



STATE OF ARKANSAS
OFFICE OF STATE PROCUREMENT
1509 West 7th Street, Room 300
Little Rock, Arkansas 72201-4222

FINAL REQUEST FOR PROPOSAL
SOLICITATION DOCUMENT

SOLICITATION INFORMATION			
Solicitation Number:	SP-19-0001	Final Solicitation Issued:	10/17/2018
Description:	Statewide e-Procurement Solution		
Agency:	Department of Finance and Administration		

SUBMISSION DEADLINE FOR RESPONSE			
Proposal Opening Date:	11/15/2018	Proposal Opening Time:	2:00 p.m., Central Time
<p>Deliver proposal submissions for this Request for Proposal to the Office of State Procurement (OSP) on or before the designated proposal opening date and time. It is the responsibility of Prospective Contractors to submit proposals at the designated location on or before the proposal opening date and time. Proposals received after the designated opening date and time may be considered late and may be returned to the Prospective Contractor without further review. It is not necessary to return "no bids" to OSP.</p>			

DELIVERY OF RESPONSE DOCUMENTS	
Delivery Address:	<p>Office of State Procurement 1509 West 7th Street, Room 300 Little Rock, AR 72201-4222</p> <p>Delivery providers, USPS, UPS, and FedEx deliver mail to OSP's street address on a schedule determined by each individual provider. These providers will deliver to OSP based solely on the street address. Prospective Contractors assume all risk for timely, properly submitted deliveries.</p>
Proposal's Outer Packaging:	<p>Seal outer packaging and properly mark with the following information. If outer packaging of proposal submission is not properly marked, the package may be opened for proposal identification purposes.</p> <ul style="list-style-type: none">• Solicitation number• Date and time of proposal opening• Prospective Contractor's name and return address

OFFICE OF STATE PROCUREMENT CONTACT INFORMATION			
OSP Buyer:	Stephanie Cellers	Buyer's Direct Phone Number:	501-371-6065
Email Address:	stephanie.cellers@dfa.arkansas.gov	OSP's Main Number:	501-324-9316
OSP Website:	http://www.dfa.arkansas.gov/offices/procurement/Pages/default.aspx		

SECTION 1 - GENERAL INSTRUCTIONS AND INFORMATION

- **Do not provide responses to items in this section unless specifically and expressly required.**

1.1 PURPOSE

Arkansas Office of State Procurement (OSP) issues this Request for Proposal (RFP) on behalf of the Department of Finance and Administration (DFA) to obtain proposals and a contract for a cloud Software as a Service (SaaS) e-Procurement Solution that can be configured to meet the State's needs. This Project, as defined below, includes firm fixed price services required to implement the Statewide e-Procurement Solution and provide operations and support.

DFA's mission is to provide responsive, cost-effective and timely support services to Arkansas policymakers, public agencies, and State employees as they serve Arkansas's citizens. DFA will be the business process owner of the e-Procurement Solution. The Solution will largely impact DFA-OSP, who is responsible for the oversight of procurements Statewide; including the procurement of commodities, technical services, and professional services for all State agencies, boards and commissions, and colleges and universities. DFA-OSP's mission is to serve the citizens of Arkansas by ethically, efficiently, and transparently procuring quality commodities and services for the State of Arkansas. DFA-OSP also provides training in Procurement Law, regulations and policies for agency staff across the State and contractors interested in and doing business with the State.

For more information about DFA, visit the DFA website at <https://www.dfa.arkansas.gov/>.

For more information about DFA-OSP, visit the DFA-OSP website at <https://www.dfa.arkansas.gov/procurement>.

The desired e-Procurement Solution **must**, over its lifecycle, empower the State of Arkansas to realize the following objectives and business outcomes:

A. Cost Savings:

1. Streamline and standardize current manual, paper-based procurement, contracting, and purchasing processes and practices to shorten/compress cycle times.
2. Increase use of Statewide contracts to gain greater economies of scale and increase accessibility of these contracts to other eligible entities, authorities, municipalities, and K-12 Schools.
3. Provide visibility into State contract spending to enable spend analytics, strategic sourcing, demand aggregation, more informed negotiation, and more effective contracting. Thereby transforming procurement from tactical activities to a strategic focus.
4. Increase Contractor participation and competitiveness to drive finding the best possible product at the best value-point.
5. Track and evaluate Contractor performance.

B. Customer Service Improvement:

1. Provide a place to perform, manage, track, and report procurement activities.
2. Establish consistent procurement standards across all State organizations that are adaptable to unique agency needs.
3. Make it easier to buy, regardless of the process or method of procurement while adhering to the State Budgetary and Procurement Laws contained within Arkansas Code 1987 Annotated Title 19.
4. Facilitate faster and easier procurement approvals by leveraging online technologies.

5. Provide more effective means to collaborate on procurements within and across agencies, and the State as a whole.
6. Improve and expand Contractor participation through simple self-service access.
7. Integrate with AASIS, the State's central system of record – an SAP application, which acknowledges and facilitates the interrelationships and requirements of finance, budget, and procurement.
8. Increase transparency of State procurements through public access and visibility into State purchases (what was bought, by who, at what price, etc.).
9. Implement robust capabilities for alerts and notifications – internally and with the Contractor community to assist in knowledge transfer, alerting users of changes within the system and notifying users of contract availability and opportunities.

C. Risk Reduction:

1. Establish consistency in procurement practices, methods, and outcomes through use of standards, templates, and a common set of automated tools.
2. Reduce the re-entry of information and processes to minimize errors, re-work, and duplication of effort.
3. Increase security and control of State procurement data and documents by reducing physical and electronic storage locations.

D. Compliance:

1. Establish controls and visibility into maverick spend to drive broader and appropriate use of State contracts.
2. Improve control over spending under management, including the ability to track and report contract price compliance and invoicing errors.
3. Facilitate the selection of the best and most appropriate pricing through comparisons across State contracts.
4. Facilitate achieving State Contractor diversity goals and objectives through broader participation of these types of Contractors in all forms of purchasing.
5. Facilitate fair, open, and transparent competition.
6. Improve accountability and auditability of procurement actions.
7. Provide system flexibility allowing the State to be more responsive to changes in Procurement Law, regulations, policies, and processes.
8. Provide continued real-time budget availability check per State Budgetary and Procurement Laws contained within ACA Title 19.

1.2 TYPE OF CONTRACT

- A. The anticipated starting date for any contract resulting from this RFP is **April** 2019. The State may unilaterally adjust the actual contract start date for up to three calendar months. By submitting a signed proposal in response to the RFP, the Prospective Contractor represents and warrants that it will honor its proposal as being held open and irrevocable for this period.

- B. The initial term of a resulting contract will be for three (3) years, unless sooner cancelled or terminated by the parties. Upon mutual agreement by the Contractor and agency, the contract may be renewed by DFA for up to four (4) additional one-year terms or portions thereof, not to exceed a total aggregate contract term of seven (7) consecutive years.

1.3 **ISSUING AGENCY**

OSP, as the issuing office, is the sole point of contact through which Prospective Contractors should direct formal communications regarding the RFP throughout this solicitation process.

1.4 **PROPOSAL OPENING LOCATION**

Proposals will be opened at the following location:

Office of State Procurement
1509 West Seventh Street, Room 300
Little Rock, AR 72201-4222

1.5 **SCHEDULE OF EVENTS**

TABLE 1: SCHEDULE OF EVENTS

Milestone	Date
Release RFP Draft #1	August 10, 2018
Questions Due (Date / Time)	August 24, 2018 at 11:59 PM CST
State's Responses to Prospective Contractor Questions	September 7, 2018
Release RFP Draft #2	September 7, 2018
Final Questions Due (Date/Time)	September 21, 2018 at 11:59 PM CST
State's Responses to Prospective Contractor Questions	October 17, 2018
Release of the Final RFP	October 17, 2018
Proposal Opening (Date / Time)	November 15, 2018 at 2:00 PM CST
Oral Presentations (anticipated)	January 30-February 1, 2019
Anticipation to Award (anticipated)	March 1, 2019
Contract Start Date (anticipated)	April 22, 2019

1.6 **ACCEPTANCE OF REQUIREMENTS**

- A. A Prospective Contractor **must** submit a proposal that conforms in all material respects to this RFP to be considered a responsive Prospective Contractor.
- B. A Prospective Contractor's proposal will be rejected if a Prospective Contractor takes exceptions to any Requirements in the Requirements Section(s) of this RFP.

1.7 **DEFINITION OF TERMS**

- A. All terms defined in Arkansas Procurement Law have the same definitions herein unless otherwise defined herein or the context requires otherwise.
- B. "Prospective Contractor" means a person who submits a proposal in response to this solicitation.
- C. "Contractor" means a person who sells or contracts to sell commodities and/or services.
- D. The terms "Request for Proposal," "RFP," "Bid Solicitation," "Bid," and "Solicitation" are used synonymously in this document. Any reference to such includes the Response Templates as well, and any formal amendment or addendum.
- E. "Responsive proposal" means a proposal submitted in response to this solicitation that conforms in all material respects to this RFP.

- F. "Proposal Submission Requirement" means a task a Prospective Contractor **must** complete when submitting a proposal response. These requirements will be distinguished by using the term "**shall**" or "**must**" in the requirement. Notwithstanding the aforesaid, if determined to be in the State's best interest (in OSP's sole discretion), the OSP Buyer or the State Procurement Director may waive a technicality or a minor irregularity in a proposal that does not affect its material substance, or may allow a cure of a minor deficiency. Conversely, OSP reserves the right to strictly enforce each and every Proposal Submission Requirement and to reject any proposal that fails to meet all of them.
- G. "Requirement" means a specification that a Contractor's product and/or service **must** perform during the term of the contract. These specifications will be distinguished by using the term "**shall**" or "**must**" in the requirement.
- H. "State" means the State of Arkansas. When the term "State" is used herein to reference any obligation of the State under a contract that results from this RFP, that obligation is limited to the State agency using such a contract.
- I. The "Statewide e-Procurement Solution" is the "Solution" the State seeks to procure through this solicitation.
- J. The "Project," for purposes of this solicitation, is the collaborative enterprise taken on by the State and Contract Project Teams to plan, design, and implement the Statewide e-Procurement Solution.
- K. "Project Team" is the group of individuals managed by the State and Contractor, who are collectively responsible for implementing the Solution and managing any resulting contract.
- L. "Controlled Correspondence" is tracked Project related communication between the Contractor and DFA.
- M. "Non-State Entities" are the Political Subdivisions, Higher Education Institution and all other entities authorized to use State contracts that the State intends to provide access for use of the e-Procurement Solution.
- N. The term "Key Personnel," for purposes of this solicitation, means Contractor staff deemed as being both instrumental and essential to the Contractor's satisfactory performance of all requirements
- O. "Procurement Library" means the collection of documents and other information that OSP has compiled to assist Prospective Contractors in understanding the context of this RFP.
- P. "Integration", from the State's perspective, is the process of linking together different computing systems and software applications physically or functionally to act as a coordinated whole.
- Q. "Interface", from the State's perspective, is where two or more separate software products communicate under limited capacity; potentially redundant data is maintained in multiple locations; thus, requiring more administration.
- R. Acronyms used through the solicitation:

<u>Acronym</u>	<u>Description</u>
AA	Asset Accounting
AASIS	Arkansas Administrative Statewide Information System
ABAP	Advanced Business Application Programming
AP	Accounts Payable
API	Application Programming Interface
AR	Accounts Receivable
BOBJ	Business Objects
BSP	Business Server Pages
BW	Business Warehouse
CAFR	Comprehensive Annual Financial Report
CB	Competitive Bid
CCI	Configuration, Integration and Implementation
CO	Controlling Object
CM	Cash Management
COTS	Commercial Off-The-Shelf

DAD	Deliverables Acceptance Document
DED	Deliverables Expectation Document
DDI	Design, Development, Implementation
DFA-OA	Dept. of Finance and Administration – Office of Accounting
DFA-OIS	Dept. of Finance and Administration – Office of Information Services
DFA-OSP	Dept. of Finance and Administration – Office of State Procurements
ESB	Enterprise Service Bus
FM	Funds Management
GL	General Ledger
GUI	Graphical User Interface
HTML	Hypertext Markup Language
HTTP	Hypertext Transfer Protocol
IFB	Invitation For Bid
JAD	Joint Application Development
LSO	Learning Solution
NFR	Non-Functional Requirements
OA	Outline Agreement
OCM	Organizational Change Management
PCS	Professional Consulting Services
PMO	Project Management Office
PO	Purchase Order
PR	Purchase Requisition
RFP	Request for Proposal
RFQ	Request for Qualifications
RBAC	Role-Based Access Controls
RTM	Requirements Traceability Matrix
SDLC	Software Development Life Cycle
SIT	System Integration Test
SO	Small Order
SOA	Service-Oriented Architecture
SPL	Special Purpose Ledger
SLRs	Service Level Requirements
SSL	Secure Sockets Layer
TGS	Technical General Services
UAT	User Acceptance Testing
WAN	Wide Area Network
WBS	Work Breakdown Structure
XHTML	eXtensible HyperText Markup Language
XML	eXtensible Markup Language

1.8 **RESPONSE DOCUMENTS**

A. Original Technical Proposal Response and Official Price Sheet

1. The following items are Proposal Submission Requirements and **must** be submitted in the original *Technical Proposal Response and Official Price Sheet*:
 - a. *Proposal Signature Page* signed by an authorized representative of the Prospective Contractor. (See *Template T-1*.)
 - b. One (1) original hard copy of the proposal response which includes:
 - i. Technical Proposal response to *Templates T-1 to T-9*. (See Section 1.9 below for more information regarding response templates.) Proposal response **must** be in the English language.
 - ii. Response to the *Official Price Sheet (Template C-1)*. Pricing **must** be proposed in U.S. dollars and cents

- The *Official Price Sheet*, including the hard copy and electronic copy, **must** be separately sealed from the *Technical Proposal Response* and should be clearly marked as "Pricing." A Prospective Contractor **shall not** include any pricing in the hard copies or electronic copies of their *Technical Proposal Response*.
2. In addition to the requirements above, the following items should be submitted only in the Prospective Contractor's original *Technical Proposal Response* (marked "ORIGINAL") (See *Template T-9*).
 - a. Executive Order (EO) 98-04 Disclosure Form. (See *Standard Terms and Conditions*, #27. *Disclosure*.)
 - b. Copy of Prospective Contractor's *Equal Opportunity Policy*. (See *Equal Opportunity Policy*.)
 - c. *Voluntary Product Accessibility Template* (VPAT). (See *Technology Access*.)
 - d. Any licensing and hosting agreement(s) that a Prospective Contractor would propose be utilized if the State were to implement the Prospective Contractor's Solution.
 - i. Prospective Contractor's proposed licensing and hosting agreement(s) will not be scored as a part of the evaluation criteria.
 - ii. Prospective Contractor's proposed licensing and hosting agreement(s) **must** be negotiable. The State anticipates negotiating any associated licensing and hosting agreement(s) with the highest-ranking Prospective Contractor (or Prospective Contractor's licensor) prior to contract award.
 3. **DO NOT** include any other documents or ancillary information, such as a cover letter or promotional/marketing information.

B. Additional Copies and Redacted Copy of the *Technical Proposal Response* and *Official Price Sheet*

In addition to the original *Technical Proposal Response* and the *Official Price Sheet*, the following items should be submitted:

1. Additional Copies of the *Technical Proposal Response*
 - a. Seven (7) complete hard copies (marked "COPY") of the *Technical Proposal Response*.
 - b. Six (6) electronic copies of the *Technical Proposal Response*, preferably on flash drives. CDs will also be acceptable. Do not send electronic copies via email or fax.
 - c. All additional hard copies and electronic copies **must** be identical to the original hard copy. In case of a discrepancy, the original hard copy governs.
 - d. If OSP requests additional copies of the proposal, the copies **must** be delivered within the timeframe specified in the request.
2. Additional Copies of the *Official Price Sheet* (*Template C-1*)
 - a. Prospective Contractor should also submit one (1) electronic copy of the *Official Price Sheet*, preferably on a flash drive. A CD will also be acceptable. Do not send electronic copies via email or fax.
 - i. The *Official Price Sheet*, including the hard copy and electronic copy, **must** be separately sealed from the *Technical Proposal Response* and should be clearly marked as "Pricing." Prospective Contractor **shall not** include any pricing in the hard copies or electronic copies of their *Technical Proposal Response*.

3. One (1) redacted (marked "REDACTED") copy the original *Technical Proposal Response*, preferably on a flash drive. A CD will also be acceptable. Do not send electronic copies via email or fax. (See *Proprietary Information*.)

1.9 ORGANIZATION OF RESPONSE DOCUMENTS

- A. It is strongly recommended that Prospective Contractors adhere to the following format in preparing a *Technical Proposal Response*.
- B. Prospective Contractor's *Technical Proposal Response* and *Written Questions* **must** be created using the Response Templates.

TABLE 2: RESPONSE TEMPLATES

ID	Response Template Name
O-1	Written Questions
C-1	Official Price Sheet
T-1	Cover Letter and Executive Summary
T-2	Corporate Background and Experience
T-3	Project Organization and Staffing and Staff Experience
T-4	Functional RTM
T-5	Functional Requirements Approach
T-6	Non-Functional RTM
T-7	Non-Functional Requirements Approach
T-8	Work Plan and Deliverables
T-9	RFP Checklist

1.10 CLARIFICATION OF SOLICITATION

- A. Submit any questions requesting clarification of information contained in this *Solicitation* in writing via email by 11:59 PM CST on or before the dates listed in Section 1.5 of the RFP to the OSP buyer as shown on page one (1) of this *Solicitation*.
 1. The Prospective Contractor **shall** submit questions using *Response Template O-1 Written Questions*. The questions **must** be submitted in the original file format "Microsoft Excel" as denoted in *Template O-1*. For each question submitted, Prospective Contractor should reference the specific solicitation item number to which the question refers.
 2. The State will aggregate all written questions from the Prospective Contractors' and respond to them in writing. The State's written response is anticipated to be posted to the OSP website by the close of business on or around the date listed in Section 1.5 of the RFP. If Prospective Contractor questions are unclear or non-substantive in nature, the State may request clarification of a question(s) or may elect not to respond to that question(s).
- B. The Prospective Contractor should notify the OSP buyer of any term, condition, etc., that precludes the Prospective Contractor from submitting a responsive proposal. Prospective Contractors should note that it is the responsibility of the Prospective Contractor to seek resolution of all such issues, including those relating to the terms and conditions of the contract, prior to the submission of a proposal.
- C. Prospective Contractors may contact the OSP buyer with non-substantive questions at any time prior to the proposal opening.
- D. An oral statement by OSP will not be part of any contract resulting from this solicitation and may not reasonably be relied on by any Prospective Contractor as an aid to interpretation unless it is reduced to writing and expressly adopted by OSP.
- E. Prospective Contractors entering into a contract with the State **shall** comply with all the terms and conditions contained herein.

1.11 PROPOSAL SIGNATURE PAGE

- A. An official authorized to bind the Prospective Contractor(s) to a resultant contract **must** sign the *Proposal Signature Page* included in *Template T-1*.
- B. Prospective Contractor's signature on this page signifies Prospective Contractor's agreement to and acceptance of all Requirements of this RFP, and that any term in its proposal that apparently or actually conflicts with or varies a Requirement or Proposal Submission Requirement of this *Solicitation* is null and void and does not become part of any resulting contract and, therefore, should not be construed as an exception that will cause the Prospective Contractor's proposal to be rejected unless the Prospective Contractor conspicuously identifies the exception as such and expressly makes the State's acceptance of the exception a condition of its proposal.

1.12 SUBCONTRACTORS

- A. Prospective Contractor should complete and submit the Subcontractor Contact Information included in *Template T-1*.
- A. Additional subcontractor information may be required or requested in following sections of this *Solicitation* or in the Response Templates. **Do not** attach any additional information to the Subcontractor Contact Information table in *Template T-1*.
- B. The utilization of any proposed subcontractor is subject to approval by the State agency.

1.13 PRICING

- A. Prospective Contractor(s) **shall** include all pricing on the Official Price Sheet(s) (*Template C-1*). If any cost is not included by the successful Contractor but is subsequently incurred in order to achieve successful operation, the Contractor **shall** bear this additional cost. The *Official Price Sheet* is provided as a separate excel file posted with this *Solicitation*.
- B. To allow time to evaluate proposals, prices **must** be valid for no less than ninety (90) days following the proposal opening.
- C. The *Official Price Sheet*, including the hard copy and electronic copy, **must** be separately sealed from the *Technical Proposal Response* and should be clearly marked as "Pricing." **DO NOT** submit any ancillary information not related to actual pricing on the Official Price sheet or in the sealed pricing package.

1.14 PRIME CONTRACTOR RESPONSIBILITY

- A. A single Prospective Contractor **must** be identified as the prime Contractor.
- B. The prime Contractor **shall** be responsible for the contract and jointly and severally liable with any of its subcontractors, affiliates, or agents to the State for the performance thereof.

1.15 INDEPENDENT PRICE DETERMINATION

- A. By submission of this proposal, the Prospective Contractor certifies, and in the case of a joint proposal, each party thereto certifies as to its own organization, that in connection with this proposal:
 - The prices in the proposal have been arrived at independently, without collusion.
 - No prior information concerning these prices has been received from, or given to, a competitive company.
- B. Evidence of collusion warrants consideration of this proposal by the Office of the Attorney General. All Prospective Contractors **shall** understand that this paragraph may be used as a basis for litigation.

1.16 PROPRIETARY INFORMATION

- A. Submission documents pertaining to this *Solicitation* become the property of the State and may become public records subject to the Arkansas Freedom of Information Act (FOIA).
- B. In accordance with the FOIA, and to promote maximum competition in the State competitive bidding process, the State may maintain the confidentiality of certain types of information described in the FOIA. Such information may include trade secrets and other information exempted from the Public Records Act pursuant to the FOIA.

- C. Prospective Contractor may designate appropriate portions of its response as confidential, consistent with and to the extent permitted under the Statutes and Rules set forth above, by submitting a redacted copy of the response.
- D. By so redacting any information contained in the response, the Prospective Contractor warrants that it has formed a good faith opinion having received such necessary or proper review by counsel and other knowledgeable advisors that the portions redacted meet the requirements of the Rules and Statutes set forth above.
- E. Under no circumstances will pricing information be designated as confidential.
- F. One (1) complete copy of the submission documents from which any proprietary information has been redacted should be submitted on a flash drive in the *Technical Proposal Response*. A CD is also acceptable. Do not submit documents via email or fax.
- G. Except for the redacted information, the redacted copy **must** be identical to the original hard copy, reflecting the same pagination as the original and showing the space from which information was redacted.
- H. The Prospective Contractor is responsible for identifying all proprietary information and for ensuring the electronic copy is protected against restoration of redacted data.
- I. The redacted copy will be open to public inspection under the Freedom of Information Act (FOIA) without further notice to the Prospective Contractor.
- J. If a redacted copy of the submission documents is not provided with Prospective Contractor's response packet, a copy of the non-redacted documents, with the exception of financial data (other than pricing), will be released in response to any request made under the Arkansas Freedom of Information Act (FOIA).
- K. If the State deems redacted information to be subject to FOIA, the Prospective Contractor will be contacted prior to release of the documents.
- L. The State has no liability to a Prospective Contractor with respect to the disclosure of Prospective Contractor's confidential information ordered by a court of competent jurisdiction pursuant to FOIA or other applicable law.

1.17 CAUTION TO PROSPECTIVE CONTRACTORS

- A. Prior to any contract award, address all communication concerning this *Solicitation* through the OSP buyer.
- B. Do not alter any language in any solicitation document provided by the State.
- C. Do not alter the Official Price Sheet.
- D. All official documents and correspondence related to this solicitation become part of the resultant contract.
- E. The State has the right to award or not award a contract, if it is in the best interest of the State to do so.
- F. As requested, provide clarification regarding Prospective Contractor's proposal response to OSP.
- G. Qualifications and proposed services **must** meet or exceed the required specifications as set forth in this *Solicitation*.
- H. Prospective Contractors may submit multiple proposals.

1.18 REQUIREMENT OF ADDENDUM

- A. Only an addendum written and authorized by OSP will modify this *Solicitation*.
- B. An addendum posted within three (3) calendar days prior to the proposal opening may extend the opening date and time and may or may not include changes to the Solicitation.
- C. The Prospective Contractor is expected to check the OSP website, <http://www.arkansas.gov/dfa/procurement/bids/index.php>, for any and all addenda up to proposal opening.

1.19 AWARD PROCESS**A. Successful Contractor Selection**

The Grand Total Score for each Prospective Contractor, which is the sum of the Technical Score and Cost Score, will be used to determine the ranking of proposals. The State may move forward to negotiations with those responsible Prospective Contractors determined, based on the ranking of the proposals, to be reasonably susceptible of being selected for award.

B. Negotiations

1. If the State so chooses, negotiations may be conducted with the highest ranking Prospective Contractors. Negotiations are conducted at the sole discretion of the State.
2. If negotiations fail to result in a contract, the State may begin the negotiation process with the next highest ranking Prospective Contractor. The negotiation process may be repeated until the anticipated successful Contractor has been determined, or until such time the State decides not to move forward with an award.

C. Anticipation to Award

1. Once the anticipated successful Contractor has been determined, the anticipated award will be posted on the OSP website at http://www.arkansas.gov/dfa/procurement/pro_intent.php.
2. The anticipated award will be posted for a period of at least fourteen (14) days prior to the issuance of a contract award. Prospective Contractors and agencies are cautioned that these are preliminary results only, and a contract will not be awarded prior to the end of the fourteen (14) day posting period.
3. OSP may waive the policy of announcing an Anticipation to Award when it is in the best interest of the State.
4. It is the Prospective Contractor's responsibility to check the OSP website for the posting of an anticipated award.

D. Issuance of Contract

1. Any proposed contract award resulting from of this *Solicitation* is subject to State review and approval processes, which may include Legislative review.
2. A State Procurement Official will be responsible for the solicitation and award of any resulting contract.

1.20 MINORITY AND WOMEN-OWNED BUSINESS POLICY**A. A minority-owned business is defined by Arkansas Code Annotated § 15-4-303 as a business owned by a lawful permanent resident of this State who is:**

- African American
- American Indian
- Asian American
- Hispanic American
- Pacific Islander American
- A Service Disabled Veteran as designated by the United States Department of Veteran Affairs

B. A women-owned business is defined by Act 1080 of the 91st General Assembly Regular Session 2017 as a business that is at least fifty-one percent (51%) owned by one (1) or more women who are lawful permanent residents of this State.**C. The Arkansas Economic Development Commission conducts a certification process for minority-owned and women-owned businesses. If certified, the Prospective Contractor's Certification Number should be included on the *Proposal Signature Page*.**

1.21 EQUAL OPPORTUNITY POLICY

- A. In compliance with Arkansas Code Annotated § 19-11-104, OSP is required to have a copy of the anticipated Contractor's *Equal Opportunity (EO) Policy* prior to issuing a contract award.
- B. *EO Policies* should be included as a hardcopy accompanying the solicitation response in *Template T-9*.
- C. The submission of an *EO Policy* to OSP is a one-time Requirement. Contractors are responsible for providing updates or changes to their respective policies, and for supplying *EO Policies* upon request to other State agencies that must also comply with this statute.
- D. Prospective Contractors who are not required by law to have an *EO Policy* **must** submit a written statement to that effect.

1.22 PROHIBITION OF EMPLOYMENT OF ILLEGAL IMMIGRANTS

- A. Pursuant to Arkansas Code Annotated § 19-11-105, Contractor(s) providing services **shall** certify with OSP that they do not employ or contract with illegal immigrants.
- B. By signing and submitting a response to this *Solicitation*, a Prospective Contractor agrees and certifies that they do not employ or contract with illegal immigrants. If selected, the Prospective Contractor certifies that they will not employ or contract with illegal immigrants during the aggregate term of a contract.

1.23 RESTRICTION OF BOYCOTT OF ISRAEL

- A. Pursuant to Arkansas Code Annotated § 25-1-503, a public entity **shall not** enter into a contract with a company unless the contract includes a written certification that the person or company is not currently engaged in, and agrees for the duration of the contract not to engage in, a boycott of Israel.
- B. This prohibition does not apply to a company which offers to provide the goods or services for at least twenty percent (20%) less than the lowest certifying business.
- C. By checking the designated box on the Proposal Signature Page of the response packet, a Prospective Contractor agrees and certifies that they do not, and will not for the duration of the contract, boycott Israel.

1.24 PAST PERFORMANCE

In accordance with provisions of State Procurement Law, specifically OSP Rule R5:19-11-230(b)(1), a Prospective Contractor's past performance with the State may be used to determine if the Prospective Contractor is "responsible." Proposals submitted by Prospective Contractors determined to be non-responsible will be rejected.

1.25 TECHNOLOGY ACCESS

- A. When procuring a technology product or when soliciting the development of such a product, the State of Arkansas is required to comply with the provisions of Arkansas Code Annotated § 25-26-201 et seq., as amended by Act 308 of 2013, which expresses the policy of the State to provide individuals who are blind or visually impaired with access to information technology purchased in whole or in part with state funds. The Prospective Contractor expressly acknowledges and agrees that state funds may not be expended in connection with the purchase of information technology unless that technology meets the statutory Requirements found in 36 C.F.R. § 1194.21, as it existed on January 1, 2013 (software applications and operating ICSs) and 36 C.F.R. § 1194.22, as it existed on January 1, 2013 (web-based intranet and internet information and applications), in accordance with the State of Arkansas technology policy standards relating to accessibility by persons with visual impairments.
- B. Accordingly, the Prospective Contractor expressly represents and warrants to the State of Arkansas through the procurement process by submission of a Voluntary Product Accessibility Template (VPAT) for 36 C.F.R. § 1194.21, as it existed on January 1, 2013 (software applications and operating ICSs) and 36 C.F.R. § 1194.22, that the technology provided to the State for purchase is capable, either by virtue of features included within the technology, or because it is readily adaptable by use with other technology, of:
 - 1. Providing, to the extent required by Arkansas Code Annotated § 25-26-201 et seq., as amended by Act 308 of 2013, equivalent access for effective use by both visual and non-visual means.
 - 2. Presenting information, including prompts used for interactive communications, in formats intended for non-visual use.

3. After being made accessible, integrating into networks for obtaining, retrieving, and disseminating information used by individuals who are not blind or visually impaired.
 4. Providing effective, interactive control and use of the technology, including without limitation the operating system, software applications, and format of the data presented is readily achievable by nonvisual means.
 5. Being compatible with information technology used by other individuals with whom the blind or visually impaired individuals interact.
 6. Integrating into networks used to share communications among employees, program participants, and the public.
 7. Providing the capability of equivalent access by nonvisual means to telecommunications or other interconnected network services used by persons who are not blind or visually impaired.
- C. State agencies cannot claim a product as a whole is not reasonably available because no product in the marketplace meets all the standards. Agencies must evaluate products to determine which product best meets the standards. If an agency purchases a product that does not best meet the standards, the agency must provide written documentation supporting the selection of a different product, including any required reasonable accommodations.
- D. For purposes of this section, the phrase “equivalent access” means a substantially similar ability to communicate with, or make use of, the technology, either directly, by features incorporated within the technology, or by other reasonable means such as assistive devices or services which would constitute reasonable accommodations under the Americans with Disabilities Act or similar state and federal laws. Examples of methods by which equivalent access may be provided include, but are not limited to, keyboard alternatives to mouse commands or other means of navigating graphical displays, and customizable display appearance. As provided in Arkansas Code Annotated § 25-26-201 et seq., as amended by Act 308 of 2013, if equivalent access is not reasonably available, then individuals who are blind or visually impaired **shall** be provided a reasonable accommodation as defined in 42 U.S.C. § 12111(9), as it existed on January 1, 2013.
- E. If the information manipulated or presented by the product is inherently visual in nature, so that its meaning cannot be conveyed non-visually, these specifications do not prohibit the purchase or use of an information technology product that does not meet these standards.
- F. Prospective Contractor should include proposed Solution’s Voluntary Product Accessibility Template (VPAT) for 36 C.F.R. § 1194.21 and 36 C.F.R. § 1194.22 in *Template T-9*.

1.26 COMPLIANCE WITH THE STATE SHARED TECHNICAL ARCHITECTURE PROGRAM

The Prospective Contractor’s Solution **must** comply with the State’s shared Technical Architecture Program which is a set of policies and standards that can be viewed at: <https://www.dfa.arkansas.gov/intergovernmental-services/state-technology-cost-analysis/architecture-compliance/>. Only those standards which are fully promulgated or have been approved by the Governor’s Office apply to this Solution.

1.27 VISA ACCEPTANCE

- A. Awarded Contractor should have the capability of accepting the State’s authorized VISA Procurement Card (p-card) as a method of payment.
- B. Price changes or additional fee(s) **must not** be levied against the State when accepting the p-card as a form of payment.
- C. VISA is not the exclusive method of payment.

1.28 PUBLICITY

- A. Do not discuss the solicitation nor your proposal response, nor issue statements or comments, nor provide interviews to any public media during the solicitation and award process.
- B. Failure to comply with this Requirement may be cause for a Prospective Contractor’s proposal to be rejected.

1.29 RESERVATION

The State will not pay costs incurred in the preparation of a proposal.

1.30 PROCUREMENT LIBRARY

- A. This RFP includes a Procurement Library that contains supporting documentation to assist Prospective Contractors in understanding the context of this Solicitation. A zip file to the Procurement Library is posted with the Solicitation documents and is titled 'Procurement Library'.
- B. The documents in the Procurement Library are structured under two (2) categories/folders. A Procurement Library index is also included to help Prospective Contractors navigate and identify key documentation to support their Proposal development process.

TABLE 3: PROCUREMENT LIBRARY

Category	Description	Subcategory / Subject Area	Potential Documents / Resources
01 – Business / Functional Documents	The documents in this folder provide information specific to DFA's business environment, current business processes, and system function design.	1. Organizational Mission and Vision	<ul style="list-style-type: none"> DFA Strategic Plan FY18FY19
		2. DFA Business Background	<ul style="list-style-type: none"> Tier 1 Narrative Tier 2 Narrative Tier 3 Narrative Arkansas e-Procurement Business Narratives Procurement Transformation Summary
		3. Business Documents	<ul style="list-style-type: none"> Procurement Laws and Rules SS-70-0002 Password Standard Findings and Recommendations Report - Ikaso Process Flows
		4. Business Drivers and Imperatives	<ul style="list-style-type: none"> Gartner State of AR e-Procurement Validation Workshop Day 1
		5. Org Charts	<ul style="list-style-type: none"> DFA Org Chart OSP Org Chart
02 – Technical Documents	The documents in this folder provide additional details regarding the current technical environment and technologies used.	1. Current Technical Environment	<ul style="list-style-type: none"> AASIS (SAP) Modules Currently Licensed and In-Use State of AR AASIS System Landscape E-Procurement Analysis of Integration Points EASE Procurement AEDC System Replacement Installed Software Handshakes Scheduled Jobs State of Arkansas Material Master Assessment
		2. Forms	<ul style="list-style-type: none"> DFA Systems Security Access Vendor Information Sharing Agreement

SECTION 2 –MINIMUM MANDATORY QUALIFICATION AND BACKGROUND

- **Do not provide responses to items in this section unless specifically and expressly required.**

2.1 PROSPECTIVE CONTRACTOR MINIMUM MANDATORY QUALIFICATION

The State has established the following minimum mandatory qualification that **must** be met to submit a responsive proposal (See *Response Template T-1*):

1. The Prospective Contractor and the Prospective Contractor's Subcontractor(s) combined **must** have experience with three (3) U.S. Public Sector projects similar or greater in size, complexity and scope to this Project, preferably utilizing the software proposed, within the last seven (7) years

2.2 PROCUREMENT METRICS

A. Potential Spend: The State's annual procurement spend for the last five (5) fiscal year's is listed below.

TABLE 4: POTENTIAL SPEND

Fiscal Year	Annual Procurement Spend
FY14	\$1,307,935,414
FY15	\$1,210,745,264
FY16	\$1,357,739,306
FY17	\$1,383,745,235
FY18	\$1,497,584,335

B. Potential State Users: There are approximately 29,800 employees who are geographically located throughout the State with a large concentration in Little Rock, AR. While the State intends to rollout the eProcurement Solution to a broad user base across all State employees, the initial focus will be on those that are active users of the State financial management system AASIS, a SAP application.

1. Currently there are approximately 5,000 active users of AASIS, of which an estimated 1,945 may comprise the initial set of users of the eProcurement Solution to perform their daily job functions and/or interact in some capacity with procurement and/or contracting processes.
2. The State has approximately 580 procurement specialist (buyers) in AASIS who are responsible for day-to-day procurement activities (e.g. issuance of purchase orders) and are also responsible for management of bid/proposal responses and quotes and development of solicitations, addendums, amendments, etc. The State has approximately 1,020 procurement technicians (requisitioners) in AASIS.
3. The State anticipates having twelve (12) users at DFA-OSP to review and approve Supplier accounts to make them active and available for use in the system. These users will also be responsible for creating and maintaining supplier accounts as needed. (See T-4, Tab 4, Line FR4.4)
4. Approximately five (5) users (buyers) at DFA-OSP will be responsible for review of catalogs prior to Contractor publishing.
5. Arkansas Economic Development Commission (AEDC) has the responsibility of designating suppliers as minorities (disadvantaged businesses) as defined by Arkansas Code Annotated § 15-4-303. Currently, two (2) AEDC staff make this designation in Supplier accounts in the SAP ERP system through a custom developed Web-Dynpro application.

C. Non-State Entities: The State intends to provide access for use of the eProcurement Solution to Political Subdivisions, Higher Education Institutions and all other entities authorized to use State contracts. In this solicitation, this group of organizations will be referred to as "Non-State Entities". The potential number of users is unknown at this time. The State will determine when it is appropriate to engage Non-State Entities for rollout consideration to these organizations so it will not impact implementation of the Solution for the State.

1. The State will coordinate, and **must** approve, any requests for additional Solution functionality from Non-State Entities. These organizations may have interest in establishing interfaces or integrations with their own systems (e.g. Financial system) in which case they would work directly with the Contractor to

determine scope and quote for the work and, if agreeable, enter into a separate agreement with the Contractor.

- D. Procurement Card (p-card) use: Arkansas utilizes a centrally administered Procurement Card (p-card) program. **Currently, a monthly electronic feed is received from the State's issuing bank that creates budget-encumbering invoices for remittance of payment to the issuing bank.**
- E. Transaction Metrics: The following metrics are provided to demonstrate recent procurement activities and **must not** be used to establish limits to the number of transactions that the eProcurement Solution will be capable of processing.
 - 1. The State has approximately 410 active Statewide contracts issued by OSP
 - 2. 29,000 one-time bids issued within AASIS in FY18
 - 3. 82,000 POs issued within AASIS in FY18
 - 4. 500,000 invoices processed within AASIS in FY18
 - 5. **50,000 active Suppliers in AASIS**

2.3 EXISTING SYSTEM ENVIRONMENT

- A. DFA relies on existing DFA infrastructure and applications for its automation needs. The core application that supports the current procurement environment is the Statewide SAP ERP Application suite, AASIS. Implementation of AASIS occurred in **July 2001**.
- B. The key SAP modules that have been implemented since the initial deployment in 2001 include:
 - 1. SAP Human Capital Management
 - a. Personnel Management
 - b. Organization Management
 - c. Benefits
 - d. Time Administration
 - e. Payroll
 - f. ESS / MSS
 - g. Learning Solution (LSO)
 - 2. SAP Accounting
 - a. General Ledger and Financial (GL, FM, CO)
 - b. Cash Management (CM)
 - c. Accounts Payable (AP)
 - d. Accounts Receivables (AR)
 - e. Asset Accounting (AA)
 - f. Special Purpose Ledger (SPL) with Funds Splitter
 - g. Project Accounting
 - h. Warehouse (Inventory)
 - 3. SAP Logistics
 - a. Materials Management
 - b. Plant Maintenance
 - c. Fleet Management for State Police

4. SAP Business Intelligence

- a. Business Warehouse (BW)
- b. Business Objects for reporting (BOBJ)
- c. SAP Lumira

C. The SAP **Software Development Environment** includes the following key components:

1. Software Development

Development software is a delivered component of the SAP installation. The coding language used for development within the software is an SAP proprietary language called Advanced Business Application Programming (ABAP). Other development tools include, but are not limited to: WebDynpro, Process Orchestration, Business Warehouse (BW), Business Objects (BOBJ), Business Server Pages (BSP), Fiori (SAP UI5/HTML5), Web IDE, and Workflow.

2. Software Management

Software Management is a delivered component of the SAP installation. There is a standard 3-tiered landscape consisting of a development system, a quality assurance system, and a production system. The software management inherent in SAP provides for version control, security, review, and approval of all code changes that are part of the software development lifecycle. There are also Sandbox systems and Test systems (copy of Production systems). These systems are used to validate and test SAP upgrades/support packages, system enhancements, operating system changes, database release level changes, security changes, and mobile access to limit impacts to the Development, Quality Assurance, and Production systems.

3. Modeling Software

Comprehensive model management and collaboration capabilities simplify building and maintaining complex data models. AASIS uses SAP Business Warehouse/Business Intelligence for data modeling. This data modeling tool assists in the documentation and reuse of data assets. The database support offered by SAP BW/BI allows data architects to analyze, design, and optimize existing data sources.

4. System Software

The SAP system software provides essential functions necessary for the successful operation of AASIS as the State's central system of record.

a. SAP Software component versions are outlined below:

- i. EHP7 for SAP ERP 6.0 (ECC and Portal)
- ii. SAP Netweaver 7.4 (ECC and Portal)
- iii. SAP Netweaver 7.3 (BW and BW Portal – We are in the process of upgrading to 7.5)
- iv. SAP Solution Manager 7.1 (we are analyzing Solman 7.2 now)
- v. GUI for Windows Version 7.40 has been released to agencies for deployment

b. Third party applications used by AASIS are listed below:

- i. BSI TaxFactory
- ii. Vertex
- iii. GuiXT
- iv. Kronos

5. Client Software

Client Software is installed on all participating agency workstations to perform necessary duties within AASIS. The State utilizes a decentralized statewide deployment of the SAP GUI Installations and patch updates. An upgraded version of the SAP GUI is deployed statewide as required.

D. **DFA's Hardware Environment**

1. The technical landscape consists of an on-premise ecosystem residing on virtual servers located in the Arkansas Department of Information Systems (DIS) data center. Access to the majority of AASIS business functions are through locally installed desktop clients. There is growing access to AASIS for time and leave entry and approval using responsive design user interfaces for mobile devices via the SAP Fiori app. The statewide WAN backbone used to connect AASIS to State employees who use AASIS is also provided by DIS.
2. DFA's Hardware Environment includes the following key components:
 - a. Network Connectivity Component
 - i. AASIS currently utilizes the State's WAN provided by DIS for statewide communications between the AASIS and various participating state agencies. The transmission between the participating agencies and the DIS data center is encrypted and TCP/IP is the protocol used for communication between the client and the web servers.
 - b. Servers
 - i. The SAP Software runs on AIX UNIX application servers, Netweaver 7.X Web Application Servers, along with IBM DB2 for UNIX databases.
 1. The AIX operating system is version 7.1 TL1.
 2. The DB2 database version is 10.5 FP8.
 - ii. The AASIS primary technologies used in the environment are:
 1. AIX UNIX Servers (Power8 technology)
 2. IBM DB2 for Database Management
 3. IBM XIV Storage Area Network for OS and DB disk space
 4. IBM TMS (Tivoli) backup Solution
 5. Microsoft Windows Server version 2012
 6. Microsoft MS SQL Server 2008
 7. BSI payroll tax calculation tools
 8. VERTEX sales tax calculation tools
 9. Epi-Use SAP Data utility
 10. JSCAPE FTP utility
 11. HP Quick Test scripting utility
 12. F5 Load Balancing Network Appliance
 13. Kronos / TimeLink Time clock system
 - c. Desktops

Desktops are standard workstations with Windows 7 and above with a minimum of 4 GB of RAM and 22 inch flat screen monitors. DFA desktops are provided and maintained by the Office of Information Services (DFA-OIS). Agency desktops are provided and maintained by the agencies or a third party of their choosing.

d. Printers

Standard network based printers are used throughout agencies that utilize AASIS. The majority of printers are multi-function devices capable of printing, scanning copying, and faxing when appropriate. Printers are provided and maintained by participating agency IT staff where available.

e. System Security

DFA conducts internal audits and utilizes a wide variety of resources to create a secure application and network environment and to comply with various external agencies controls, requirements and recommendations including:

- i. AASIS utilizes security roles within the application to secure features and functions. The security roles are developed and maintained using standard SAP security functionality.
- ii. DFA-Office of Accounting (DFA-OA) provides oversight, review, and approval of security role assignment to end user IDs. Security role assignment conflicts are also overseen by DFA-OA.
- iii. Access to AASIS is through the DIS WAN which utilizes network security appliances to safeguard use of the system.

2.4 CURRENT RELATED INITIATIVES/PROJECTS

A. Active initiatives at DFA that may have an impact on the e-Procurement Project include:

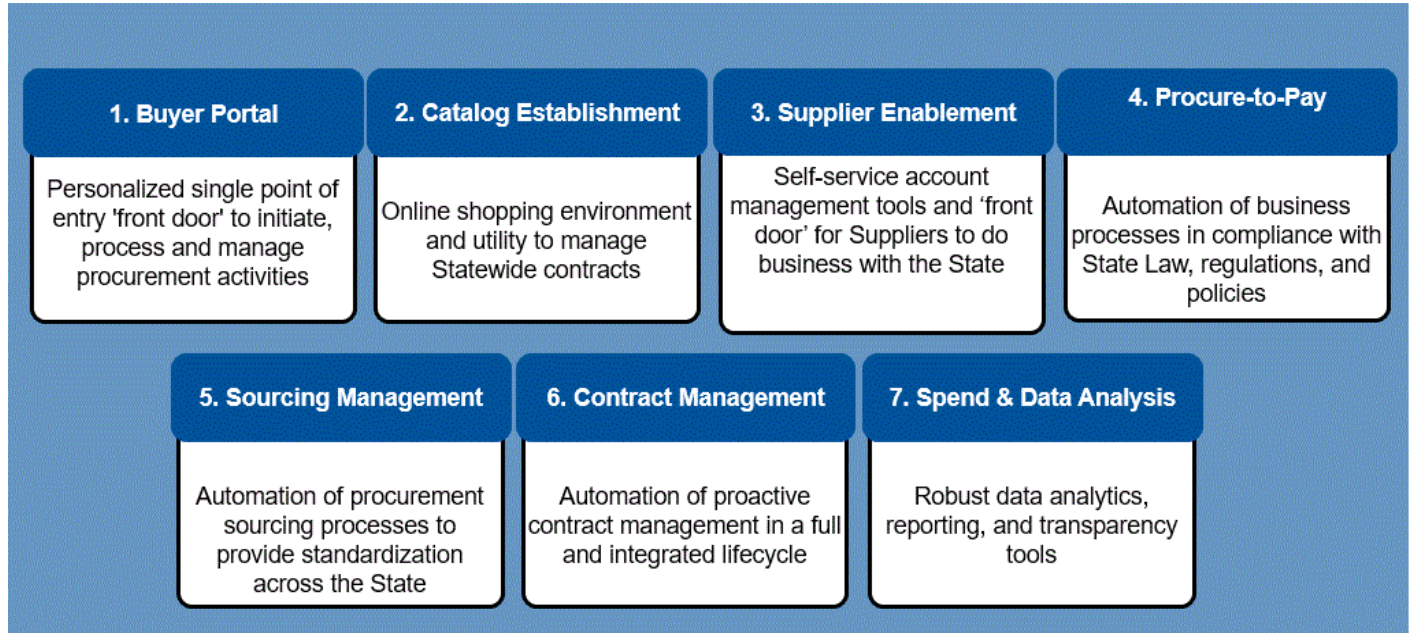
1. SAP HANA Upgrade: The objective of this project is to upgrade the entire AASIS landscape, including the on-premise ECC systems and the on-premise BW systems, in all landscapes, from an IBM DB2 database back-end to SAP HANA back-end on appropriate hardware. This SAP upgrade is expected to be completed by December 2018.
2. **Material Master Replacement Project: In addition to the e-Procurement effort, the Material Master Replacement Project is mandatory for Prospective Contractors to respond to. (Refer to Template T-6, O3. Material Master Replacement Project and Template C-1, Tab 8.)**
3. Arkansas Government Transformation: The need for a Statewide e-Procurement Solution comes at an opportune time as the State plans to streamline and reorganize government agencies and transform policies, procedures, and processes pursuant to the Governor of Arkansas' strategy to transform State government. The Statewide e-Procurement Solution aligns with the State's transformation initiative to become more effective, efficient and strategic in public procurements. **For more information, visit <https://governor.arkansas.gov/news-media/press-releases/governor-announces-transformation-plan-to-cut-cabinet-level-agencies-from-42-to-15>.**

SECTION 3 – SCOPE OF WORK

3.1 SOLUTION REQUIREMENTS

- A. The e-Procurement Solution's business capabilities **must** allow for efficient use of staff time and management capacity. Varying by user type, these capabilities **must** include buyer portals, supplier enablement, catalog establishment, sourcing management, procure-to-pay, contract management, and spend and data analysis. A conceptualization of this is shown in the figure below and further detailed in the functional and non-functional requirements.

FIGURE A: BUSINESS CAPABILITIES



B. Functional Requirements

1. *Response Template T-4* contains a comprehensive set of functional requirements that document the envisioned "to-be" state of the e-Procurement Solution. The Prospective Contractor should provide the most effective and efficient approach to meeting each Functional Requirement using *Response Templates T-4– Functional RTM* and *T-5– Functional Requirements Approach*.
2. Prospective Contractor may propose Solutions that achieve the State's functional requirements in a manner different from the workstreams presented in *Response Template T-4*, however all requirements **must** be addressed. Core to all functionalities of the Solution is the requirement that all aspects are to be user friendly, intuitive and innovative in providing both state-of-the-art capabilities and best practices that allow the State to transition from current inefficient practices.
3. Business narratives that describe at a high-level the roles and activities of users and the functionality provided by the envisioned Solution are included in the Procurement Library. This document may be used by Prospective Contractors to give additional contextual understanding of the Functional Requirements. In case of any inconsistency, the RFP and Response Templates **shall** govern. Refer to RFP *Section 1.30 Procurement Library*.
4. Functional Requirements are organized under the following categories:
 - a. FR1. General Requirements
 - b. FR2. Buyer Portal Requirements
 - c. FR3. Catalog Capability Requirements

- d. FR4. Supplier Enablement Requirements
- e. FR5. Procure-to-Pay Requirements, including:
 - i. Need Identification
 - ii. Purchase Request Development
 - iii. Workflow Management
 - iv. Purchase Order Generation
 - v. Procurement Card Integration
 - vi. Receiving
- f. FR6. Sourcing / Bid Management Requirements
- g. FR7. Contract Management Requirements
- h. FR8. Spend / Data Analytics Requirements
- i. FR9. Financial / Budget Requirements

C. **Non-Functional Requirements**

1. *Response Template T-6* contains the Non-Functional Requirements (NFRs) for the e-Procurement Solution. The Prospective Contractor should provide the most effective and efficient approach to meeting each Non-Functional Requirement using *Response Templates T-6– Non-Functional RTM* and *T-7– Non-Functional Requirements Approach*.
2. Non-Functional Requirements are organized under the following categories:
 - a. **Generalized System Behavior Requirements:** Requirements that are identified for each individual business activity and apply to a wide variety of such activities
 - i. G1. Usability Requirements – These requirements capture the Solution capabilities required to support users efficiently and effectively
 - ii. G2. Audit and Compliance Requirements – These requirements capture the capabilities the Solution **must** have to track activities that occur within the System in support of audit and compliance activities
 - iii. G3. Performance and Availability Requirements – These requirements capture specific requirements related to the performance of the System
 - iv. G4. Integration Requirements – This is a list of integration points that support the System functionality
 - b. **Technical Requirements:** Requirements that drive how the System should be designed and built in a way that provides for long-term use and reuse and related standards
 - i. T1. Interoperability and Integration Requirements – These requirements capture the capabilities required to build a System with the foundation to support integration/interoperating with external systems now and in the future
 - ii. T2. Scalability and Extensibility Requirements – These requirements capture the scalability and extensibility the System **must** provide to address DFA's current and future needs

- iii. T3. Regulatory and Security – These requirements capture the capabilities required of the System in support of security and meeting applicable regulations
- iv. T4. Solution Administration, Management, and Performance Monitoring Requirements – These requirements capture the capabilities required to administer the System, primarily focused on administering the data required by the System

~~v. T5. Architectural Components (T-6, Tab T5 has been deleted)~~

- c. **Implementation Requirements:** Requirements that drive how systems and services are designed, implemented, and supported to reduce risks and promote quality.
 - i. I1. Migration, Organizational Change Management (OCM), Training, and Knowledge Transfer (KT) Requirements
 - ii. I2. On-Going Support Services
 - iii. I3. Transition Requirements
 - iv. I4 Implementation Service Level Requirements (SLRs)
- d. **Operations**
 - i. **O1. Operations Support Service Level Requirements (SLRs)** – Requirements that drive how the e-Procurement Solution is operated and supported to reduce risks and promote quality.
 - ii. **O2. Service Request Priority** – Establishes criteria for the criticality of Service Requests. Prospective Contractor should refer to O2. Service Request Priority when responding to O1. Operations Support SLRs
 - iii. **O3. Material Master Replacement Project (Mandatory)**

3.2 **ADDITIONAL PROJECT AND SOLUTION REQUIREMENTS**

- A. *Response Template T-3 Project Organization and Staffing, and Staff Experience* describes the staff and resources the State plans to dedicate to the Project, governance, and describes the Prospective Contractor's staffing requirements for the Project. The Prospective Contractor should provide responses that meet the requirements using *Response Template T-3*.
- B. *Response Template T-8 Work Plan and Deliverables* contains requirements and deliverables around the Prospective Contractor's approach to implementing the Solution and support and operations. The Prospective Contractor should provide responses that meet the requirements using *Response Template T-8*.

3.3 **PERFORMANCE STANDARDS**

- A. State law requires that all contracts for services include Performance Standards or Service Level Requirements (SLRs) for measuring the overall quality of services provided. Contractor **must** meet the SLRs in order to avoid assessment of damages. *Response Template T-6 Non-Functional RTM* contains the SLRs for implementation and support and operations. Prospective Contractor **must** propose liquidated damages for each SLR. Prospective Contractor **must** also verify they will meet the SLR and may provide clarification as needed.
- B. Prospective Contractor's response to T-6 is considered evaluation criteria and will be scored. The State will negotiate SLRs with the highest-ranking Prospective Contractor prior to contract award and may negotiate SLRs further prior to the commencement of services or at times throughout the contract duration.
- C. The State has the right to modify, add, or delete Performance Standards throughout the term of the contract, should the State determine it is in its best interest to do so. Any changes or additions to performance standards will be made in good faith following acceptable industry standards and may include the input of the Contractor so as to establish standards that are reasonably achievable.
- D. All changes made to the Performance Standards will become an official part of the contract.

- E. Performance Standards will continue throughout the aggregate term of the contract.
- F. Failure to meet the minimum Performance Standards as specified will result in the assessment of damages.
- G. In the event a Performance Standard is not met, the Contractor will have the opportunity to defend or respond to the insufficiency. The State has the right to waive damages if it determines there were extenuating factors beyond the control of the Contractor that hindered the performance of services. In these instances, the State has final determination of the performance acceptability.
- H. Should any compensation be owed to the State agency due to the assessment of damages, Contractor **shall** follow the direction of the State agency regarding the required compensation process.

SECTION 4 – CRITERIA FOR SELECTION

- **Do not provide responses to items in this section.**

4.1 TECHNICAL PROPOSAL SCORE

- A. OSP will review each *Technical Proposal Response* to verify submission Requirements and the Minimum Mandatory qualification has been met. *Technical Proposals Responses* that do not meet submission and the Minimum Mandatory Qualification will be rejected and will not be evaluated.
- B. An agency-appointed Evaluation Committee will evaluate and score qualifying Technical Proposals. Evaluation will be based on Prospective Contractor's response included in the Technical Proposal.
1. Members of the Evaluation Committee will individually review and evaluate proposals and complete an Individual Score Worksheet for each proposal. Individual scoring for each Evaluation Criteria will be based on the following Scoring Description.

Quality Rating	Quality of Response	Description	Confidence in Proposed Approach
5	Excellent	When considered in relation to the RFP evaluation factor, the proposal squarely meets the requirement and exhibits outstanding knowledge, creativity, ability or other exceptional characteristics. Extremely good.	Very High
4	Good	When considered in the relation to the RFP evaluation factor, the proposal squarely meets the requirement and is better than merely acceptable.	High
3	Acceptable	When considered in relation to the RFP evaluation factor, the proposal is of acceptable quality.	Moderate
2	Marginal	When considered in relation to the RFP evaluation factor, the proposal's acceptability is doubtful.	Low
1	Poor	When considered in relation to the RFP evaluation factor, the proposal is inferior.	Very Low
0	Unacceptable	When considered in relation to the RFP evaluation factor, the proposal clearly does not meet the requirement, either because it was left blank or because the proposal is unresponsive.	No Confidence

2. After initial individual evaluations are complete, the Evaluation Committee members will meet to discuss their individual ratings. At this consensus scoring meeting, each member will be afforded an opportunity to discuss his or her rating for each evaluation criteria.
3. After committee members have had an opportunity to discuss their individual scores with the committee, the individual committee members will be given the opportunity to change their initial individual scores, if they feel that is appropriate.
4. The final individual scores of the evaluators will be recorded on the Consensus Score Sheets and averaged to determine the group or consensus score for each proposal.
5. Other agencies, consultants, and experts may also examine documents at the discretion of the Agency.

C. The *Evaluation* section has been divided into sub-sections.

1. In each sub-section, items/questions have each been assigned a maximum point value of five (5) points. The total point value for each sub-section is reflected in the table below as the Maximum Raw Score Possible.
2. The agency has assigned Weighted Percentages to each sub-section according to its significance.

Information for Evaluation Sub-Sections	Maximum Raw Points Possible	Sub-Section's Weighted Percentage	* Maximum Weighted Score Possible
Corporate Background and Experience			
Corporate Organization: T-2 Sec 1.1 & 1.2	5	1.429%	10
Corporate Experience: T2 Sec 2.1, 2.2, and 2.5	5	5.714%	40
Project Organization and Staffing, and Staff Experience			
Key Personnel and Experience: T3 Sec 2.1, 2.2, 2.3	5	7.143%	50
Staffing Plan: T3 Sec 3.1	5	5.714%	40
Staff Management, Retention, Training, Collaboration, and Work Location: T3 Sec 3.2, 3.3, 3.4, 3.5, 3.6	5	2.143%	15
Functional Requirements			
Approach to Vision: T5 Sec 1.1	5	1.429%	10
General: T4 Sec FR1 and T5 Sec 2.1	5	3.286%	23
Buyer Portal: T4 Sec FR2 and T5 Sec 3.1	5	3.286%	23
Catalog Capability: T4 Sec FR3 and T5 Sec 4.1	5	3.286%	23
Supplier Enablement: T4 Sec FR4 and T5 Sec 5.1	5	3.286%	23
Procure-to-Pay: T4 Sec FR5 and T5 Sec 6.1 - 6.6	5	3.286%	23
Sourcing/Bid Management: T4 Sec FR6 and T5 Sec 7.1	5	3.286%	23
Contract Management: T4 Sec FR7 and T5 Sec 8.1	5	3.286%	23
Spend/Data Analytics: T4 Sec FR8 and T5 Sec 9.1	5	3.286%	23
Financial/Budget Requirements: T4 Sec FR9 and T5 Sec 10.1	5	2.286%	16
Non-Functional Requirements			
General Behavior Requirements and Approach: T6 Sec G1-G4 and T7 Sec 1.1 – 1.4	5	2.857%	20
Technical Requirements and Approach: T6 Sec T1 – T4 and T7 Sec 2.1 – 2.5	5	5.714%	40
Implementation Requirements and Approach: T6 Sec I1- I4 and T7 Sec 3.1 – 3.6	5	6.429%	45
Operations Support Service-Level Requirements and Approach: T6 Sec O1	5	2.857%	20
Lessons Learned, Issues, Challenges and Potential Risks: T7 Sec 5.1 and 5.2	5	2.143%	15
Material Master Replacement Project: T-6, Tab O3	5	2.857%	20
Work Plan and Deliverables			
Implementation Deliverables and DED's: T8 Sec 4.1 – 4.2	5	7.143%	50
Approach to Project Management Work Plan: T8 Sec 4.3	5	6.429%	45
Work Plan: T8 Sec 4.4	5	11.429%	80
Total Technical Score	120	100%	700

*Sub-Section's Percentage Weight x Total Weighted Score = Maximum Weighted Score Possible for the sub-section.

- D. The proposal's weighted score for each sub-section will be determined using the following formula:

$$(A/B) * C = D$$

A = Actual Raw Points received for sub-section in evaluation
 B = Maximum Raw Points possible for sub-section
 C = Maximum Weighted Score possible for sub-section
 D = Weighted Score received for sub-section

- E. The proposal's weighted scores for sub-sections will be added to determine the Total Technical Score for the Proposal.

4.2 **ORALS/DEMONSTRATION SCORE**

- A. The Prospective Contractors with the top three Technical proposal scores after the completion of the technical proposal evaluation will be contacted to schedule Orals/Demonstration.
- B. The buyer will create a second set of score sheets by copying the Excel workbook (including the scores entered) and titling each of the score sheets in that workbook as the "Post-Orals/Demonstration" score sheets.
- C. After each Orals/demonstration is complete, the Evaluation Committee members will have the opportunity to discuss the orals/demonstration and revise their individual scores on the Post-Orals/Demonstration Consensus Score Sheet based on the information in the Orals/Demonstration.
- D. The final individual scores of the evaluators on the Post-Orals/Demonstration Consensus Score Sheets will be averaged to determine the final Technical score for each proposal.

4.3 **COST SCORE**

- A. When pricing is opened for scoring, the maximum amount of cost points will be given to the proposal with the lowest seven (7) year total cost of ownership as shown in Table One (1) on the Official Price Sheet. (See *Grand Total Score* for maximum points possible for cost score.)
- B. The amount of cost points given to the remaining proposals will be allocated by using the following formula:

$$(A/B) * (C) = D$$

A = Lowest Total Cost
 B = Second (third, fourth, etc.) Lowest Total Cost
 C = Maximum Points for Lowest Total Cost
 D = Total Cost Points Received

4.4 **GRAND TOTAL SCORE**

The Technical Score and Cost Score will be added together to determine the Grand Total Score for the proposal. The Prospective Contractor's proposal with the highest Grand Total Score will be selected as the apparent successful Contractor. (See *Award Process*.)

	Maximum Points Possible
Technical Proposal	700
Cost	300
Maximum Possible Grand Total Score	1,000

4.5 **PROSPECTIVE CONTRACTOR ACCEPTANCE OF EVALUATION TECHNIQUE**

- A. Prospective Contractor **must** agree to all evaluation processes and procedures as defined in this solicitation.
- B. The submission of a *Technical Proposal Response* signifies the Prospective Contractor's understanding and agreement that subjective judgments will be made during the evaluation and scoring of the Technical Proposals.

SECTION 5 – GENERAL CONTRACTUAL ITEMS

- **Do not provide responses to items in this section.**

5.1 PAYMENT AND INVOICE PROVISIONS

A. Forward invoices to:

Department of Finance and Administration
Administrative Services
P.O. Box 2485
Little Rock, AR 72203

- B. Payment will be made in accordance with applicable State of Arkansas accounting procedures upon acceptance goods and services by the agency.
- C. Do not invoice the State in advance of delivery and acceptance of any goods or services.
- D. Payment will be made only after the Contractor has successfully satisfied the agency as to the reliability and effectiveness of the goods or services purchased as a whole.
- E. The Contractor should invoice the agency by an itemized list of charges. The agency's Purchase Order Number and/or the Contract Number should be referenced on each invoice.
- F. Other sections of this *Solicitation* may contain additional Requirements for invoicing.
- G. Selected Contractor **must** be registered to receive payment and future *Solicitation* notifications. Prospective Contractors may register on-line at <https://www.ark.org/contractor/index.html>.

5.2 GENERAL INFORMATION

A. The State will not:

1. Lease any equipment or software for a period of time which continues past the end of a fiscal year unless the contract allows for cancellation by the State Procurement Official upon a thirty (30) day written notice to the Contractor/lessor in the event funds are not appropriated.
2. Contract with another party to indemnify and defend that party for any liability and damages.
3. Pay damages, legal expenses or other costs and expenses of any other party.
4. Continue a contract once any equipment has been repossessed.
5. Agree to any provision of a contract which violates the laws or constitution of the State of Arkansas.
6. Enter a contract which grants to another party any remedies other than the following:
 - a. The right to possession.
 - b. The right to accrued payments.
 - c. The right to expenses of deinstallation.
 - d. The right to expenses of repair to return the equipment to normal working order, normal wear and tear excluded.
 - e. The right to recover only amounts due at the time of repossession and any unamortized nonrecurring cost as allowed by Arkansas Law.

- B. Any litigation involving the State **must** take place in Pulaski County, Arkansas.

- C. The laws of the State of Arkansas govern this contract.
- D. A contract is not effective prior to award being made by a State Procurement Official.
- E. In a contract with another party, the State will accept the risk of loss of the equipment or software and pay for any destruction, loss, or damage of the equipment or software while the State has such risk, when:
 - 1. The extent of liability for such risk is based upon the purchase price of the equipment or software at the time of any loss, and
 - 2. The contract has required the State to carry insurance for such risk.

5.3 **CONDITIONS OF CONTRACT**

- A. Observe and comply with federal and State of Arkansas laws, local laws, ordinances, orders, and regulations existing at the time of, or enacted subsequent to the execution of a resulting contract which in any manner affect the completion of the work.
- B. Indemnify and save harmless the agency and all its officers, representatives, agents, and employees against any claim or liability arising from or based upon the violation of any such law, ordinance, regulation, order or decree by an employee, representative, or subcontractor of the Contractor.

5.4 **STATEMENT OF LIABILITY**

- A. The State will demonstrate reasonable care but will not be liable in the event of loss, destruction or theft of Contractor-owned equipment or software and technical and business or operations literature to be delivered or to be used in the installation of deliverables and services. The Contractor will retain total liability for equipment, software and technical and business or operations literature. The State will not at any time be responsible for or accept liability for any Contractor-owned items.
- B. The Contractor's liability for damages to the State will be limited to the value of the Contract. The foregoing limitation of liability will not apply to claims for infringement of United States patent, copyright, trademarks or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of the Contract calling for damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on the Contract. The Contractor and the State will not be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. This limitation of liability will not apply to claims for infringement of United States patent, copyright, trademark or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of the Contract calling for damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on the Contract.
- C. Language in these terms and conditions **must not** be construed or deemed as the State's waiver of its right of sovereign immunity. The Contractor agrees that any claims against the State, whether sounding in tort or in contract, will be brought before the Arkansas Claims Commission as provided by Arkansas law and governed accordingly.

5.5 **RECORD RETENTION**

- A. Maintain all pertinent financial and accounting records and evidence pertaining to the contract in accordance with generally accepted principles of accounting and as specified by the State of Arkansas Law. Upon request, grant access to State or Federal Government entities or any of their duly authorized representatives.
- B. Make financial and accounting records available, upon request, to the State of Arkansas's designee(s) at any time during the contract period and any extension thereof, and for five (5) years from expiration date and final payment on the contract or extension thereof.
- C. Other sections of this *Solicitation* may contain additional Requirements regarding record retention.

5.6 PRICE ESCALATION

- A. Price increases will be considered at the time of contract renewal.
- B. The Contractor **must** provide to OSP a written request for the price increase. The request **must** include supporting documentation demonstrating that the increase in contract price is based on an increase in market price. OSP has the right to require additional information pertaining to the requested increase.
- C. Increases will not be considered to increase profit or margins.
- D. OSP has the right to approve or deny the request.

5.7 CONFIDENTIALITY

- A. The Contractor, Contractor's subsidiaries, and Contractor's employees will be bound to all laws and to all Requirements set forth in this *Solicitation* concerning the confidentiality and secure handling of information of which they may become aware of during the course of providing services under a resulting contract.
- B. Consistent and/or uncorrected breaches of confidentiality may constitute grounds for cancellation of a resulting contract, and the State has the right to cancel the contract on these grounds.
- C. Previous sections of this *Solicitation* may contain additional confidentiality Requirements.

5.8 CONTRACT INTERPRETATION

Should the State and Contractor interpret specifications differently, either party may request clarification. However, if an agreement cannot be reached, the determination of the State is final and controlling.

5.9 CANCELLATION

- A. For Cause. The State may cancel any contract resulting from this solicitation for cause when the Contractor fails to perform its obligations under it by giving the Contractor written notice of such cancellation at least thirty (30) days prior to the date of proposed cancellation. In any written notice of cancellation for cause, the State will advise the Contractor in writing of the reasons why the State is considering cancelling the contract and provide the Contractor with an opportunity to avoid cancellation for cause by curing any deficiencies identified in the notice of cancellation for cause prior to the date of proposed cancellation. To the extent permitted by law and at the discretion of the parties, the parties may agree to minor amendments to the contract and avoid the cancellation for cause upon mutual agreement.
- B. For Convenience. The State may cancel any contract resulting from the solicitation by giving the Contractor written notice of such cancellation sixty (60) days prior to the date of cancellation.
- C. If upon cancellation the Contractor has provided commodities or services which the State of Arkansas has accepted, and there are no funds legally available to pay for the commodities or services, the Contractor may file a claim with the Arkansas Claims Commission under the laws and regulations governing the filing of such claims.

5.10 SEVERABILITY

If any provision of the contract, including items incorporated by reference, is declared or found to be illegal, unenforceable, or void, then both the agency and the Contractor will be relieved of all obligations arising under such provision. If the remainder of the contract is capable of performance, it will not be affected by such declaration or finding and **must** be fully performed.

SECTION 6 – STANDARD TERMS AND CONDITIONS

- **Do not provide responses to items in this section.**
- 1. **GENERAL:** Any special terms and conditions included in this solicitation **shall** override these Standard Terms and Conditions. The Standard Terms and Conditions and any special terms and conditions **shall** become part of any contract entered into if any or all parts of the bid are accepted by the State of Arkansas.
- 2. **ACCEPTANCE AND REJECTION:** The State **shall** have the right to accept or reject all or any part of a bid or any and all bids, to waive minor technicalities, and to award the bid to best serve the interest of the State.
- 3. **BID SUBMISSION:** Original Proposal Packets **must** be submitted to the Office of State Procurement on or before the date and time specified for proposal opening. The Proposal Packet **must** contain all documents, information, and attachments as specifically and expressly required in the *Bid Solicitation*. The bid **must** be typed or printed in ink. The signature **must** be in ink. Unsigned bids **shall** be rejected. The person signing the bid should show title or authority to bind his firm in a contract. Multiple proposals **must** be placed in separate packages and should be completely and properly identified. Late bids **shall not** be considered under any circumstances.
- 4. **PRICES:** Bid unit price F.O.B. destination. In case of errors in extension, unit prices **shall** govern. Prices **shall** be firm and **shall not** be subject to escalation unless otherwise specified in the *Bid Solicitation*. Unless otherwise specified, the bid **must** be firm for acceptance for thirty days from the proposal opening date. "Discount from list" bids are not acceptable unless requested in the *Bid Solicitation*.
- 5. **QUANTITIES:** Quantities stated in a *Bid Solicitation* for term contracts are estimates only, and are not guaranteed. Contractor **must** bid unit price on the estimated quantity and unit of measure specified. The State may order more or less than the estimated quantity on term contracts. Quantities stated on firm contracts are actual Requirements of the ordering agency.
- 6. **BRAND NAME REFERENCES:** Unless otherwise specified in the *Bid Solicitation*, any catalog brand name or manufacturer reference used in the *Bid Solicitation* is descriptive only, not restrictive, and used to indicate the type and quality desired. Bids on brands of like nature and quality will be considered. If bidding on other than referenced specifications, the bid **must** show the manufacturer, brand or trade name, and other descriptions, and should include the manufacturer's illustrations and complete descriptions of the product offered. The State **shall** have the right to determine whether a substitute offered is equivalent to and meets the standards of the item specified, and the State may require the Contractor to supply additional descriptive material. The Contractor **shall** guarantee that the product offered will meet or exceed specifications identified in this *Bid Solicitation*. Contractors not bidding an alternate to the referenced brand name or manufacturer **shall** be required to furnish the product according to brand names, numbers, etc., as specified in the solicitation.
- 7. **GUARANTY:** All items bid **shall** be newly manufactured, in first-class condition, latest model and design, including, where applicable, containers suitable for shipment and storage, unless otherwise indicated in the *Bid Solicitation*. The Contractor hereby guarantees that everything furnished hereunder **shall** be free from defects in design, workmanship and material, that if sold by drawing, sample or specification, it **shall** conform thereto and **shall** serve the function for which it was furnished. The Contractor **shall** further guarantee that if the items furnished hereunder are to be installed by the Contractor, such items **shall** function properly when installed. The Contractor **shall** guarantee that all applicable laws have been complied with relating to construction, packaging, labeling and registration. The Contractor's obligations under this paragraph **shall** survive for a period of one year from the date of delivery, unless otherwise specified herein.
- 8. **SAMPLES:** Samples or demonstrators, when requested, **must** be furnished free of expense to the State. Each sample should be marked with the Contractor's name and address, bid or contract number and item number. If requested, samples that are not destroyed during reasonable examination will be returned at Contractor's expense. After reasonable examination, all demonstrators will be returned at Contractor's expense.
- 9. **TESTING PROCEDURES FOR SPECIFICATIONS COMPLIANCE:** Tests may be performed on samples or demonstrators submitted with the bid or on samples taken from the regular shipment. In the event products tested fail to meet or exceed all conditions and Requirements of the specifications, the cost of the sample used and the reasonable cost of the testing **shall** be borne by the Contractor.
- 10. **AMENDMENTS:** Contractor's proposals cannot be altered or amended after the proposal opening except as permitted by regulation.
- 11. **TAXES AND TRADE DISCOUNTS:** Do not include State or local sales taxes in the bid price. Trade discounts should be deducted from the unit price and the net price should be shown in the bid.
- 12. **AWARD:** Term Contract: A contract award will be issued to the successful Contractor. It results in a binding obligation without further action by either party. This award does not authorize shipment. Shipment is authorized by the receipt of a purchase order from the ordering agency. Firm Contract: A written State purchase order authorizing shipment will be furnished to the successful Contractor.
- 13. **DELIVERY ON FIRM CONTRACTS:** This solicitation shows the number of days to place a commodity in the ordering agency's designated location under normal conditions. If the Contractor cannot meet the stated delivery, alternate delivery schedules may become a factor in an award. The Office of State Procurement **shall** have the right to extend delivery if reasons appear valid. If the date is not acceptable, the agency may buy elsewhere and any additional cost **shall** be borne by the Contractor.

- 14. DELIVERY REQUIREMENTS:** No substitutions or cancellations are permitted without written approval of the Office of State Procurement. Delivery **shall** be made during agency work hours only 8:00 a.m. to 4:30 p.m. Central Time, unless prior approval for other delivery has been obtained from the agency. Packing memoranda **shall** be enclosed with each shipment.
- 15. STORAGE:** The ordering agency is responsible for storage if the Contractor delivers within the time required and the agency cannot accept delivery.
- 16. DEFAULT:** All commodities furnished **shall** be subject to inspection and acceptance of the ordering agency after delivery. Back orders, default in promised delivery, or failure to meet specifications **shall** authorize the Office of State Procurement to cancel this contract or any portion of it and reasonably purchase commodities elsewhere and charge full increase, if any, in cost and handling to the defaulting Contractor. The Contractor **must** give written notice to the Office of State Procurement and ordering agency of the reason and the expected delivery date. Consistent failure to meet delivery without a valid reason may cause removal from the Contractors list or suspension of eligibility for award.
- 17. VARIATION IN QUANTITY:** The State assumes no liability for commodities produced, processed or shipped in excess of the amount specified on the agency's purchase order.
- 18. INVOICING:** The Contractor **shall** be paid upon the completion of all of the following: (1) submission of an original and the specified number of copies of a properly itemized invoice showing the bid and purchase order numbers, where itemized in the *Bid Solicitation*, (2) delivery and acceptance of the commodities and (3) proper and legal processing of the invoice by all necessary State agencies. Invoices **must** be sent to the "Invoice To" point shown on the purchase order.
- 19. STATE PROPERTY:** Any specifications, drawings, technical information, dies, cuts, negatives, positives, data or any other commodity furnished to the Contractor hereunder or in contemplation hereof or developed by the Contractor for use hereunder **shall** remain property of the State, **shall** be kept confidential, **shall** be used only as expressly authorized, and **shall** be returned at the Contractor's expense to the F.O.B. point provided by the agency or by OSP. Contractor **shall** properly identify items being returned.
- 20. PATENTS OR COPYRIGHTS:** The Contractor **must** agree to indemnify and hold the State harmless from all claims, damages and costs including attorneys' fees, arising from infringement of patents or copyrights.
- 21. ASSIGNMENT:** Any contract entered into pursuant to this solicitation **shall not** be assignable nor the duties thereunder delegable by either party without the written consent of the other party of the contract.
- 22. CLAIMS:** Any claims the Contractor may assert under this Agreement **shall** be brought before the Arkansas State Claims Commission ("Commission"), which **shall** have exclusive jurisdiction over any and all claims that the Contractor may have arising from or in connection with this Agreement. Unless the Contractor's obligations to perform are terminated by the State, the Contractor **shall** continue to provide the Services under this Agreement even in the event that the Contractor has a claim pending before the Commission.
- 23. CANCELLATION:** In the event, the State no longer needs the commodities or services specified for any reason, (e.g., program changes; changes in laws, rules or regulations; relocation of offices; lack of appropriated funding, etc.), the State **shall** have the right to cancel the contract or purchase order by giving the Contractor written notice of such cancellation thirty (30) days prior to the date of cancellation.
- Any delivered but unpaid for goods will be returned in normal condition to the Contractor by the State. If the State is unable to return the commodities in normal condition and there are no funds legally available to pay for the goods, the Contractor may file a claim with the Arkansas Claims Commission under the laws and regulations governing the filing of such claims. If upon cancellation the Contractor has provided services which the State has accepted, the Contractor may file a claim. **NOTHING IN THIS CONTRACT SHALL BE DEEMED A WAIVER OF THE STATE'S RIGHT TO SOVEREIGN IMMUNITY.**
- 24. DISCRIMINATION:** In order to comply with the provision of Act 954 of 1977, relating to unfair employment practices, the Contractor agrees that: (a) the Contractor **shall not** discriminate against any employee or applicant for employment because of race, sex, color, age, religion, handicap, or national origin; (b) in all solicitations or advertisements for employees, the Contractor **shall** state that all qualified applicants **shall** receive consideration without regard to race, color, sex, age, religion, handicap, or national origin; (c) the Contractor will furnish such relevant information and reports as requested by the Human Resources Commission for the purpose of determining compliance with the statute; (d) failure of the Contractor to comply with the statute, the rules and regulations promulgated thereunder and this nondiscrimination clause **shall** be deemed a breach of contract and it may be cancelled, terminated or suspended in whole or in part; (e) the Contractor **shall** include the provisions of above items (a) through (d) in every subcontract so that such provisions **shall** be binding upon such subcontractor or Contractor.
- 25. CONTINGENT FEE:** The Contractor guarantees that he has not retained a person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies maintained by the Contractor for the purpose of securing business.
- 26. ANTITRUST ASSIGNMENT:** As part of the consideration for entering into any contract pursuant to this solicitation, the Contractor named on the *Proposal Signature Page* for this solicitation, acting herein by the authorized individual or its duly authorized agent, hereby assigns, sells and transfers to the State of Arkansas all rights, title and interest in and to all causes of action it may have under the antitrust laws of the United States or this State for price fixing, which causes of action have accrued prior to the date of this assignment and which relate solely to the particular goods or services purchased or produced by this State pursuant to this contract.

- 27. DISCLOSURE:** Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that order, **shall** be a material breach of the terms of this contract. Any Contractor, whether an individual or entity, who fails to make the required disclosure or who violates any rule, regulation, or policy **shall** be subject to all legal remedies available to the agency.