103D-310(c), Certificate of Good Standing (COGS) for entities doing business in the State.

The State will verify compliance on Hawaii Compliance Express (HCE).

Hawaii Compliance Express. The HCE is an electronic system that allows vendors/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.

Vendors/contractors/service providers should register with HCE prior to submitting an offer at <https://vendors.ehawaii.gov>. The annual registration fee is \$12.00 and the 'Certificate of Vendor Compliance' is accepted for the award of contract and final payment.

Timely Registration on HCE. Vendors/contractors/service providers are advised to register on HCE soon as possible. If a vendor/contractor/service provider is not compliant on HCE at the time of award, an Offeror will not receive the award.

Offerors are also informed that this Request for Proposal is solicited pursuant to the Hawaii Public Procurement Code, Section 103D, Hawaii Revised Statutes and chapter 3-120, Hawaii Administrative Rules. The statutes and rules can be found on the SPO website in the Reference Section at: <http://hawaii.gov/spo/statutes-and-rules/procurement-statutes-and-administrative-rules>

5.5 Proposal as Part of the Contract

This RFP and all or part of the successful Proposal may be incorporated into the Contract.

5.6 Public Examination of Proposals

Except for confidential portions, the proposals shall be made available for public inspection upon posting of award pursuant to HRS §103D-701.

When a purchasing agency denies a person access to a State procurement record, the person may appeal the denial to the office of information practices in accordance with HRS §92F-42(12).

5.7 Debriefing

Pursuant to HAR §3-122-60, a non-selected Offeror may request a debriefing to understand the basis for 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 written request.

Any protest by the requestor following a debriefing, shall be filed within five (5) working days, as specified in HAR §103D-303(h).

5.8 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:

Procurement Officer
State of Hawaii
State Procurement Office
1151 Punchbowl Street, Room 416
Honolulu Hawaii 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.

Award(s), if any, resulting from this solicitation shall be posted to the SPO website on Contract Awards and Information at <http://hawaii.gov/spo>.

5.9 Approvals

Any agreement arising out of this offer may be subject to the approval of the AG, and to all further approvals, including the approval of the Governor, as required by statute, regulation, rule, order, or other directive.

5.10 Contract Execution

Successful Offeror receiving award shall enter into a formal written Contract in the form as in "Exhibit 2, Attorney General Contract Document". No performance or payment bond is required for the Contract.

No work is to be undertaken by the Contractor prior to the effective date of Contract. The State of Hawaii is not liable for any work, 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 supplement to the Contract for the additional extension period.

5.11 Insurance

Prior to the Contract start date, the Contractor shall procure at its sole expense and maintain insurance coverage acceptable to the State in full force and effect throughout the term of the Contract. The Offeror shall provide proof of insurance for the following minimum insurance coverage(s) and limit(s). The type of insurance coverage is listed as follows:

1. Commercial General Liability Insurance

Commercial general liability insurance coverage against claims for bodily injury and property damage arising out of all operations, activities or contractual liability by the Contractor, 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; broadcasters' liability insurance of \$1,000,000 per occurrence; and with an aggregated 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 Contractor shall be responsible for payment of any deductible applicable to this policy.

2. Automobile Liability Insurance

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.

3. Professional Liability Insurance

Professional liability insurance coverage consisting of errors and omissions covering the Contractor against claims which may arise as a consequence of errors or omissions for

any negligent act or omission to act while rendering professional services under the Contract (including any such claims which may arise in connection with the services provided under the Contract), with a minimum of \$1,000,000 per claim limit and \$2,000,000 aggregate limit. The provisions of this paragraph shall survive the expiration or earlier termination of the Contract.

4. Appropriate levels of per occurrence insurance coverage for workers' compensation and any other insurance coverage required by federal or State law.

The Contractor shall deposit with the SPO, on or before the effective date of the Contract, certificate(s) of insurance necessary to satisfy the SPO that the provisions of the Contract have been complied with, and to keep such insurance in effect and provide the certificate(s) of insurance to the SPO during the entire term of the Contract. Upon request by the SPO, the Contractor shall furnish a copy of the policy or policies.

The Contractor will immediately provide written notice to the contracting department or agency should any of the insurance policies evidenced on its Certificate of Insurance form be cancelled, limited in scope, or not renewed up expiration.

The certificates of insurance shall contain the following clauses:

1. "The State of Hawaii is added as an additional insured as respects to operations performed for the State of Hawaii."
2. "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."

Failure of the Contractor to provide and keep in force such insurance shall constitute a material default under the Contract, entitling the State to exercise any or all of the remedies provided in the Contract (including without limitation terminating the Contract). The procuring of any required policy or policies of insurance shall not be construed to limit the Contractor's liability under the Contract, or to fulfill the indemnification provisions of the Contract. Notwithstanding said policy or policies of insurance, the Contractor shall be responsible for the full and total amount of any damage, injury, or loss caused by the Contractor's negligence or neglect in the provision of services under the Contract.

5.12 Payment to Hawaii Information Consortium, LLC

HlePRO is administered by Hawaii Information Consortium, LLC (HIC). *Upon award* in HlePRO, HIC shall invoice the awarded vendor directly for payment of transaction fees. Payment must be made to HIC 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.

The amount of the transaction fees shall be .75% (.0075) of the award or estimated award as stated in the notice of award, not to exceed \$5,000 for any single award to a vendor.

Termination/Rescission of an Award

If an agreement is terminated or rescinded through no fault of the vendor at the beginning of the contract or within 60 days of notice of award, and no amount paid on the contract, the vendor will become eligible to receive a credit for administrative fees paid for that award to the vendor's account with HIC. To receive the credit, the vendor must make a request to HIC for a credit.

5.13 Sales Report

Summary sales report shall be submitted to the SPO indicating the total cost to the State for the services provided on this Contract. Upon request by the SPO, sales report shall be separated by agency and includes the description of each service item as it appears on the RFP. Sales reports are due no later than 30 days after the end of each fiscal quarter (November 1, February 1, May 1, August 1) and shall be sent to the following addresses:

State Procurement Office
1151 Punchbowl Street, Room 416
Honolulu, HI 96813
Attn: Purchasing Specialist
Re: Sales Report

Or e-mailed to: bonnie.a.kahakui@hawaii.gov

Failure of the Contractor to submit the reports as required may result in termination of the Contract.

5.14 Payment

Payments shall be made to the awarded Contractor(s) in accordance with the Milestones/Deliverables as detailed in the Payment Schedule on Tab 4, Payment Schedule - in "Appendix C, Cost Workbook." The receipt of Deliverables shall be due based on the timeline submitted by the Contractor in its Proposal and agreed to by the State, or as amended.

HRS §103-10 provides that the State shall have thirty (30) calendar days after receipt of invoice or satisfactory completion of Contract 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 award of the Contract, which requires payment within a shorter period or interest payment not in conformance with statute.

5.15 Contract Invalidation

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

Personal Liability of Public Officials

In carrying out any of the provisions of the Contract or in exercising any power or authority granted to them by the Contract, there shall be no liability upon the procurement officer or his authorized representatives, either personally or as officials of the State, it being understood, that in such matters, they act solely as agents and representatives of the State.