



STATE OF ARKANSAS

OFFICE OF STATE PROCUREMENT

1509 West 7th Street, Room 300
Little Rock, Arkansas 72201-4222

FINAL - REQUEST FOR PROPOSAL

BID SOLICITATION DOCUMENT

Note: Updates to this final RFP are designated by red font.

SOLICITATION INFORMATION			
Bid Number:	SP-17-0006	Draft Solicitation Issued:	11/1/2016
Description:	Information Support Services		
Agency:	Arkansas Department of Human Services		
SUBMISSION DEADLINE FOR RESPONSE			
Bid Opening Date:	2/2/2017	Bid Opening Time:	2:30 p.m., Central Time
<p>Proposals shall not be accepted after the designated bid opening date and time. In accordance with Arkansas Procurement Law and Rules, it is the responsibility of vendors to submit proposals at the designated location on or before the bid opening date and time. Proposals received after the designated bid opening date and time shall be considered late and shall be returned to the vendor 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.</p>		
Proposal's Outer Packaging:	<p>Outer packaging must be sealed and should be properly marked with the following information. If outer packaging of proposal submission is not properly marked, the package may be opened for bid identification purposes.</p> <ul style="list-style-type: none">• RFP No. SP-17-0006• Date and time of bid opening• Vendor'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	OSP's Fax Number:	501-324-9311

Table of Contents

1.0	General Information	5
1.1	Introduction	5
1.2	Project Objectives	5
1.2.1	Mandatory Qualifications	6
1.3	State Point of Contact and Vendor Point of Contact	6
1.4	Procurement Schedule	7
1.4.1	Notice of Additions to or Rescheduling of Due Dates and Deadlines	7
1.5	State of Arkansas Overview	7
1.5.1	Department of Human Services Overview	8
1.5.2	Department of Information Systems	12
2.0	General Instructions and Proposal Requirements	13
2.1	RFP Package Overview and Pre-Proposal Instructions	13
2.1.1	Written Questions and Responses	13
2.1.2	Mandatory Pre-Proposal Conference	14
2.1.3	Letter of Intent to Submit a Proposal	14
2.2	Proposal Submission Instructions	14
2.2.1	Proposal Submission Details	14
2.2.2	Delivery Methods	15
2.2.3	Additional Copies of Proposals	15
2.2.4	RFP Responses	15
2.3	Proposal Submission Requirements	16
2.3.1	Interpretive Convention	16
2.3.2	Multiple Responses	16
2.3.3	Required Review	17
2.4	Instructions for RFP Response Content	17
2.4.1	Proposal Objectives	17
2.4.2	Proposal Format and Contents – Mandatory Response Templates	18
2.5	Additional Instructions	21
2.5.1	Arkansas Procurement Laws and Rules	21
2.5.2	Issuance of RFP and State’s Right to Modify, Cancel, Suspend and/or Terminate the RFP and any Contracts	21
2.5.3	Order of Precedence	21
2.5.4	Modifications Prior to Submittal Deadline or Withdrawal of Proposals	22
2.5.5	Proposal Preparation Costs	22
2.5.6	Proprietary/Confidential Information	22
2.5.7	Procurement Library	22
2.5.8	Minority Business Policy	23
2.5.9	Equal Opportunity Policy	23
2.5.10	Prohibition of Employment of Illegal Immigrants	24
2.5.11	Past Performance	24

2.5.12	Technology Access	24
2.5.13	Compliance with the State Shared Technical Architecture Program	25
2.5.14	Visa Acceptance	25
2.5.15	Publicity	26
2.5.16	Independent Price Determination	26
2.5.17	Disclosure under Arkansas Law	26
3.0	Background and Scope of Work (SOW)	26
3.1	Background	27
3.1.1	Overview and History	27
3.2	ISS Current Environment	27
3.2.1	ISS Overview	27
3.2.2	Overview of Current Application Landscape	30
3.2.3	Overview of Current Infrastructure Landscape	50
3.2.4	Current IT Operations Support	53
3.2.5	Ongoing Initiatives that could impact ISS Scope (this RFP)	54
3.3	Business Drivers, and Objectives	56
3.4	Information Support Services (ISS) Engagement Scope	56
3.4.1	Application M&O Scope	57
3.4.2	Implement Enhancements (Application Development)	64
3.4.3	Business Intelligence and Reporting	67
3.4.4	Provision of Additional As-Needed Services	67
3.4.5	IT Operations Support Services (Optional)	71
3.4.6	Non-Formalized Service Inclusion	72
3.5	Engagement Staffing and Management	72
3.5.1	Engagement Management and Governance	72
3.5.2	Vendor Management	73
3.5.3	Vendor and DHS Staffing	75
3.5.4	DHS Staffing Expectations	75
3.5.5	Vendor Staffing Expectations	75
3.5.6	Expected Work Environment	77
3.5.7	Deliverables Approval	78
3.6	Information System Support (ISS) Scope of Work Tasks and Deliverables	80
3.6.1	Scope of Work Overview	80
3.6.2	Detailed Scope of Work	81
3.7	Proposed Project Work Plan	92
3.8	Performance Standards and Associated Remedies	93
3.8.1	Liquidated Damages	94
3.8.2	Deliverable Quality Consequences and Incentives	95
4.0	Proposal Evaluation	96
4.1	Evaluation Criteria	96
4.2	Initial Compliance Screening	97
4.3	Minimum Mandatory Qualifications	97

4.4	Evaluation Scoring	98
4.4.1	Competitive Field Determinations.....	99
4.5	Oral Presentations	100
4.6	Cost Score	100
5.0	Vendor Selection and Contract Award.....	100
5.1.1	Successful Vendor Selection.....	100
5.1.2	Anticipation to Award.....	101
5.1.3	Issuance of Contract	101
5.2	Availability of Funds	101
5.3	Notice to Proceed.....	101
5.4	Term of Contract	102
	Appendix A – Glossary	103

List of Tables

Table 1.	Milestones and Due Dates	7
Table 2.	Proposal Sections and Mandatory Response Template Overview – Technical Proposal	19
Table 3.	Proposal Sections and Mandatory Response Template Overview – Cost Proposal	20
Table 4.	Procurement Library Structure	23
Table 5.	Criticality of all the Systems under the current ISS Contract	30
Table 6.	Core Systems and their Key Attributes.....	31
Table 7.	EEF Platform – Solution Component breakdown	50
Table 8.	Sampling Service Desk Tickets per Week.....	53
Table 9.	Application Retirement Roles and Responsibilities.....	57
Table 10.	State and Vendor Responsibilities	63
Table 11.	Typical State of Arkansas and ISS Vendor DDI project roles	65
Table 12.	Vendor’s Enterprise Platform Services Engagement Key Personnel Roles	76
Table 13.	List of ISS Applications M&O Deliverables	80
Table 14.	Proposed Schedule.....	93
Table 15.	Evaluation Criteria.....	96
Table 16.	Evaluation Scoring Grid	98

List of Figures

Figure 1.	Department of Human Services Overview.....	10
Figure 2.	High Level OST Organization Chart.....	11
Figure 3.	CISO Organization Chart	12
Figure 4.	High Level DIS Organization Chart	13
Figure 5.	Current Northrop Grumman Team Structure	29

Figure 6.	DHS Current Technology Landscape (Core Systems)	33
Figure 7.	EEF Environment.....	35
Figure 8.	ACES System and Interfaces.....	37
Figure 9.	FACTS System and Interfaces.....	38
Figure 10.	ANSWER System and Interfaces.....	42
Figure 11.	EEF Platform – Technology Stack	49
Figure 12.	State DHS Evaluation Process.....	96

1.0 General Information

1.1 Introduction

This Request for Proposal (RFP) is issued by the Arkansas Office of State Procurement (OSP) for the Department of Human Services (DHS) to obtain bids for Information Support Services (ISS).

Arkansas DHS serves over 1.2 million citizens with an annual operating budget of **\$8** billion. The department is the largest payer of Medicare services in Arkansas with more than \$5.1 billion in State and Federal Medicaid dollars being paid to approximately 12,000 providers across the State in fiscal year 2014.

The current DHS Information Support Services (ISS) contract with Northrop Grumman Corporation Information Technology is a fixed price and fixed rate deliverables-based professional services contract that will conclude its term in June 30, 2017. The new contract will encompass the following areas:

- Application Maintenance and Operations (M&O) for **approximately 200** legacy applications
- Application enhancements and development to increase efficiency and effectiveness for the supported programs
- Management of the Enterprise Data Warehouse (EDW) technology platform currently in place and related BI solution development, as needed
- Provision of resources with specialized skills required to address specific DHS needs ranging from staff augmentation to developing new applications on emerging technology
- In addition, this contract includes a component for DHS to optionally contract for various IT infrastructure services (ITIL services) including help desk, change and release managements, network managements, performance managements, etc. to complement the current DIS services while they are strengthening the capacity and skills.

1.2 Project Objectives

For this procurement, DHS has established the following goals and objectives:

- Implement an approach and pricing model that incentivizes the Vendor to maintain and operate a stable environment of production applications (i.e., Portfolio Applications) in a manner that is both efficient and effective, with cost predictability for DHS
- Gain visibility into M&O and enhancement activities and status by application for better understanding of costs. Funding of Applications M&O using actual M&O effort (rather than shifting to discretionary/enhancement, above baseline spending)
- Implement a robust methodology for benchmarking, reduce costs and leverage best practices – improve performance against service levels using an independent third party to objectively assess ‘Development and M&O’ performance against peers with similar workload.
- The Vendor is expected to perform in the second quartile (peer average) compared to peer providers of similar application portfolio by end of year 2 and improve to 25th percentile performance by end of year 4.

- ☐ Alternatively, the Vendor can reduce M&O costs by 10 percent annually for year 2 and beyond as long as the performance against the third party benchmark lies within 20% of the second quartile for the 15 core applications
- Leverage the applications provider market to drive the optimal balance of efficiency and effectiveness when developing new business applications
- Leverage specialized market expertise such as: advanced analytics, benchmarking, strategy, architecture, etc. While price is important, it is not the most important characteristics for these services, rather skills and capabilities will drive the selection process
- Optimize (and enhance as needed) the current EDW and Business Intelligence (BI) environment
 - ☐ This SOW includes M&O for the current EDW, ETL interfaces, batch design, managing data models and databases, database administration, reports development, BI solutions development and the extract, transformation and loading of data into the EDW
 - ☐ In addition, the selected Vendor will provide professional services and assist DHS business divisions and executives with design and development of new reports and analysis methods

1.2.1 Mandatory Qualifications

To realize the objectives stated above the State of Arkansas is issuing this RFP to contract with a Vendor who has experience managing complex applications portfolios for major organizations. As such, the State has established mandatory qualifications that must be met to submit a proposal. These include:

- The Vendor (Prime) must have at least five (5) years' experience with three (3) engagements similar in size, complexity and scope to this procurement that include the delivery of information support services
- The Vendor's team (both Prime and Subcontractor) must have proven experience with projects relating to the implementation of Business Intelligence and Reporting as defined in the RFP with at least three (3) implementations similar in size, complexity and scope in the past five (5) years
- The Vendor (Prime) must at least have an annual revenue of \$50 Million

1.3 State Point of Contact and Vendor Point of Contact

The single OSP Point of Contact (POC) for all Vendor communications related to this RFP and the delivery point for all responses and correspondence is:

Stephanie Cellers
Office of State Procurement
1509 West 7th Street, Room 300
Little Rock, AR 72201-4222
Telephone: (501) 371-6065
Fax: (501) 324-9311
E-mail: Stephanie.Cellers@DFA.arkansas.gov

All Vendor communications, responses and/or correspondences must be in writing.

During the RFP process, Vendors (which include the actual or prospective Vendor, or award winning Vendor for the requested scope of work described in this RFP) shall contact the OSP POC for matters regarding the RFP except to the extent otherwise directed by the OSP POC or as set forth herein. In that case, the Vendor shall contact the State governmental unit or employee designated by and for the purposes directed by the OSP POC. Contact with any other State personnel or attempts by the Vendors to contact any other State personnel in regards to this RFP could result in the rejection of their Proposal.

The Response Template O-2 must be used for submission of written questions.

Each Vendor shall designate an employee to serve as a point of contact (Vendor POC) to communicate on their behalf with the OSP POC throughout the procurement. The Vendor may designate different employees to serve as their Vendor POC upon reasonable notice to the OSP POC provided there shall be only one individual serving as the Vendor POC at any time unless otherwise permitted by OSP.

Additional terms and acronyms used in the RFP are defined in the Glossary (Appendix A. Glossary) of this RFP.

1.4 Procurement Schedule

Critical Due dates and milestones for this procurement are listed in Table 1.

Table 1. Milestones and Due Dates

Milestone	Date
Notice of Intent to Release the RFP	Nov. 1, 2016
Pre-Proposal Conference	Nov. 7, 2016
Questions Due	Nov. 21, 2016
State's Responses to Vendor Questions (anticipated)	Jan. 3, 2017
Release of the Final RFP (anticipated)	Jan. 3, 2017
Letter of Intent to Submit a Proposal Due	Jan. 10, 2017
Proposals Due (Date / Time)	Feb. 2, 2017
Oral Presentations (anticipated)	Mar. 6, 2017
Notice of Award (anticipated)	Apr. 17, 2017
Contract Start Date (anticipated)	Jul 1, 2017

1.4.1 Notice of Additions to or Rescheduling of Due Dates and Deadlines

If any date (other than anticipated dates) to be established by Table 1 is not provided at the time of the release of the RFP, or if any date (other than anticipated dates) set forth in Table 1 is rescheduled by OSP, OSP will issue a notice of the date or the rescheduled date by an addendum. Each such notice constitutes an addendum to the RFP. If a component of this schedule, such as "Proposals Due (Date/Time)" is delayed, OSP shall endeavor to have subsequent dates affected by the rescheduled date extended by the same number of days the original date was extended. OSP reserves the right to establish new or rescheduled dates as it deems appropriate.

1.5 State of Arkansas Overview

The US Census Bureau estimates that the population of Arkansas was 2,978,204 on July 1, 2015, a 2.14% increase over the previous census. Arkansas currently ranks as the 20th best state for business, with the 2nd-lowest cost of doing business, 5th-lowest cost of living, 11th

best workforce, 20th-best economic climate, 28th-best educated workforce, 31st-best infrastructure and the 32nd-friendliest regulatory environment. Arkansas gained twelve spots in the best state for business rankings since 2011. As of 2014, Arkansas was found to be the most affordable US state in which to live.

The table below breaks down estimated spending totals for fiscal year 2015. Figures for all columns except "Population" and "Per capita spending" are rendered in millions of dollars (for example, \$2,448 translates to \$2,448,000,000). Figures in the columns labeled "Population" and "Per capita spending" have not been abbreviated.

Arkansas's total estimated government spending in fiscal year 2015 was \$23.6 billion, which was the third highest total spending when compared to surrounding states.

Total estimated state spending, FY 2015 (\$ in millions)					
State	State funds	Federal funds	Total spending	Population	Per capita spending
Arkansas	\$16,502	\$7,131	\$23,633	2,978,204	\$7,935.32
Per capita figures are calculated by taking the state's total spending and dividing by the number of state residents according to United States Census Bureau estimates. ^[2]					
Source: National Association of State Budget Officers, "Examining fiscal 2013-2015 state spending," accessed April 4, 2016					

Between 2010 and 2014, the share of the Arkansas state budget spent on K-12 education decreased from 17.2% in 2010 to 15.1% in 2014, while Medicaid spending increased from 20% in 2010 to 22.1% in 2014. See the table below for further details (figures are rendered as percentages, indicating the share of the total budget spent per category).

Arkansas spending by function from 2010 to 2014 (as percentages)							
Year	K-12 education	Higher education	Public assistance	Medicaid	Corrections	Transportation	Other
2014	15.1%	15.6%	2.3%	22.1%	2.1%	6.1%	36.8%
2013	15.6%	15.4%	2%	21%	2.1%	5.8%	38%
2012	16.3%	16.2%	2.1%	21.4%	2.2%	5.8%	36.0%
2011	17.2%	15.8%	2.2%	21.1%	2.2%	5.2%	36.3%
2010	17.2%	15.3%	2.2%	20.0%	2.1%	4.9%	38.2%
Source: National Association of State Budget Officers							
Note**: "Other" expenditures include "Children's Health Insurance Program (CHIP), institutional and community care for the mentally ill and developmentally disabled, public health programs, employer contributions to pensions and health benefits, economic development, environmental projects, state police, parks and recreation, housing and general aid to local governments." ^[1]							

1.5.1 Department of Human Services Overview

DHS is the largest department in Arkansas State Government. Services are provided through Divisions that are coordinated from Central Offices in Little Rock (Pulaski County). The department is the largest payer of Medicare services in Arkansas with more than \$5.1 billion in State and Federal Medicaid dollars being paid to approximately 12,000 providers across the State in fiscal year 2014. Specific services are provided by programs in one or more of these nine (9) programmatic Divisions and eight (8) shared services Offices:

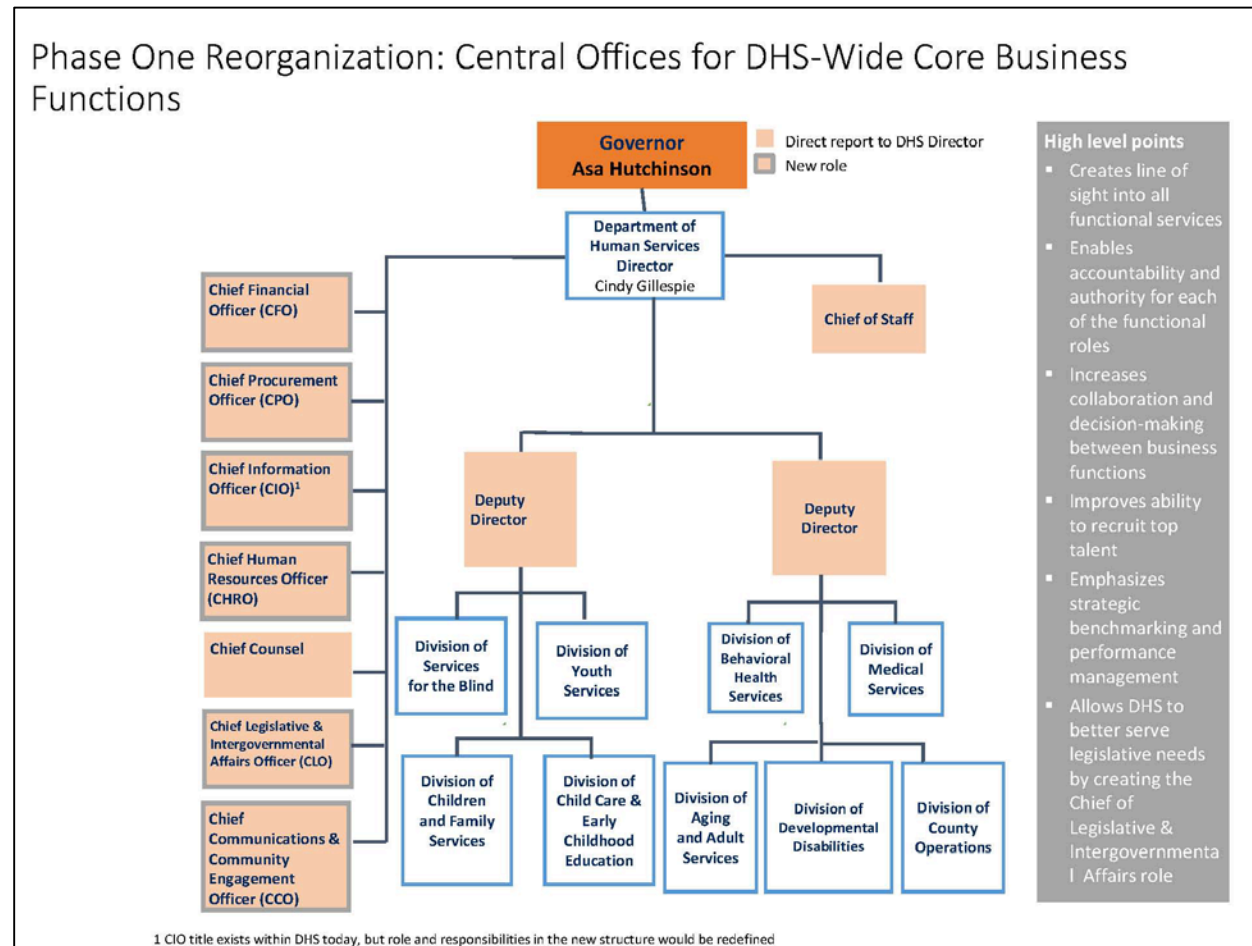
- Office of the Director
- Office of Finance (CFO)
- Office of Procurement (CPO)

- Office of Human Resources (CHRO)
- Office of Chief Counsel (OCC)
- Office of Legislative and Intergovernmental Affairs (CLO)
- Office of Communications and Community Engagement (CCO) (includes Division of Community Service and Nonprofit Support)
- Office of Systems and Technology (CIO)
- Division of Aging and Adult Services (DAAS)
- Division of Behavioral Health Services (DBHS)
- Division of Child Care and Early Childhood Education (DCCECE)
- Division of Children and Family Services (DCFS)
- Division of County Operations (DCO)
- Division of Developmental Disabilities Services (DDS)
- Division of Medical Services (DMS)
- Division of Services for the Blind (DSB)
- Division of Youth Services (DYS)

In addition to the department's central complex at 7th and Main in Little Rock, DHS has 105 remote facilities scattered throughout the 75 county service area; 86 county offices, 7 regional juvenile facilities, 5 human development centers, the DHS Warehouse, the Arkansas State Hospital, and the Arkansas Health Center. In State fiscal year 2014 there are over 7500 employees and the budget is \$5.5 billion.

Vendors should be aware of the current dynamic environment involving funding and composition of programs administered by the Department of Human Services. State-level reorganization and restructuring of service delivery mechanisms are possible as a result of changes in federal or State policy.

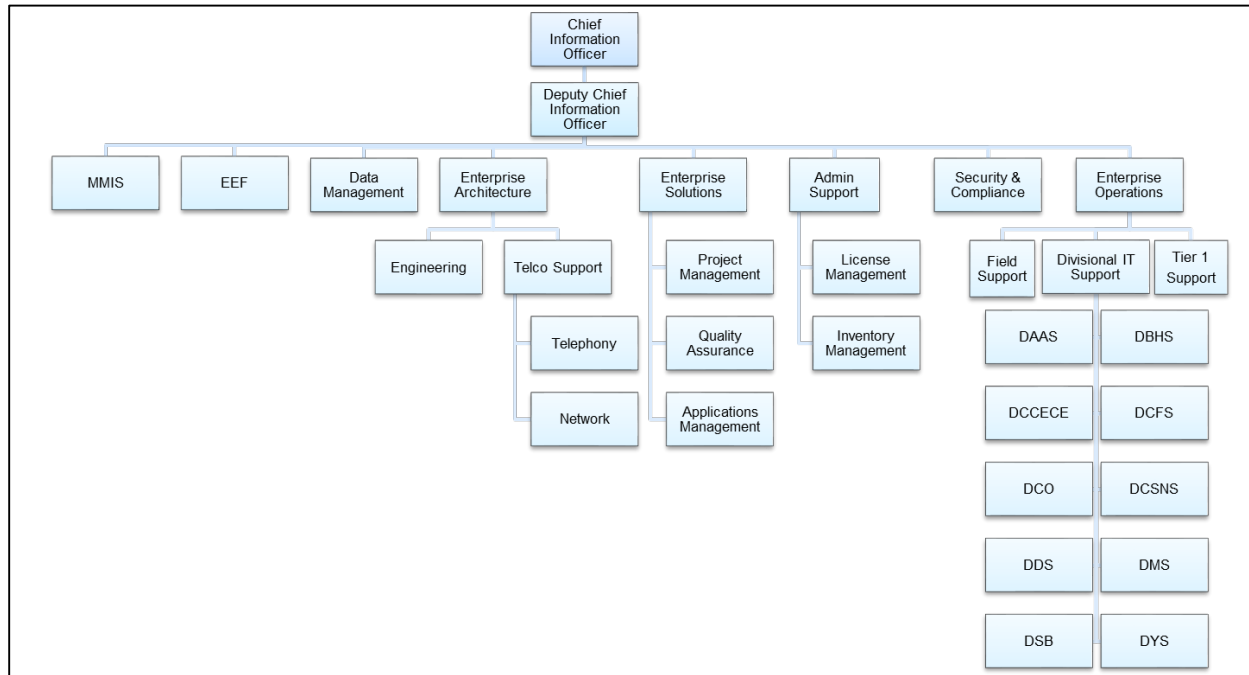
Figure 1. Department of Human Services Overview



1.5.1.1 DHS Information Technology Overview

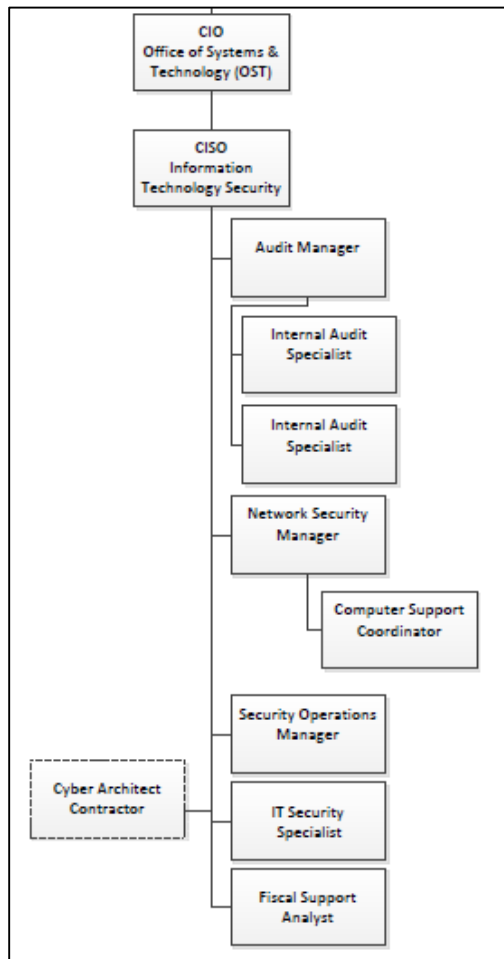
The OST provides, coordinates and manages information technology solutions in a manner that best supports DHS strategic objectives, and embraces a technological vision that makes DHS and its divisions integral partners in the delivery of human services to Arkansas citizens. OST normally outsources significantly to Northrup Grumman (see section 3). In State fiscal year 2014, OST employed 37 State employees to directly manage the major outsourcing ISS contract, supporting various areas including development, support, and maintenance as well as project and vendor management.

Figure 2. High Level OST Organization Chart



The Information Technology Security (CISO) team reports into OST. The figure below captures the CISO organizational structure.

Figure 3. CISO Organization Chart

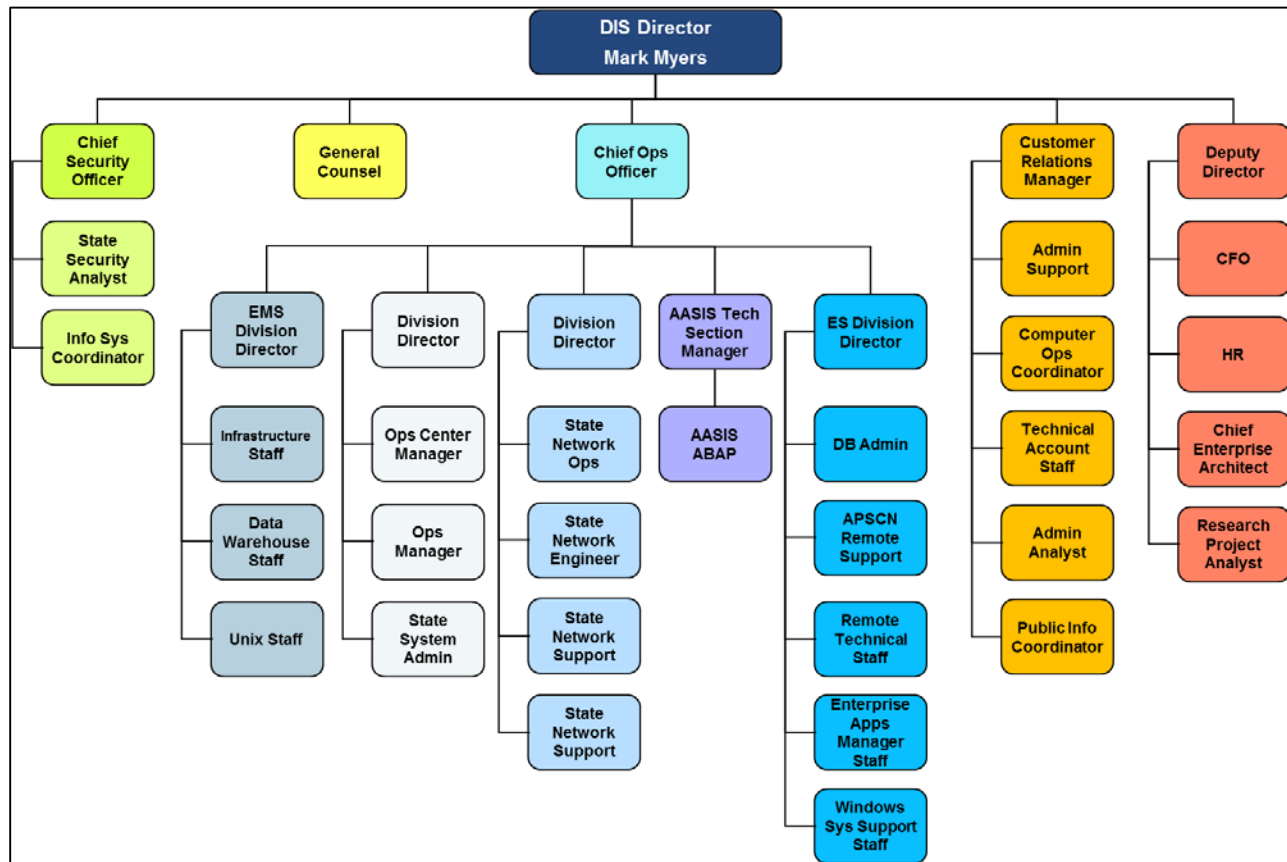


1.5.2 Department of Information Systems

The Arkansas Department of Information Systems (DIS) was founded in 1977, employs more than 200 State workers and is the information technology solutions provider for the State of Arkansas. The Department provides services from telephony and data networking to technical consulting to the public entities that serve our citizens. The DIS Mission is to 'Provide technology leadership and solutions to assist customers in their delivery of public services.'

The DIS specialty is Data Center and Hosting Services, Professional Services, Network Services, Storage and Backup Services, Voice Services.

DIS provides the infrastructure (e.g. network, servers, data center, disaster recovery services) for DHS. The applications that will be managed by the Vendor will run on the DIS provided infrastructure. Additionally, the State of Arkansas is migrating towards centrally managed processes (e.g. centralized Service Desk, Change Management process) and, once the transition has occurred the Vendor will need to integrate with these processes.

Figure 4. High Level DIS Organization Chart

2.0 General Instructions and Proposal Requirements

2.1 RFP Package Overview and Pre-Proposal Instructions

The RFP package includes three parts;

- RFP narrative (this document)
- Mandatory response templates, and
- Procurement Library

2.1.1 Written Questions and Responses

If the Vendor believes that any provision of the RFP is unclear, potentially defective or would prevent them from providing a complete and thorough Proposal, the Vendor shall submit questions using Response Template O-2 — Written Questions. The Written Questions Response Template must be submitted via email to the OSP POC on or before the date set forth in the schedule contained in Table 1 of this RFP. The email should use the subject line “RFP No. SP-17-0006 Vendor Questions.”

The State strongly prefers that the Vendor identify the page, section number, paragraph and line or sentence of such provision(s) of the RFP to which the question applies, the specific language in question, as well as the question itself. Any vendor questions that do not conform to this request may not be answered by DHS.

The questions must be submitted in the original file format "Microsoft Excel" as denoted in Template O-2. OSP will make every effort to respond by the date stated in the schedule.

Responses to questions will be posted on the OSP website. If modifications to the RFP are necessary an Addendum will be issued.

2.1.2 Mandatory Pre-Proposal Conference

OSP will host a Pre-Proposal Conference session that is mandatory for all Vendors submitting Proposals. Vendors are encouraged to attend in person, however, a teleconference option is also available. Vendors **will have** the opportunity to gain further understanding of the RFP requirements, process and procedures. This session will be held reasonably in advance of the deadline to submit a Proposal. The Pre-Proposal Conference is for informational purposes only. Neither such Conference(s) nor any information provided through or during them is binding upon OSP or constitutes a change to the RFP. Neither OSP nor DHS are responsible if the appropriate Vendor staff does not attend the Pre-Proposal Conference(s) and does not acquire knowledge of the information presented or discussed during such Conference(s). Vendors **(Prime)** who do not attend the Pre-Proposal Conference will be disqualified from submitting a Proposal.

The Pre-Proposal Conference will be held as follows:

Pre-Proposal Conference Location: University of Arkansas Cooperative Extension, 2301 S. University Ave., Little Rock, AR 72204

Teleconference Line: 1-774-220-4000, Conference ID: 6187-2201

Date: November 7, 2016

Time: 11:00 AM CDT (or CST as applicable)

Note: Date and time of the Pre-Proposal Conference are subject to change. **All Prime Vendor(s) must attend the conference.**

Any questions regarding the Pre-Proposal Conference shall be directed to the OSP POC.

2.1.3 Letter of Intent to Submit a Proposal

Vendors interested in submitting a Proposal shall submit a non-binding Letter of Intent (LOI) to Submit a Proposal by email to the OSP POC before the date set forth in the schedule contained in Table 1 of this RFP, and any amendments thereof. The LOI must use the Response Template O-1.

2.2 Proposal Submission Instructions

2.2.1 Proposal Submission Details

Vendors must submit **eleven (11)** hard copies, and one (1) soft copy of the Proposal, which is inclusive of two (2) separate packages: Technical Proposal and Cost Proposal (see Section 2.4.2 for details). One (1) hard copy of the Proposal must be clearly identified on the cover and packaging as the Proposal ORIGINAL and must contain a "wet" original signature, in blue or black ink, by the person authorizing submission on behalf of the Vendor. The soft copy (e.g., searchable pdf) may be submitted on CDs, DVDs and/or USB storage devices. The Vendor should make reasonable attempts to ensure that the soft copy media is "locked" to avoid unintentional changes to the submission.

All Cost Proposals (both hard copies and soft copies) must be submitted separately from the Technical Proposals, and must be sealed, as described later in this RFP. Submission of all

portions of the Proposal must be received at the address **on the cover page of this RFP** before the date and time listed in this RFP.

The Vendor must refer to Section 2.5.6 for additional details on proprietary information and redacted copies.

Proposal delivery instructions are provided on the cover page of this RFP document.

2.2.2 Delivery Methods

In all cases, it is the Vendor's responsibility to ensure that the OSP POC physically receives all copies of the Proposal at the address listed prior to the Proposal due date and time. OSP will not make concessions for delivery or transportation services.

U.S. MAIL: Vendors are cautioned that it is their responsibility to originate the mailing of Proposals in sufficient time to ensure Proposals are received prior to the due date and time.

EXPRESS DELIVERY: If Proposals are being sent via an express delivery service, the Vendor should ensure that the RFP designation is clearly shown on the outside of the delivery envelope or box, and that the delivery is made to OSP prior to the due date and time.

HAND DELIVERY: Hand carried Proposals shall be delivered to the OSP POC prior to the due date and time.

ELECTRONIC: Electronic Proposals will not be accepted.

FAXED PROPOSALS: Faxed Proposals will not be accepted.

2.2.3 Additional Copies of Proposals

Additional copies of the Proposal may be requested for contracting purposes. OSP will notify the Vendor of the winning Proposal when additional Proposal copies are needed.

If OSP requests additional copies of the proposal, the copies must be delivered within twenty-four (24) hours of the request. All additional hard copies and electronic copies must be identical to the original hard copy. In case of a discrepancy, the original hard copy shall govern.

2.2.4 RFP Responses

DHS is seeking a broad set of innovative responses. Vendors must bid on the entire Scope of Work (SOW) included in this RFP. The scope includes:

- **Applications Maintenance and Operations of existing legacy applications** — This includes the M&O of DHS' existing applications (currently referred to as "Baseline"). The approach and pricing model must include maintaining and operating a stable production environment for a portfolio of applications that is both efficient and effective with cost predictability for DHS. (See Section 3.4.1)
- **Implement Enhancements (application development)** — In addition to providing maintenance and operations for the legacy applications, the Vendor must implement new functionality (currently referred to as "Above the Baseline"). This work will be identified as needed during the engagement and will be accompanied by specific work requests from DHS. (See Section 3.4.2)
- **Business Intelligence and Reporting** — As outlined in Section 3.2.2, DHS has a data warehouse and business intelligence solutions group run by the incumbent vendor including a number of BI solutions for eight (8) divisions within DHS. However, DHS needs to continue to evolve over time and the deployed solutions will need to be kept up to date and relevant to business needs (See Section 3.4.3. The Vendor shall propose a set of services that provides the proper M&O for the existing solutions, as well as

provide responsive and agile services with respect to new and emerging BI and analytics needs.

- **Procure Additional Services** — Throughout the life of the contract DHS anticipates requiring additional technical resources to address their IT needs. (See Section 3.4.4)
- **IT Operations Support (DHS optional scope)** — As noted in Section 3.2.5, the State of Arkansas is considering a project to migrate all departments onto M&O processes operated and maintained by DIS. DHS may decide to procure services from the Vendor to support IT Operations until this transition has occurred (See Section 3.4.5)

Vendors are encouraged to provide Proposals that will best achieve the needs, goals and requirements as stated in this RFP. All Vendors are responsible for adhering to the instructions and proposal requirements below.

2.3 Proposal Submission Requirements

2.3.1 Interpretive Convention

Any statement in this document that contains the word “must” or “shall” or “will” means that compliance with the intent of the statement is mandatory, and failure by the Vendor(s) to satisfy that intent will cause the proposal to be rejected. **Unless specifically disallowed on any specification herein, the Vendor may provide clarification to any point within Section 3 of the main RFP document or Template 6, including a specification denoted as mandatory, as long as the following are true:**

- a. The specification is not a matter of State law;
- b. The Proposal still meets the intent of the RFP;
- c. A Proposal Clarifications Summary Form is included with Vendor’s Proposal (Template T-9); and
- d. The clarification is clearly explained, along with any alternative or substitution the Vendor proposes to address the intent of the specification on the Proposal Clarifications Summary Form.

Clarifications shall not be allowed for any other section or template corresponding to this RFP.

2.3.2 Multiple Responses

- Single and joint Vendor proposals by Vendors are acceptable. However, a single Vendor must be identified as the Prime Vendor in each proposal. The Prime Vendor will be responsible for the Contract and will be the sole point of contact with regard to support services.
- If any part of the work must be subcontracted, the Vendor must include a list of subcontractors, including firm name and address, contact person, complete description of work to be subcontracted, and descriptive information concerning subcontractor’s organizational activities within thirty (30) days of contract award. Vendor must complete, sign and submit the Proposed Subcontractors Form with its Proposal Packet to indicate Vendor’s intent to utilize, or to not utilize, subcontractors. The sub-contractor form is further described in Template T-9. **The form** is located in the procurement library and on the OSP website.
- The Vendor shall not assign the contract in whole or in part or any payment arising there from without the prior written consent of the State Procurement Official.

2.3.2.1 Subcontractors

If selected, Vendors are fully responsible for all work performed under the Contract. In the event of a Proposal submitted jointly by more than one organization, one organization shall be designated as the Prime Vendor. All other participants shall be designated as subcontractors.

If the Vendor's Key Personnel includes the use of subcontractors, it is strongly preferred that the Prime Vendor complete a minimum of 60% of the work, as defined in this procurement.

All subcontracted work, and subcontractors performing that work, must be identified in the Vendor's Proposal. Vendors may, however, only enter into written subcontract(s) for performance of these functions under the Contract upon the approval of DHS and after the signing of the Contract. Subcontracts must be approved in writing by DHS prior to the effective date of any subcontract. No subcontract that Vendors enter into with respect to performance of this Contract shall in any way relieve Vendors of any responsibility for performance of duties. Failure to comply with the terms of this section is at the sole risk of the Prime Vendor, and in such case, the State will in no way be held responsible for anything that arises from that failure.

Vendors shall give DHS immediate notice by certified mail of any action or suit filed and prompt notice of any claim made against the Vendor by any subcontractor or Vendor that in the opinion of the Vendor may result in litigation related in any way to the Contract with DHS.

2.3.3 Required Review

Before submitting a Proposal, Vendors must thoroughly and carefully examine this RFP, any attachments, addenda, Procurement Library and other relevant documents, to ensure the Vendor understands the requirements of the RFP. Vendors must also become familiar with State, local, and Federal laws, statutes, ordinances, rules, and regulations that may in any manner affect cost, progress, or performance of the work required.

If Vendors identify any defects in this RFP or its associated documents, or if Vendors need to ask clarifying questions about this RFP or its associated documents, Vendors must submit notice in writing to OSP no later than the deadline for written questions (see Schedule of Due Dates in Table 1 Milestones and Due Dates). This will allow the issuance of any necessary corrections and/or amendments to the RFP by addendum, and mitigate reliance of a defective solicitation and exposure of Proposal(s) upon which award could not be made.

2.4 Instructions for RFP Response Content

2.4.1 Proposal Objectives

The RFP document and the mandatory RFP Response Templates provide a structured approach for DHS to detail its business and technical needs for the SOW, and a structured way for Vendors to respond to those needs. It is critical that Vendors respond in a manner consistent with this structure, aligned to the SOW, to ensure that DHS can evaluate all responses in an objective manner. Should Vendors wish to submit additional materials to clarify their response to specific questions in the Response Templates, these additions should be submitted as appendices to the Proposal and referenced in the appropriate section of the Proposal.

All Proposals will be evaluated in an objective and structured manner designed to provide the highest scores to those Proposals that provide the best value to DHS. The highest consideration will be given to those Proposals that meet and exceed the stated business needs, address and comply with the technical constraints, provide a comprehensive plan for implementation and ongoing operations, limit risk for DHS, and provide a competitive total cost of ownership over the contract term.

2.4.2 Proposal Format and Contents – Mandatory Response Templates

It is strongly preferred that the Proposal be in the order of the Response Templates, and that all questions in each Response Template be completed. Vendor(s) must use the Response Templates provided by the State. Proposals that are incomplete may be deemed non-responsive at the sole discretion of OSP or may have a significant negative impact on their score due to the impact on the Proposal evaluation process. It is the Vendor's responsibility to ensure its Proposal is submitted in a manner that enables DHS to easily locate all response descriptions and exhibits for each requirement in the respective SOW within this RFP.

Unless otherwise specified, hard copies of Proposals should use the formats that are offered in the Response Templates on 8-1/2" x 11" white bond paper with no less than 1/2" margins and eleven (11) point font. Exceptions may be made in the case of pictures, images or tables where relevant, however this use should be limited as much as possible. Hard copies of Proposals should be assembled in loose-leaf, three-hole punch binders with appropriate tabs for each section. Do not provide Proposals in glue-bound binders or use binding methods that make the binder difficult to remove. The Vendor should put its company name and page/volume number in the header or footer of each page of every document submitted.

Vendors must submit a Proposal responding to the SOW in this RFP following the guidelines set forth. Proposals must be divided into two (2) appropriately labeled and sealed packages marked "Technical Proposal" and "Cost Proposal".

The following illustrates at a high level the contents of each proposal package:

■ Package 1 – Technical Proposal (see Table 2)

☐ This will include five scope areas as shown below:

1. Applications Maintenance and Operations of DHS' current applications portfolio (see section 3.4.1)
2. Performing projects primarily to enhance DHS' current applications portfolio (see section 3.4.2)
3. Supporting DHS' Business Intelligence and Reporting needs (see section 3.4.3)
4. Providing access to staff and/or project teams with the specialized skills required to address specific DHS needs ranging from staff augmentation to developing new applications on emerging technology (see section 3.4.4)
5. IT Operations Support for DHS (e.g. Information Technology Infrastructure Library (ITIL) best practices, including change management, incident management) (Optional) (see section 3.4.5)

■ Package 2 – Cost Proposal (see Table 3)

☐ This will include a total cost summary worksheet and seven (7) cost summary worksheets for the scope areas of the RFP shown above. All other tabs in C-1 should be total costs

All proposal submissions should be clearly labeled with the RFP number and SOW, as noted above.

2.4.2.1 Package 1 – Technical Proposal

This portion of the Proposal should include the sections that correspond to the Response Templates listed in Table 2. Vendor(s) must use the Response Templates provided by the State. The State strongly encourages each vendor to fully complete each Response Template.

Table 2. Proposal Sections and Mandatory Response Template Overview – Technical Proposal

Section / Template	Name	Description
T-1	Cover Letter and Executive Summary	<p>The Vendor's response should include a transmittal (cover) letter, table of contents, executive summary, Vendor contact information and locations, subcontractor contact information and locations, and demonstration of the fulfillment of the Minimum Mandatory Qualifications.</p> <p>The Vendor's authorized signature on the Response Template T-1 marked "ORIGINAL" shall be a wet original signature in black or blue ink.</p>
T-2	Vendor Experience	The Technical Proposal should include an overview of the Vendor organization, corporate background, and documentation of the Vendor's experience providing similar services, a summary of Vendor's experience in the public sector, financial references, and other required forms. If the Proposal includes the use of subcontractor(s), projects completed in the last five (5) years should be provided.
T-3	Vendor References	The Vendor's Technical Proposal must include at least three (3) references (for the Prime Vendor) from projects performed within the last five (5) years that demonstrate the Vendor's ability to perform the functions described in the SOW of this RFP. Refer to section 1.2.1 for minimum mandatory qualifications. If the Proposal includes the use of subcontractor(s), the Vendor must provide three (3) references for each subcontractor proposed. DHS has a strong preference for references that demonstrate where the Prime and subcontractor(s) have worked together in the past.
T-4	Vendor Project Organization and Staffing	The Vendor's Technical Proposal should include: organization plan; organization chart; key staff; subcontractor(s) key staff; qualification of additional staff; staff management; training policies and procedures; staff retention.
T-5	Staff Experiences	<p>The Vendor's Technical Proposal should include the proposed approach to: roles and responsibilities; summary of skill sets; total years of experience in the proposed role; qualifications; and resumes.</p> <p>If a subcontractor is included, the Vendor's Technical Proposal should include a summary of the proposed staff (prime and subcontractor) experience in working collaboratively together on projects.</p>
T-6	ISS Requirements	The objective of the ISS Requirements Template is to provide the Vendors with a clear understanding of the tasks they must perform (and an opportunity to provide feedback/make minor clarifications) and provide DHS with a method to evaluate the degree to which each Vendor will satisfy the ISS Requirements.
T-7	ISS Requirements Approach	This section of the Vendor's Technical Proposal should include a narrative of the Vendor's proposed approach to addressing the ISS Requirements. The Vendor's response should detail the approach to meet the various ISS requirements as documented in Template T-6.

Section / Template	Name	Description
T-8	Work Plan	<p>This section of Vendor's Technical Proposal should include a Work Plan that will be used to create a consistent and coherent management plan. This Work Plan will demonstrate that the Vendor has a thorough understanding of the SOW and what should be done to satisfy the requirements.</p> <p>The Work Plan should include detail sufficient to give DHS an understanding of how the Vendor will use its knowledge and approach to:</p> <ul style="list-style-type: none"> ▪ Manage the Work; ▪ Guide Work execution; ▪ Document planning assumptions and decisions; ▪ Facilitate communication among stakeholders; and <p>Define key management review of content, scope, and schedule.</p>
T-9	Terms and Conditions of this RFP and Any Resulting Contract	This section of the Vendor's Technical Proposal includes the Terms and Conditions that will govern this contract and any contracting forms that the Vendor will need to provide with their proposal and those forms required prior to commencing activities under this contract.
T-10	RFP Response Checklist	This section of the Vendor's Technical Proposal should include the completed checklist verifying that all the RFP response requirements have been completed.

2.4.2.2 Package 2 – Cost Proposal

This portion of the Proposal must include Template C-1 — Cost Workbook as described below. The Vendor must follow all of the instructions contained within the Response Template.

Table 3. Proposal Sections and Mandatory Response Template Overview – Cost Proposal

Section / Template	Name	Description
C-1	Cost Workbook	Details the costs associated with the Proposal, including any assumptions that may affect them.

The Cost Proposal, both hard copies and soft copy, must include a response through the mandatory use and submission of the Mandatory Template C-1 — Cost Workbook. Vendors must complete the Template as instructed and place it in a single (1) SEALED package, separate from the Technical Proposal, clearly marked as the Cost Proposal with the Vendor's name, the RFP number, the SOW and the RFP submission date. Cost information shall not be contained in the Technical Proposal submission, unless explicitly requested. Only cost information provided in the Cost Proposal will be considered.

The Vendor must base its Cost Proposal on the SOW described in Section 3.4 and associated sections of this RFP and Response Templates. The Cost Proposal must clearly state any business, economic, legal, programmatic, or practical assumptions that underlie the Cost Proposal. DHS reserves the right to accept or reject any assumptions. All assumptions not expressly identified and incorporated into the Contract resulting from this RFP are deemed rejected by DHS.

The Vendor shall provide a fixed cost for all Applications M&O activities as specified in this SOW. For enhancements that qualify as Above the Baseline work, the Vendor shall provide detailed information on all staff to be engaged, roles and responsibility, hourly rates, etc.

The Vendor shall include costs for all services outlined in this RFP. The Total Cost Summary is required by DHS for evaluation. Costs for transition services and optional services must be provided for budget purposes but will not be taken into account for evaluation. Costs must be based on the terms and conditions of the RFP, including DHS' General Conditions (provided in the Procurement Library) and Mandatory Requirements of the RFP (not the Vendor's clarifications to the terms and conditions). The Vendor must state all other assumptions upon which its pricing is being determined in the Template C-1 — Cost Workbook. Cost assumptions must not conflict with the RFP terms and conditions including DHS' general conditions or mandatory requirements in this RFP.

The Proposal cost for the Baseline components must be Fixed Fee Price (FFP) with payments based on deliverables as proposed by the Vendor. The Vendor must provide fixed Hourly Labor Rates to use for 'Unanticipated Tasks' and 'Above the Baseline line Tasks' (e.g. scope not included in this RFP). In addition, fixed Labor Rates must be available for DHS to use for implementing enhancements (3.4.2) and provisioning additional as-needed services (Section 3.4.4) if necessary. The Vendor must provide costs for any Software and Hardware that are required in support of the SOW.

The Vendor is responsible for entering cost data in the format prescribed by the Response Template C-1 — Cost Workbook. Formulas have been inserted in the appropriate cells of the Response Template to automatically calculate summary numbers, and shall not be altered. Further instructions for entering cost data are included in the Response Template. It is the sole responsibility of the Vendor to ensure that all mathematical calculations are correct and that the total costs reflect the total Proposal cost.

Completion of all portions of the Cost Workbook worksheets is mandatory. Applicable purchase, delivery, tax, services, safety, license, travel, per diem, Vendor's staff training, facility, and any other expenses associated with the delivery and implementation of the proposed items must be included in the Vendor's costs and fixed Hourly Rates.

2.5 Additional Instructions

2.5.1 Arkansas Procurement Laws and Rules

This procurement is conducted according to Arkansas procurement laws and rules. The Vendor must follow all applicable laws and rules. These rules can be found at:

<http://www.dfa.arkansas.gov/offices/procurement/Documents/lawsRegs.pdf>

2.5.2 Issuance of RFP and State's Right to Modify, Cancel, Suspend and/or Terminate the RFP and any Contracts

Without limiting any other provision of the RFP (including any exhibits, attachments, appendices, Response Templates, and the RFP as amended by any addenda), OSP has the right at any time for its convenience and without cause to modify, alter, amend, change, cancel, suspend or terminate the RFP, including, without limitation, the right to cancel and withdraw the RFP prior to acceptance of Proposals or prior to the award of a Contract for some or all of the requested Solution or services, or in connection with any termination or change in funding. Any modifications or alterations to the RFP will be written in an addendum, posted as an attachment to the original posting on the [Office of State Procurement \(OSP\) website](#).

2.5.3 Order of Precedence

In the event of any inconsistency between the articles, attachments, specifications, or provisions which constitute this Contract, the following order of precedence shall apply.

- The Contract including, any special conditions, attachments and addenda

- The RFP (RFP-SP-17-0006)
- The Proposal submitted
- The successful Vendor shall comply with all applicable laws, ordinances, codes, rules and regulations of the Federal, State, and local governments, that in any way affect its performance under the Contract.

2.5.4 Modifications Prior to Submittal Deadline or Withdrawal of Proposals

The Vendor may modify or withdraw its Proposal before the Proposal due date and time. Any change, addition, deletion of attachment(s) or data entry of a Proposal may be made prior to the deadline for submittal of proposals. No modifications, additions or deletions may be made after the Proposal due date and time.

2.5.5 Proposal Preparation Costs

This RFP does not commit the Office of State Procurement to award a contract(s), to pay costs incurred in the preparation of a proposal in response to this request, or to procure or contract for commodities or services

2.5.6 Proprietary/Confidential Information

The Vendor must provide one (1) redacted (marked "REDACTED") copy of the original Technical Proposal Packet, preferably on a flash drive. A CD will also be acceptable.

- Submission documents pertaining to this *Bid Solicitation* become the property of the State and are subject to the Arkansas Freedom of Information Act (FOIA).
- 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 Packet*. A CD is also acceptable.
- 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.
- The vendor **shall** be responsible for identifying all proprietary information and for ensuring the electronic copy is protected against restoration of redacted data.
- The redacted copy **shall** be open to public inspection under the Freedom of Information Act (FOIA) without further notice to the vendor.
- If a redacted copy of the submission documents is not provided with vendor's response packet, a copy of the non-redacted documents, with the exception of financial data (other than pricing), **shall** be released in response to any request made under the Arkansas Freedom of Information Act (FOIA).
- If the State deems redacted information to be subject to FOIA, the vendor will be contacted prior to release of the documents.

2.5.7 Procurement Library

This RFP includes a Procurement Library that contains supporting documentation or links to State or Federal websites to assist Vendors in understanding the context of this solicitation. A link to this Library will be published on the OSP website where this RFP is published. These documents shall be considered part of this procurement and each should be reviewed by Vendors for applicability as noted in this section and throughout the RFP.

The documents in the Library are structured under five (5) categories/folders. A Procurement Library index is also included to help Vendors navigate and identify key documentation to support their Proposal development process. The five (5) categories/folders include:

Table 4. Procurement Library Structure

Folder Name	Description
01 – Business Documents	The documents in this folder provide information specific to DHS' business. This provides more information regarding the business environment
02 – Technical Documents	The documents in this folder provide additional details regarding DHS' technical environment including infrastructure and applications
03 – Policies and Standards	The documents in this folder provide DHS and DIS policies that apply to the DHS environment
04 – DHS Operations Procedure Manual	The documents in this folder provide information regarding the current processes and procedures currently leveraged by the incumbent vendor to manage the ISS Applications
05 – Procurement Forms	The documents in this folder are the editable forms which need to be included with the Vendor's proposal (Template T-9 – Terms and Conditions of this RFP and Any Resulting Contract)

2.5.8 Minority Business Policy

- Minority participation is encouraged in all State procurements.
- Minority is defined by Arkansas Code Annotated § 15-4-303 as a lawful permanent resident of this State who is:
 - African American
 - American Indian
 - Asian American
 - Hispanic American
 - Pacific Islander American
 - A Service Disabled Veterans as designated by the United States Department of Veteran Affairs
- The Arkansas Economic Development Commission conducts a certification process for minority businesses and disabled veterans. The vendor's Minority Certification Number should be included in Template T-2 — Vendor Experience, if applicable.

2.5.9 Equal Opportunity Policy

- In compliance with Arkansas Code Annotated § 19-11-104, OSP is required to have a copy of the vendor's Equal Opportunity (EO) Policy with the submission of a proposal.
- EO Policies may be submitted in electronic format to the following email address: eeopolicy.osp@dfa.arkansas.gov, but should also be included as a hardcopy accompanying the solicitation response.
- The submission of an EO Policy to OSP is a one-time Requirement. Vendors 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.

- Vendors, who are not required by law to have an EO Policy, must submit a written statement to that effect.

2.5.10 Prohibition of Employment of Illegal Immigrants

Pursuant to Arkansas Code Annotated § 19-11-105, prior to the award of a contract, selected Vendor(s) **must** have a current certification on file with OSP stating that they do not employ or contract with illegal immigrants. The selected Vendor must certify online at www.arkansas.gov/dfa/procurement, that the Vendor does not employ or contract with any illegal immigrant prior to contract award.

OSP will notify the selected Vendor(s) prior to award if their certification has expired or is not on file. Instructions for completing the certification process will be provided to the Vendor(s) at that time.

2.5.11 Past Performance

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

2.5.12 Technology Access

- 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 Vendor 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.
- ACCORDINGLY, THE VENDOR 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:
 - ☐ 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
 - ☐ Presenting information, including prompts used for interactive communications, in formats intended for non-visual use
 - ☐ After being made accessible, integrating into networks for obtaining, retrieving, and disseminating information used by individuals who are not blind or visually impaired

- ❑ 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
- ❑ Being compatible with information technology used by other individuals with whom the blind or visually impaired individuals interact
- ❑ Integrating into networks used to share communications among employees, program participants, and the public
- ❑ 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
- 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.
- 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.
- 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.

2.5.13 Compliance with the State Shared Technical Architecture Program

The respondent’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:

<http://www.dis.arkansas.gov/policiesStandards/Pages/default.aspx>. Only those standards which are fully promulgated or have been approved by the Governor’s Office apply to this solution.

2.5.14 Visa Acceptance

- The awarded Vendor should have the capability of accepting the State’s authorized VISA Procurement Card (p-card) as a method of payment
- Price changes or additional fee(s) **shall not** be levied against the State when accepting the p-card as a form of payment
- VISA is not the exclusive method of payment

2.5.15 Publicity

- Vendors **shall not** issue a news release pertaining to this *Bid Solicitation* or any portion of the project without OSP's prior written approval
- Failure to comply with this Requirement **shall** be cause for a Vendor's proposal to be disqualified

2.5.16 Independent Price Determination

- By submission of this proposal, the Vendor 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
- Evidence of collusion **shall** warrant consideration of this proposal by the Office of the Attorney General. All vendors **shall** understand that this paragraph may be used as a basis for litigation.

2.5.17 Disclosure under Arkansas Law

OSP is required to have a copy of E0-98-04 disclosure form on file for the selected Vendor. Vendor must submit the disclosure form with its proposal. The **form** is published on the OSP website at <http://www.dfa.arkansas.gov/offices/procurement/Pages/forms.aspx> and is also located in the procurement library.

3.0 Background and Scope of Work (SOW)

In preparation for issuing this RFP, DHS has followed a rigorous and disciplined process to collect and organize the information Vendors require to understand the context of the effort, the framework within which the Vendors will be performing their services and to define the services required. This section provides this information and is organized into the following sections:

- Section 3.1 provides background information
- Section 3.2 provides an overview of the current ISS environment including an overview of the applications to be supported, the infrastructure on which they run and the support processes currently in place
- Section 3.3 captures the objectives of this procurement
- Section 3.4 outlines the scope of the services being procured through this RFP
- Section 3.5 provides an overview of the anticipated staffing and DHS' approach to managing the Vendor throughout the engagement
- Section 3.6 captures the Scope of Work (Tasks and Deliverables DHS requires the Vendor to perform)
- Section 3.7 captures the anticipated schedule
- Section 3.8 provides an overview of the performance expectations DHS has of the Vendor and associated remedies

3.1 Background

3.1.1 Overview and History

DHS currently contracts with a vendor to support its applications portfolio of approximately 200 applications. The current Applications M&O contract provides for a fixed-fee baseline component at a current annualized funding level. There is an additional annualized Above-Baseline (ABL) component related to services not specifically included in the Baseline contracts. These applications reside on infrastructure provided by the State of Arkansas Department of Information Services (DIS).

DHS plans to continue contracting with a Vendor (through this procurement) to provide maintenance and operations and enhancement services for their applications portfolio. However, DHS also sees significant opportunity to increase visibility to vendor activities and improve the efficiency of how the maintenance and operations services are provided.

The primary purpose of this RFP is to procure the services required to maintain and operate the applications currently in the DHS environment. In addition, DHS expects the Vendor to provide the ability to implement new functionality, provide business intelligence and reporting consulting/development and access to a network of resources with a variety of IT related skills to address future needs.

Vendors should be aware of the current dynamic environment involving funding and composition of programs administered by the Department of Human Services. State-level reorganization and restructuring of service delivery mechanisms are possible as a result of changes in Federal or State policy.

3.2 ISS Current Environment

3.2.1 ISS Overview

The OST is responsible for the development, maintenance and support of the Department's information systems. This office is one of nine (9) programmatic Divisions and eight (8) shared services Offices within DHS. OST is headed by the DHS Chief Information Officer (CIO) who reports directly to the Director of the Department of Human Services.

The current DHS (ISS) contract with the incumbent, Northrop Grumman Corporation (NG) Information Technology, is a combination fixed price and fixed rate, deliverables-based professional services. The current contract provides for a fixed-fee deliverables-based baseline component at an annualized funding level. There is also an additional annualized Above-Baseline (ABL) component related to enhancements, new development and services not specifically provided in the ABL scope and deliverables.

The current ISS contract consists of support and services covering the following organizations:

- 75 county service areas
- 7 regional juvenile facilities
- 5 human development centers
- The DHS Warehouse
- The Arkansas State Hospital
- The Arkansas Health Centers

Northrop Grumman's engagement encompasses the following functional areas for the department's existing applications baseline:

- Project Management and Administration
- Quality Assurance
- Data Administration
- Application Systems Support
- Local Area Network Support
- Desktop Support (Pulaski County only) - LAN and Desktop services have been transitioned to DIS
- Application Systems Development
- Disaster Recovery
- Business Continuity and Security
- On-Site Network Support

A total of 103 NG staff including sub-contractors support the full scope of the current ISS activities.

■ **Baseline:**

- ☐ 38 Full time staff supporting basic application M&O

■ **Above the Baseline (ABL):**

- ☐ Approximately 24 task orders ranging from \$50K to \$3M
- ☐ Tasks involve incremental modernization and major enhancements, however, a significant amount (approximately \$10M) of this work is M&O work and this will be shifted to the baseline/Applications M&O Scope
- ☐ NG has approximately 60 staff in support of the Above Baseline work.

- Six (6) provide data management and reporting support

The figure below provides an overview of how the NG staff is currently organized.

- There are also other vendors who assist OST with provision of PMO Services, IV&V Services, and other specialized services.

3.2.2 Overview of Current Application Landscape

Currently, the DHS Information Technology (IT) applications portfolio is composed primarily of discrete, stove-piped systems supporting individual divisions' needs. However, DHS is currently in the process of undergoing a transformation to redefine its underlying architecture to better meet its business objectives.

As a part of the current ISS contract, NG provides development and maintenance support to meet DHS information technology (IT) and business requirements. The development and maintenance support effort provides the foundation for all agencies within DHS. The DHS IT environment includes about 200 application systems, hundreds of subsystems, and thousands of programs, maps, copybooks, jobs, and run books.

The following table provides a snapshot of the approximately 200 applications that the current NG contract supports, across the various solution architectures including Mainframe, Client/Server and N-Tier technologies.

An inventory of all in-scope applications along with key attributes including application sizing data, technology used, interface information etc., is included in the Application Inventory spreadsheet provided as part of the Procurement Library.

Table 5. Criticality of all the Systems under the current ISS Contract

# of Apps	Criticality
15	Core or Major
Approximately 185	Non-Core

Lines of codes (LOC) is one of the major attributes that was used to conduct Application sizing. LOC was derived by extracting each of the project/application code bases from the code repositories onto the windows file system and then using either the windows findstring command or the windows powershell .count dir commands. In cases where the "debug or release /bin" directories or other executable library directories were present, these directories were cleaned or omitted prior to command execution. Both commands utilized recursive directory switches to search and count all folders and files for the applications. If any of the projects/applications consisted of two or more subsystems, the LOC of each subsystem was calculated and then all subsystems were added together for total LOC.

Application sizing details, which include the lines of code and other attributes, have been provided in the Application inventory spreadsheet provided as part of the Procurement Library for both categories of applications, Core and Non-Core.

Of the approximately 200 applications and sub-systems currently within DHS technology landscape, DHS categorizes 15 of those systems as core or major systems.

The Table below provides a mapping of the primary applications supporting the specific DHS programs along with their Interfaces.

Table 6. Core Systems and their Key Attributes

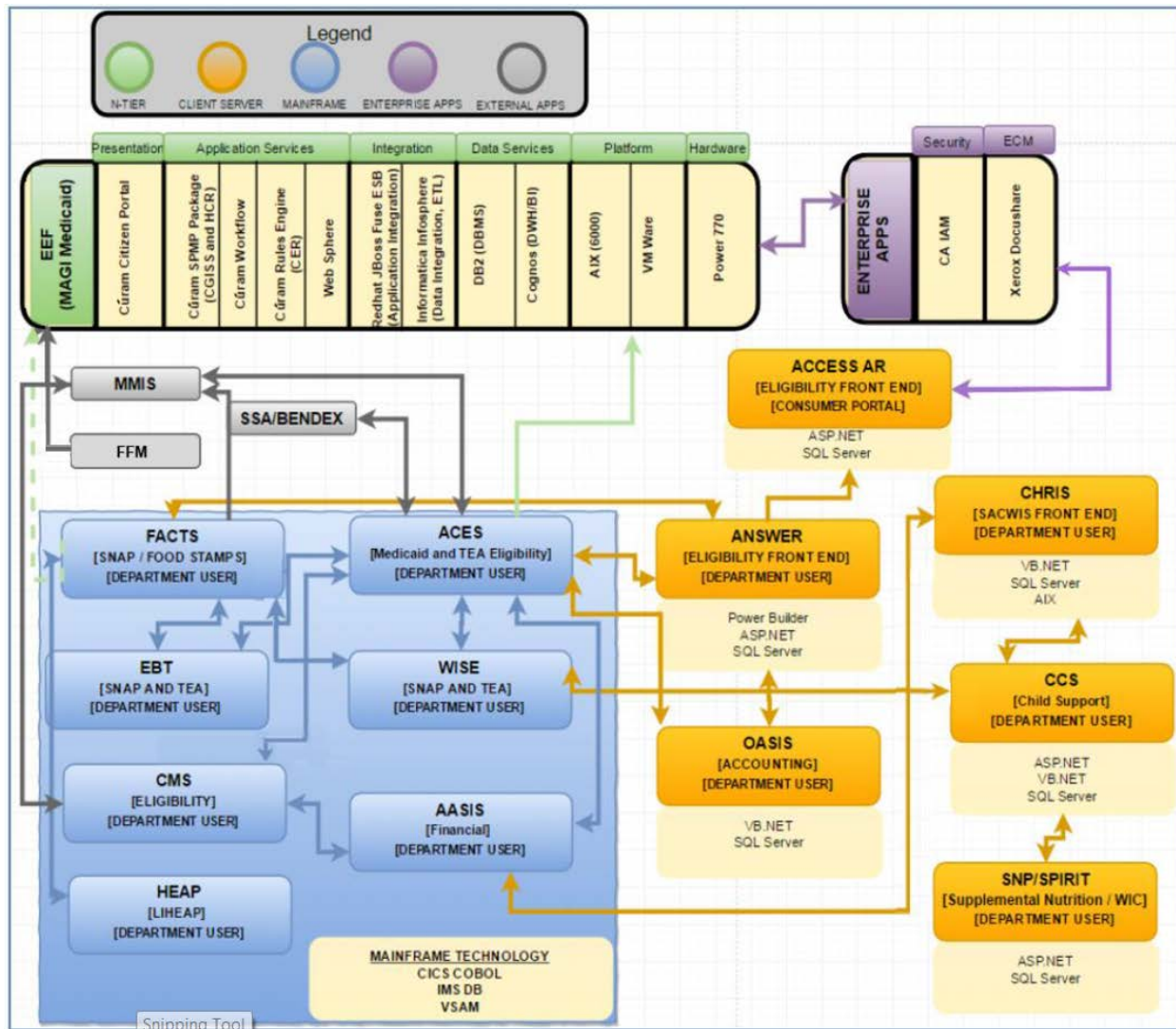
Index	Application Name	Application Type	Technology Used	Application Sizing (Lines of Code)
1	Arkansas Client Eligibility System (ACES)	Mainframe	ZOS; COBOL and JCL on Mainframe, access to data through Answer; IMS, VSAM, DB2	620,469
2	Special Nutrition Assistance Program (FACTS System)	Mainframe	ZOS; COBOL and JCL on Mainframe, access to data through Answer; IMS, VSAM, DB2	346,565
3	Electronic Benefits Transfer (EBT)	Mainframe	ZOS; COBOL and JCL on Mainframe, access to data through Answer; IMS, VSAM, DB2	11,157
4	Work Incentive Service Eligibility (WISE) System	Mainframe	ZOS; COBOL and JCL on Mainframe, access to data through Answer; IMS, VSAM, DB2	122,158
5	Development Disability Services (DDS)	Functionality is split across Mainframe and Client Server / Web Based	Mainframe functionality - ZOS; COBOL and JCL on Mainframe, access to data through Answer; IMS, VSAM, DB2 Client Server Functionality - Windows Server 2003, SQL Server DB	2,112,930
6	Arkansas Networked System for Welfare, Eligibility, and Reporting (ANSWER)	Client Server / Web Based	IBM AIX; Windows Server 2008; Powerbuilder 11.5, C, Visual Studio 2008; IBM DB2 9.7; Reports = SQL 2008 R2	1,195,505
7	Access Arkansas	Client Server / Web Based	Windows Server 2008; Visual Studio 2012; MS SQL 2008 R2	235,171
8	ARFinds	Client Server / Web Based	Windows Server 2008; Visual Studio 2008; DB2 plus external web sources	2,974
9	Worker Generated Notices (WGN)	Client Server / Web Based	IBM AIX, Windows Server 2008; Powerbuilder 11.5, C; IBM DB2 9.7, DocuShare, SQL 2008 R2 (currently being upgraded to SQL 2012)	26,209
10	OASIS	Client Server / Web Based	Windows Server 2008; Visual Basic, MS SQL 2008 R2	101553
11	AASIS	Client Server / Web Based	Windows Server 2008; Visual Studio 2008; MS SQL 2008 R2	652,372
12	Child Care Suite (CCS)	Client Server / Web Based	Windows Server 2008; CCL = Visual Studio 2013;	1,806,476

Index	Application Name	Application Type	Technology Used	Application Sizing (Lines of Code)
			KidCare = Visual Basic 6; CCB = Visual Studio 2013; HNP = Visual Studio 2013; MS SQL 2008 R2	
13	Children's Reporting and Information System (CHRIS)	Client Server / Web Based	AIX and Windows 2008; Powerbuilder and Visual Studio 2015; Oracle 11g and Sql Server 2012	1,209,109
14	Cost Allocation Applications -AASIS Coding Validation Tables (CVT) -Pre Cost Allocation Transaction Review (PCATR) -Cost Allocation Reporting - Time Studies	Client Server / Web Based	Windows Server 2008; Visual Studio 2008; MS SQL 2008 R2	677,330
15	Enterprise Data Warehouse	Enterprise Backend	Windows Server 2008; Visual Studio 2012; MS SQL 2012	3,556,199
OUT OF Scope for ISS				
16	Eligibility Enrollment Framework/ CURAM (EEF)	N-Tier Enterprise	Cúram HCR module, Cúram Express Rules Engine (CER), DB2, Cognos for Reporting, Informatica for ETL, IBM WebSphere, Redhat JBoss Fuse ESB	NA

The majority of the DHS transactions are conducted through its legacy mainframe systems (systems of record) as well as the core Client/Server systems.

The following figure captures the current DHS technology landscape (core or critical systems only).

Figure 6. DHS Current Technology Landscape (Core Systems)



3.2.2.1 Four Types of Solution Architecture Serving DHS Needs

3.2.2.1.1 Legacy Mainframe Architecture

The core mainframe systems use the CICS/COBOL/MVS architecture serving a wide array of users across various departments. These mainframe legacy systems average about 6.9 million online transactions per month (or 2 transactions per second). The majority of the systems are available 24 hours a day and 7 days a week (except for 1 hour downtime once a week). Across all mainframe systems, approximately 380 mainframe jobs are run per day to support the various DHS departmental activities.

- The majority of DHS legacy applications execute on an IBM 2066-03 mainframe facility maintained and operated by DIS. The Vendor shall be required to provide personnel knowledgeable about the mainframe environment described herein and shall be responsible for maintaining the mainframe applications for as long as they are in production. The system software used to develop and support DHS applications includes:

- ☐ TSO – text editor
- ☐ MVS/ZOS 1.04 – Operating System
- ☐ CICS/TS 3.1 – Transactions Server
- ☐ IMS 8.1 – Database
- ☐ VSAM – File Management
- ☐ COBOL and COBOL II – Programming language
- ☐ Assembler programming
- ☐ LCM Source Code Management
- Programmers supporting these systems currently average 13 maintenance and/or enhancement migrations per month in the production modules.
- DHS averages 2.2 million on-line transactions per month. The application systems are available to specific authorized users 24 hours per day and 7 days per week (except for 4 hours on Sunday starting at 1:00 p.m.).
 - ☐ There is one production CICS region with normal on-line application system availability from 7:00 a.m. until 7:30 p.m.
 - ☐ There are five (5) CICS test regions: Permanent Test, Temporary Test, 2 development regions, and a training region.
- On average, approximately 260 mainframe jobs are run per day in support of DHS requirements.

3.2.2.1.2 Client/Server Architecture

The core Client/Server systems primarily use .Net framework (C#, VB.Net, VB6, SQL Server backend etc.) with some elements supported by PowerBuilder and other Microsoft platform based tools to serve a wide array of users across various departments. Some of these Client/Server applications' primary use is to provide the intermediary interface with the end user for the legacy mainframe applications. The client server DHS applications use a variety technologies:

- The client server applications run on a combination of UNIX and Windows servers. ANSWER, AWARE, and CHRIS are Client/Server applications running on UNIX servers while the remaining applications run on Windows servers
- In recent years, the development trend has moved towards Web Based Client/Server and N-Tier applications. These primarily use MS SQL Server RDBMS as a back end and utilize VB6, VB.NET, Visual Studio 2003 and 2005, 2010, Java and C# as development environment and languages.
- The various tools used for source code management include:
 - ☐ Harvest - Harvest is used for Source Code Management for Oracle and DB2 applications
 - ☐ TFS - Team Foundation Server (TFS) is used for SQL based applications.

3.2.2.1.3 Enterprise Data Warehouse (EDW) and Business Intelligence

The Enterprise Data Warehouse (EDW) and Business Intelligence (BI) applications provide a core capability around access to critical operational and performance data. The EDW team has standardized on the Microsoft BI toolset such as MS SQL Server, SQL Server Reporting

Services (SSRS), SQL Server Analysis Services (SSAS), as well as SAS for specialized analytics and some Oracle Relational Database Management system. There are over 50 data sources that provide data to the EDW including financial data from SAP, benefits related data from ANSWER and ACES, Claims data from MMIS, behavioral health data, Childcare Data, exclusions data, and cost allocation reporting. The business intelligence reports range from dashboards, geospatial coded maps, and custom reports.

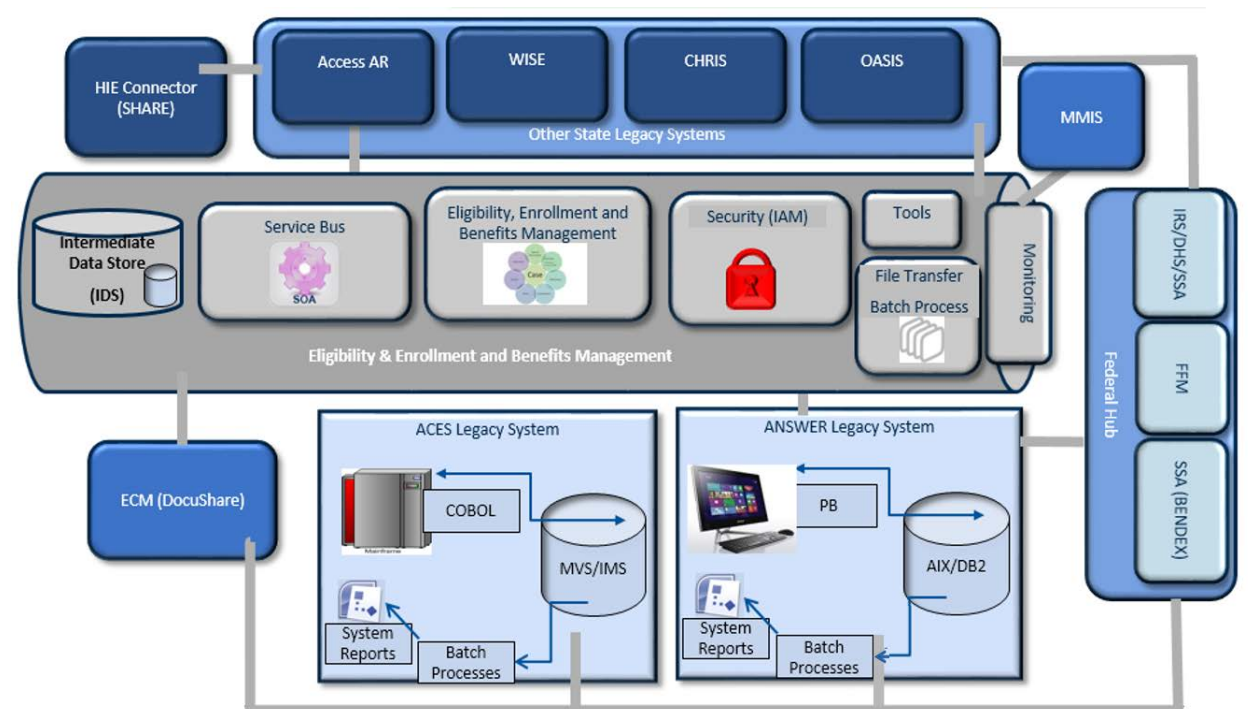
3.2.2.1.4 N-Tier Architecture

The Eligibility and Enrollment Framework (EEF) project currently uses N-Tier Architecture. EEF was originally envisioned to fully support the MAGI Medicaid, Traditional Medicaid and SNAP (Food Stamps) eligibility and enrollment functionality. However, due to various challenges with the current implementation, only the MAGI Medicaid functionality is currently in production. Though the SNAP functionality was also developed using the EEF Technologies, it was halted at the beginning of the UAT phase (User Acceptance Testing). DHS is of the opinion that the remaining programs will only be restarted after various enterprise level initiatives including architecture committee, governance and a new Design, Development and Implementation (DDI) vendor are in place (IE-BM RFP award is expected in the second or third quarter of 2017).

The EEF has been implemented using multiple Commercial Off-The-Shelf (COTS) application components and infrastructure technologies including Cúram HCR modules (MAGI Medicaid), Cúram Express Rules Engine (CER), DB2, Cognos for Reporting, Informatica for ETL, IBM WebSphere, Redhat JBoss Fuse ESB and a host of other technologies. The full list of products currently supporting the EEF initiative are provided as part of the Procurement Library.

The following figure captures the current EEF environment.

Figure 7. EEF Environment



The EEF System is not within the scope of ISS SOW (this RFP).

3.2.2.2 Core Legacy Systems Serving DHS Needs

The following section lists all the major legacy systems across each of the three architectures, namely, Mainframe, Client/Server, and N-Tier architecture serving DHS needs.

3.2.2.2.1 Core Mainframe Systems

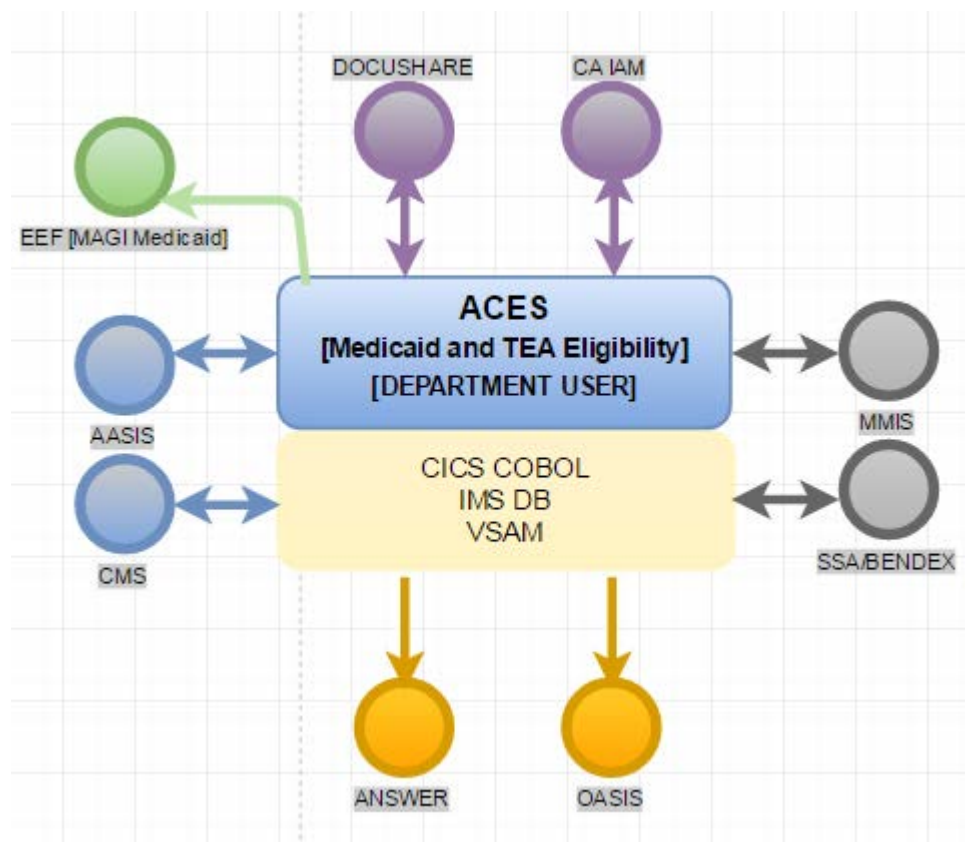
3.2.2.2.1.1 Arkansas Client Eligibility System (ACES)

Arkansas Client Eligibility System (ACES) is a mainframe system that comprises of 17 sub-systems servicing approximately 180,000 Medicaid clients and 25,000 TEA clients.

Through the ANSWER system, data is collected online where eligibility for TEA and Medicaid benefits are determined and submitted to the ACES system. During the nightly batch processing cycle, the ACES system processes the data and issues supplemental and monthly benefits through the EBT system. It also submits data to the MMIS system regarding client Medicaid Eligibility. The system provides state and federal reporting and produces the photo ID cards that are used at point-of-sale devices by providers to access client benefits.

- Some of the key functional features are listed below:
 - ❑ Determines eligibility for TEA
 - ❑ Provides Case Mgmt. For 300,000+ clients
 - ❑ Provides reports to satisfy Federal & State requirements
 - ❑ Provides Photo Ids for Medicaid Clients
 - ❑ Provides Benefit Issuance through EBT
- Some of the key technical attributes and features are listed below:
 - ❑ The technology used is primarily mainframe CICS COBOL architecture and is comprised of approximately 120 online programs and 604 batch programs
 - ❑ The system accesses 19 IMS database segments along with over 100 Virtual Storage Access Method (VSAM) files
 - ❑ Operating System platform – ZOS
 - ❑ Development Environment – COBOL and JCL on Mainframe, access to data through Answer
 - ❑ Database Environment – IMS, VSAM, DB2
- Some of the interface exchanges and data sensitivity levels are listed below:
 - ❑ Federal or State Agencies Data is Exchanged with – CMS, Social Security Administration, Food and Nutrition Service, Office of Child Support Enforcement, MMIS, TANF, Workforce and Employment Security Division, Department of Health
 - ❑ Type of Sensitive data maintained – PHI, PII, HIPAA

Figure 8. ACES System and Interfaces



3.2.2.2.1.2 Supplemental Nutrition Assistance Program (FACTS System)

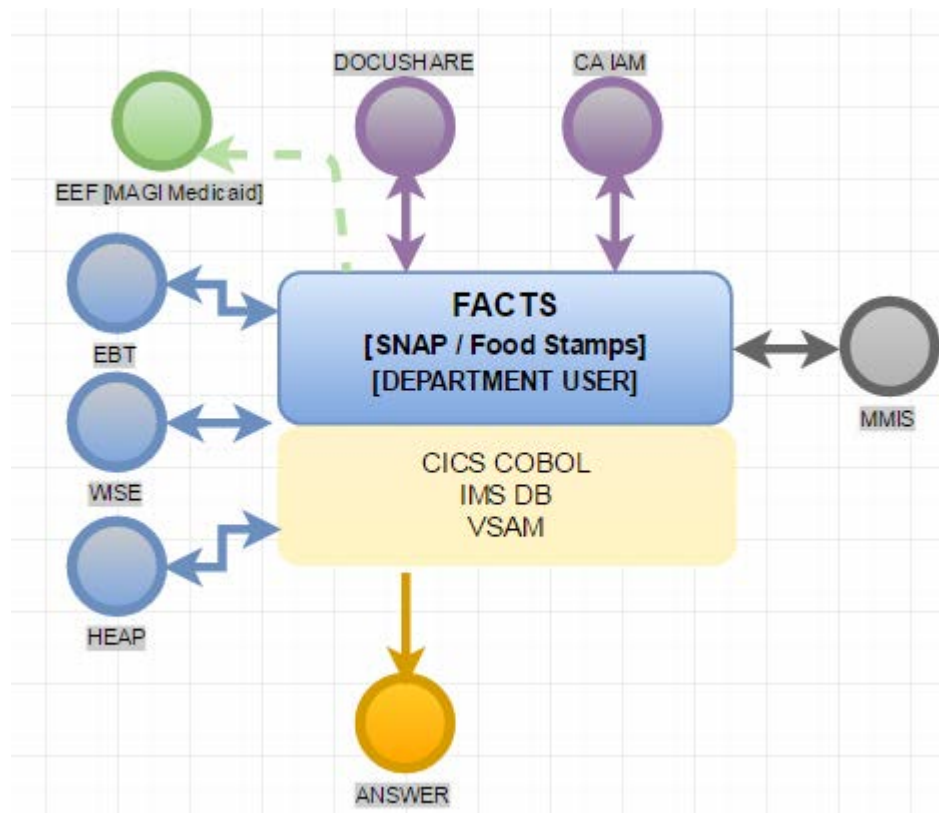
Food Stamps System (FACTS) is a mainframe system that comprises of 10 sub-systems serving approximately 225,000 SNAP cases. The system processes applications for Food Stamps from the ANSWER system, issues monthly benefits and provides reporting.

Through the ANSWER system, data is collected online and eligibility is determined and submitted to the SNAP system. During the nightly batch processing cycle, the SNAP system processes the data and issues supplemental and monthly benefits through the EBT system.

- Some of the key functional features are listed below:
 - ☐ Determines Food Stamp eligibility
 - ☐ Manages 100,000+ current Food Stamp cases
 - ☐ Provides and updates data for EBT
 - ☐ Provides reports to satisfy Federal & State requirements
 - ☐ It produces reports for the Arkansas Division of County Operations
 - ☐ It produces federally mandated reports in a timely and accurate manner to avoid sanctions
 - ☐ FACTS interfaces with the following legacy systems
 - ACES (Arkansas Client Eligibility System)
 - SSI – Supplemental Security Income
 - EBT – Electronic Benefits Transfer

- ANSWER – For eligibility information
- Some of the key Technical features are listed below:
 - ❑ The technology used is primarily mainframe CICS COBOL architecture and is comprised of approximately 80 online programs and 300 batch programs
 - ❑ The system accesses 4 IMS database segments along with over 50 Virtual Storage Access Method (VSAM) files

Figure 9. FACTS System and Interfaces



3.2.2.2.1.3 Electronic Benefits Transfer (EBT)

Electronic Benefits Transfer (EBT) system is a sub-system of ACES for TEA benefits, the cash assistance program and Food Stamps benefits (SNAP).

- Some of the key functional features are listed below:
 - ❑ The EBT System sends SNAP and TEA case benefit information to a 3rd party vendor and to Department of Workforce Services (DWS) respectively where a SNAP or TEA client account is established and credited with authorized benefits
 - ❑ Clients can use a debit card to access their SNAP and TEA benefits
 - ❑ The EBT system tracks updated client account information and creates reports for DHS managers
- Some of the key technical features are listed below:
 - ❑ The system has been operational since 1997
 - ❑ The technology used is primarily mainframe COBOL and MVS architecture using CICS and is comprised of mainly 19 online programs and 20 batch programs

- ☐ The system accesses 22 IMS database segments along with about 11 Virtual Storage Access Method (VSAM) files
- ☐ On-line programs are written in COBOL MVS, using CICS and VSAM data files. The batch programs are also written in COBOL MVS using VSAM data files

3.2.2.2.1.4 Work Incentive Service Eligibility (WISE)

Work Incentive Service Eligibility (WISE) is a mainframe system comprised of 9 sub-systems servicing approximately 85 DHS county offices and the central office users. The primary function of the system is to evaluate, track and report on consumers enrolled in either the TEA and/or SNAP program(s) for work type activities. The system was originally used and managed by the DHS Division of County Operations. As of July 2006, the system became the responsibility of the Arkansas Department of Workforce Services, but still managed by DHS today.

- Some of the key functional features are listed below:
 - ☐ This system tracks the work type activities of those enrolled in TEA and/or Food Stamps programs
 - ☐ There are a number of system interfaces. The major interfaces include the ACES and SNAP applications and the AASIS Payment Interface. A web system, written in ASP.NET provides the users with the ability to view the current status of the payments submitted through the AASIS Payment Interface
- Some of the key technical features are listed below:
 - ☐ The system is over 20 years old, but underwent major renovations to the reimbursement processing sub-system to enable payments through AASIS
 - ☐ The technology used is primarily mainframe COBOL and MVS architecture using CICS and is comprised of mainly 80 online programs and 132 batch programs
 - ☐ The system accesses 29 IMS database segments along with about 75-100 Virtual Storage Access Method (VSAM) files
 - ☐ The on-line programs are written in COBOL, using CICS and some amount of high level DL1. The batch programs are written in COBOL using some amount of high level DL1 and COBOL MVS

3.2.2.2.1.5 Development Disabilities Services System (DDS) – Functionality Exists in both Mainframe and Client Server Environments

The Development Disabilities Services System (DDS) is a mainframe system that comprises of 14 sub-systems serving approximately 6,000 clients.

DDS provides a variety of support to improve the quality of life for individuals with mental retardation, autism, epilepsy, cerebral palsy or other conditions that cause a person to function as if they have mental retardation. DDS also provides services for individuals with a developmental delay, aged birth to 3 years. DDS also runs the 5 Human Development Centers for the severely disabled, needing around the clock care.

- Some of the key functional features are listed below:
 - ☐ Tracks services provided to 6,000+ clients with disabilities
 - ☐ Provides reports to satisfy Federal and State requirements
 - ☐ This application is used to track applicants for DDS services, services authorized, service plans, tracks required meetings with clients and parents, demographics,

- Human Development Center (HDC) store room inventory, dietary labels and menus, proscribed medications, possible interactions, payroll and other functions
- Some of the key technical features are listed below:
 - ❑ The technology used is primarily mainframe CICS COBOL architecture and is comprised of approximately 231 online programs and 187 batch programs
 - ❑ The system has over 50 Virtual Storage Access Method (VSAM) files with 1.25 million records
 - Within this DDS application are a number of sub-systems which include 3rd party applications.
 - ❑ DDS Dietary — Manages the menu planning and produces meal labels for the clients admitted to an HDC
 - ❑ DDS Store Room Inventory — This sub-system tracks the inventory of supplies on-hand at each Human Development Center (HDC) supported by DDS
 - ❑ DDS Foster Grandparent Payroll — Another program supported by the DDS systems is the Foster Grand Parents program. This program enlists the support of elderly citizens around the state to give time and support to some of the younger DDS clients. The Foster Grand Parent Payroll system reimburses these citizens for expenses incurred and the time given to the program. This occurs through the use of the AASIS Payment Interface.
 - ❑ Also included within the application are:
 - DDS Cash Accounts
 - DDS Community Center
 - DDS Authorization
 - DDS Staff Monitoring
 - ❑ A SQL reporting database provides the ability to create more complex reports in a timely manner for the users of the system

3.2.2.2.2 Core Client/Server Systems

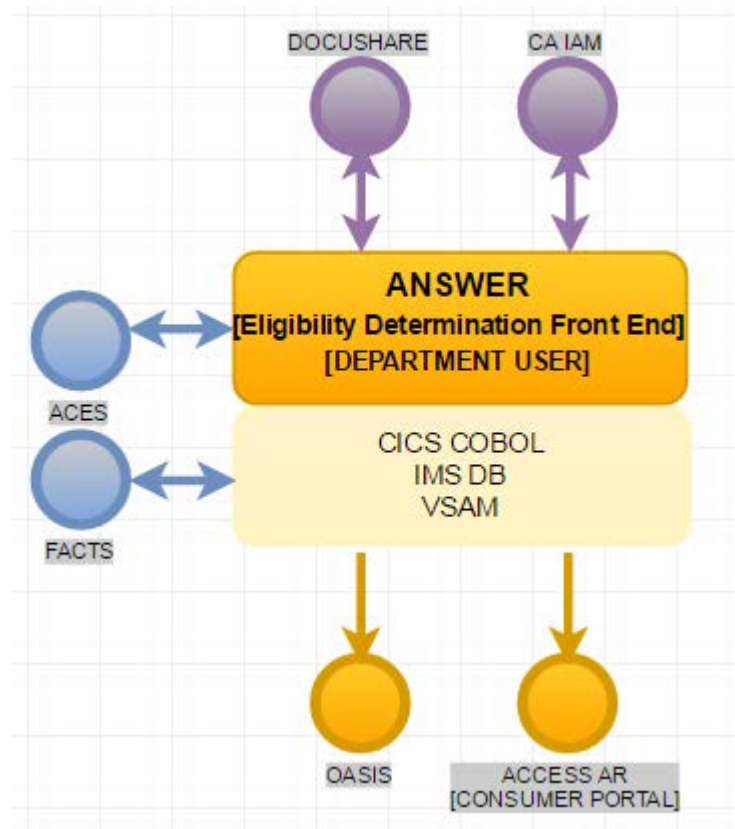
3.2.2.2.2.1 Arkansas Networked System for Welfare, Eligibility, and Reporting (ANSWER)

The Arkansas Networked System for Welfare, Eligibility and Reporting (ANSWER) is a Client/Server eligibility System that supports Medicaid, Transitional Employment Assistance (TEA) and Food Stamp Programs.

- Some of the key technical features are listed below:
 - ❑ ANSWER supports the Transitional Employment Assistance (TEA) and SNAP programs and Medicaid Eligibility determination. ANSWER has supplemented the existing ACES (Arkansas Client Eligibility System) since the fourth quarter of calendar year 2001
 - ❑ ANSWER meets Arkansas's functional and technical requirements and satisfies the Department's needs and objectives to support the Federal and State programs. These requirements encompass all federally certifiable criteria including the Food and Consumer Services (FCS) Automation of Data Processing/Computerization of Information Systems (ADP/CIS) Model Plan Checklist

- ☐ ANSWER includes a number of system interfaces. The major interfaces include the ACES, SNAP and MMIS applications. The interface includes Recipient Overpayment Accounting System (ROAS) system and the Work Rate Calculation (WORC) system which calculates the percentage of clients performing activities necessary
- Some of the key technical features are listed below:
 - ☐ ANSWER is a graphical user interface (GUI) that serves as a front-end application for the Department's legacy systems and provides a single point of entry for the end user to update and query the legacy systems. ANSWER also provides policy enforcement through a set of automated rules and includes an on-line user's manual for system reference.
 - ☐ The technology used is primarily PowerBuilder and .Net code with a SQL Server backend
 - ☐ ANSWER is a graphical front-end interface to the existing departments legacy systems that provides a single point of entry for the worker
 - ☐ ANSWER interfaces with the following legacy systems
 - ACES (Arkansas Client Eligibility System)
 - Food Stamps/SNAP – FACTS system
 - MMIS – Medicaid Management System
 - AASIS – Statewide accounting System
 - Work Rate Calculation (WORC)
 - Recipient Overpayment and Accounting System (ROAS)

Figure 10. ANSWER System and Interfaces



3.2.2.2.2 Access AR

Access AR is the web based Consumer Portal which interacts with the ANSWER system to provide an entry point for all Participants.

Access Arkansas Management Interface (AAMI) is a web based tool used in conjunction with Access Arkansas. AAMI interfaces with the ANSWER system. After the client has used Access Arkansas to apply for TEA, SNAP and Medicare Savings services, the county office staff will use AAMI to register the application in ANSWER. The registration process is used to track the number of applications that are received and also to track the timeliness of completion of the application outcome. Once the application is registered it can be used to approve the citizen for appropriate services.

3.2.2.2.3 ARFinds

ARFinds is a link within ANSWER that allows County Office workers to verify citizen information. The link in ANSWER takes the worker to a web based service that allows them to select which data service they need to query for information. ARFinds replaced some of the functionality of Unique Client Directory (UCD). Using ARFinds, the worker can access Driver's License Service, State Inquiry of SSA Information (SOLQ), Office of Child Support Enforcement (OCSE), Workforce and Employment Security Data (WESD), Department of Health - Vital Records Information, for Arkansas citizens that apply for services.

3.2.2.2.4 Worker Generated Notices (WGN)

WGN is a tool built within the ANSWER System to create client notices. The County Office worker uses the tool to create client notices which are uploaded to Docushare and can be

printed for mailing to the client. This process saves time for the worker and is used as verification that the client received notification of other items needed to process their application.

3.2.2.2.2.5 Overpayment Accounting Services Information System (OASIS)

Overpayment Accounting Services Information System (OASIS) is a client server system. This system interfaces with other State and Federal revenue agencies to enable the recoupments of overpayments.

- Some of the Technical features are listed below:
 - ☐ The technology used is primarily client/server architecture
 - ☐ This System is deployed on Windows Server 2008
 - ☐ The system is written in Visual Basic with SQL Server DB backend

3.2.2.2.2.6 Various Interfaces to State Accounting System (AASIS)

AASIS Payment Interface

The AASIS Payment Interface is a series of Data Transformation Services (DTS) steps that take a payment file or raw data from an external system and convert it into the appropriate format required by the state-wide accounting system (AASIS) for payment through the State's warrant process. Prior to finalizing the payment file and sending it to AASIS, the Data Transformation steps perform several validation edits against the file to ensure all required fields have been populated, the batch is in balance, and that valid cost accounting codes and values have been entered. If errors are found, the entire batch will be rejected and returned to the sending system.

- The process allows for two distinct types of records to be sent to AASIS
 - ☐ Those with a valid AASIS vendor number
 - ☐ Those with a "One Time Vendor" number assigned to the record
- Currently, the process is scheduled to run twice a day, as different systems have different times when their payments are produced. An email is sent after each run to the appropriate system personnel informing them of the success or failures of the conversion of the received payment file(s).
- Systems using this process include:
 - ☐ ACES
 - ☐ AWARE
 - ☐ Child Care
 - ☐ THERAP
 - ☐ Foster Care Board
 - ☐ DDS Foster Grandparent
 - ☐ SNP
 - ☐ WISE
 - ☐ Wright Express

AASIS Employee Change SSIS Process

This process was built for the Office of System Technology to assist various groups of people to alert them when changes to an employee occur for the purposes of administering security to applications and other IT related services.

- The process uses data produced by the AASIS Repository Process
- The AASIS Repository Process uses Position Control data from AASIS to determine the following changes:
 - ☐ New Hires
 - ☐ Terminations
 - ☐ Transfer of Location
 - ☐ Change in Position
 - ☐ Transfer of Division
 - ☐ Last Name Change

AASIS Repository

The AASIS Repository is a database and a series of Data Transformation Services processes. The purpose of the AASIS Repository is to centrally locate the process of downloading files from AASIS and processing those files and to centrally store the data for use by applications and people.

- The Repository is responsible for downloading the following files:
 - ☐ Position Control Report
 - ☐ Retirement Reconciliation
 - ☐ Personnel Activity
 - ☐ AASIS Vendors
 - ☐ Payment Interface Warrant Data
- This process is also responsible for generating employee change data that is used by several applications.

3.2.2.2.7 Child Care System Suite (CCS)

The Child Care system is comprised of several integrated Client/Server and Web applications serving the Arkansas Division of Child Care and Early Childhood Education (DCCECE). The Child Care Licensing (CCL) system manages the licensing and inspections of state approved Child Care facilities (homes, schools, and centers).

- Some of the key features of Child Care System suite are listed below:
 - ☐ The technology used is primarily Visual basic.Net, ASP.Net and SQL Server backend
 - ☐ The sub-systems are comprised of Child Care Licensing (CCL), Child Care Eligibility (CCE), Child Care Billing (CCB), Special Nutrition Program (SNP), Decision Support System (DSS), Exclusion and Rates

KidCare for Eligibility Determination

The KidCare system manages the eligibility determination and authorization tracking for the subsidized Child Care program.

Child Care Billing (CCB)

The Child Care Billing (CCB) system enables the participating child care facilities to submit their billing invoices electronically.

Decision Support System (DSS)

The Decision Support System (DSS) brings together data from all these systems as well as the Special Nutrition system to enable DCCECE the ability to view and report on this data from an enterprise level.

Child Care Licensing

Child Care Licensing manages inspection and licensing of authorized child care facilities.

3.2.2.2.8 Child Reporting and Information System (CHRIS)

The Child Reporting and Information System (CHRIS) is spawned from the Oklahoma KIDS system for SACWIS. CHRIS interfaces with both ANSWER (Eligibility) and OCSE (Child Support System). This child welfare system is the Arkansas Statewide Automated Child Welfare Information System (SACWIS). It provides case management for the Arkansas Division of Children and Family Services (DCFS) to document all casework activities:

- Some of the Functional features of CHRIS are listed below:
 - ❑ Referrals — Child Maltreatment Calls handled by the Arkansas State Police Hotline
 - ❑ Investigations — Findings of Child Maltreatment Calls conducted by DCFS and Arkansas
 - ❑ State Police Crimes Against Children's Division Investigators
 - ❑ Child Protective Services:
 - In-Home — Services/activities to maintain family
 - Out-of-Home — Foster care services/activities/placements to reunite child to family or other permanent goal
 - ❑ Supportive Services — Services/activities to support family unit
 - ❑ Interstate Compact — Services/activities for Arkansas children residing out-of-state or families from other states residing in Arkansas
 - ❑ Independent Living Program — Services/activities for ex-foster children over 18 years of age
 - ❑ Adoptions — Services/activities/subsidies for adoptive families
 - ❑ Providers — Services/activities for foster/adoptive families from Applicant Status to Approval Status to Re-evaluations; and other Placement Providers, such as Residential Facilities and Emergency Shelters. Also, Providers who offer Non-Placement Services, such as Counseling, Medical, and Educational Services
 - ❑ Staff Organization — Demographics on all CHRIS Users
 - ❑ Training — Captures Staff and Foster/Adoptive Families training topics/dates/hours

- ☐ Differential Response — Responds to allegations of child neglect
- ☐ Financial Component — CHRIS also has a financial component and automatically creates payments for non-contracted foster care placements and adoption subsidies. These obligations are submitted to AASIS once a month for payment. AASIS returns warrant information once the checks have been created and CHRIS and AASIS are reconciled each month.
- ☐ The system also provides numerous reports for federal reporting, as well as statewide reporting for DCFS to monitor casework activities
- Some of the Technical features of CHRIS are listed below:
 - ☐ The technology used is primarily client/server architecture and runs the AIX operating system on an IBM RS6000 clustered Unix server
 - ☐ However, the new development and enhancements are in .Net framework with a SQL Server DB

3.2.2.2.2.9 Cost Allocation Applications

The cost allocation system is a web-based application that is used by the cost allocation/research & statistics unit to run the cost allocation process and calculations and verify the results for accuracy. The application uses information provided by CVT, PCATR and manual worksheets application to allocate quarterly expenditures based on approved methodologies

Coding Validation Tables (CVT)

The AASIS Coding Validation Tables (CVT) is a web-based application that is potentially used by all DHS employees. The Cost Allocation/Research & Statistics Staff are the administrators of the data within the CVT.

The CVT is a comprehensive table of accounting and cost allocation coding information which serves multiple purposes. The major purpose of the CVT is to serve as a coding accuracy check for expenditure information used in cost allocation. Since AASIS does not have any coding accuracy monitoring tools, an additional validation method had to be developed outside of AASIS to identify coding errors.

- CVT contains all valid combinations of Cost Centers and Internal Orders used in accounting transactions. Any unlisted combinations would be considered invalid
- The CVT also contains comprehensive tables of coding elements and their definitions. In addition to the coding validation function the CVT serves as a matrix of relationships among various codes and elements of the accounting and cost allocation systems
- The CVT ties together all related information, such as Division, Funds Center, Fund, Cost Center, Internal Order, Program Code, and provides details and descriptions on each category
- The CVT data is used elsewhere in other applications and databases such as the AASIS Repository. Often times it is used to determine what division an employee works for by comparing the employee's cost center to the owning division of the cost center.

Cost Allocation — Pre-Cost Allocation Transaction Review(PCATR)

The Pre Cost Allocation Transaction Review (PCATR) application is a web-based application that used by division CFOs and the Cost Allocation/Research & Statistics Staff to support the DHS Cost Allocation process. There are three main purposes of the application:

- Allow Divisions to access and correct transaction entries as well as PCR position coding with incorrect combinations of Cost Center and Internal Order, identified by the CVT.
- Allow cost allocation staff to input additional information required for accurate cost allocation process. These additional inputs may include prior quarter adjustments, depreciation, and statewide costs.
- Maintain several tables that control cost allocation information and processes. Among these tables are Job Codes table, Personnel Areas table and PCR Percentage Totals table.

Cost Allocation — Processing

The application provides final results of the allocation process for verification in form of several reports and allows inputting of post-allocation adjustments.

Cost Allocation — Reporting

The Cost Allocation Reporting application is a web-based application that is used to display the results of cost allocation and supporting documentation.

- The following groups of people use the application:
 - ☐ Cost Allocation/Research & Statistics unit staff
 - ☐ Division CFOs
 - ☐ Reporting and Forecasting Unit
 - ☐ Audit

Cost Allocation — Time Studies

The DHS Time Studies is a web-based and Windows application that supports the Cost Allocation Research & Statistics unit in administering the time studies and collecting time study data.

- ☐ The application also serves the users/participants of the time study in completing their time study records in electronic form.
- ☐ The Time Study Maintenance Application is used to administer various types of time studies used to access what proportion of work time an employee spends performing a particular activity or working on a specific program. Currently, there are three types of time studies: 100% Review of Time, Call Long and the Random Moment studies. The results of the time studies are used to allocate indirect costs to benefiting programs in the cost allocation process.

3.2.2.2.3 Enterprise Data Warehouse (EDW) and Business Intelligence

The Arkansas Department of Human Services Data Warehouse (EDW) is a centralized repository consisting of over forty databases and ten thousand tables from across multiple DHS divisions and offices. EDW framework is based upon the Microsoft Business Intelligence stack utilizing: SQL Server 2012 databases; SQL Server Integration Services for ETL/file handling; SQL Server Reporting Services for report delivery and presentation. EDW performs disparate cross system analysis for clients, providers and program services, providing dashboards, scorecards, reporting and data exports for DHS staff for decision support, case analysis, client research, and vendor research. EDW provides financial analysis for DMS, in addition to anomaly and outlier identification for participating divisions. Data provisioning is provided via direct SQL queries, canned reports, and flat file exports. EDW coordinates over 140 SSIS

packages and over 100 reports, with processing occurring daily and weekly depending on need and availability of data. The EDW utilizes MS SSRS and potentially SAS Visual Analytics in the future. The EDW utilizes approximately 6 TB of space with an expected growth of 100 GB/ year.

The incumbent currently provides a team of 15 FTEs to meet the reporting and analytics need of Eight (8) divisions across the DHS through the Enterprise Data Warehouse (EDW) team. The team is made up of Data Architects, Database Administrators, Business Analysts, Statisticians and Project Managers. All of the activities of the EDW team is funded by individual funding streams from each division as ABL projects. The EDW team has standardized on the Microsoft BI toolset such as MS SQL Server, SQL Server Reporting Services (SSRS), SQL Server Analysis Services (SSAS), as well as SAS for specialized analytics and some Oracle Relational Database Management system. There are over 50 data sources that provide data to the EDW including financial data from SAP, benefits related data from ANSWER and ACES, Claims data from MMIS, behavioral health data, Childcare Data, exclusions data, and cost allocation reporting.

The business intelligence reports range from dashboards, geospatial coded maps, and custom reports. There is no data from the new IBM Curam based MAGI Medicaid System (EEF) brought into the EDW environment at this time. Any confidential data at rest is encrypted to meet CFR Article 42 Part 2 requirements. Access security is managed via the State Active Directory service implementation. The EDW team uses Rapid Application Development and prototyping techniques to develop new BI related applications.

3.2.2.2.4 N-Tier Applications

The Eligibility and Enrollment Framework (EEF) project currently uses N-Tier Architecture. EEF was originally envisioned to fully support the MAGI Medicaid, Traditional Medicaid and SNAP (Food Stamps) functionality. However, due to various challenges with the current implementation, only the MAGI Medicaid functionality is currently in production. Though the SNAP functionality was also developed using the EEF Technologies, it has been halted at the beginning of the UAT phase (User Acceptance Testing).

DHS is of the opinion that the remaining programs will only be restarted after various enterprise level initiatives including architecture committee, governance and a new Design, Development and Implementation (DDI) vendor are in place.

A separate RFP process is underway to fulfil these tasks. This will be categorized under the Integrated Eligibility and Benefit Management (IE-BM) initiative.

EEF is not part of the scope of this RFP. However, the following information is being provided to ensure that the ISS vendor (this RFP) has a summary level understanding of all the systems that can impact its scope of work.

EEF platform has completed the following capabilities for the MAGI Medicaid functionality

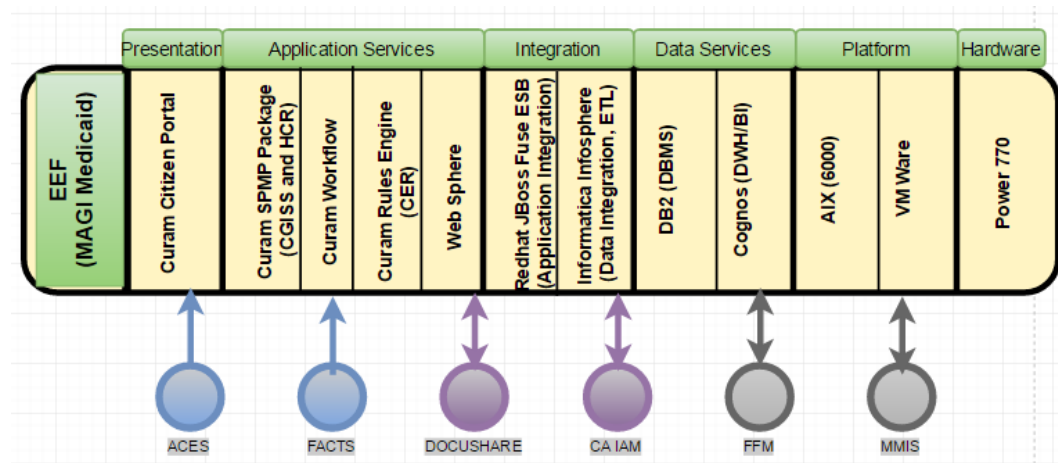
- Relationship Management — Encompasses functionality to interact and share information with participants and potential applicants of the in-scope programs.
- Client Data Management — A centralized enterprise-level repository of enrolled clients. DHS envisions using the framework for a broad spectrum of programs and hence intends to operationally share the client data management components across each program.
- Program Enrollment Management — Simply put, program enrollment management handles the association of an eligible individual/family with a given program. It covers the types of services/benefits offered by the program as well as the issuance of those benefits where appropriate.

- **Program Management** — Includes functions and features that enable DHS to configure and customize the framework to automate our policy. Program management includes configuration of business rules to comply with policy, recording of appeals against a program, and enabling DHS to create and manage ‘tasks’ associated with the programs policy.
- **User Management** — Enables DHS to adopt a self-service model with the new framework. With the new framework DHS envisions administering users of the systems in a singly defined manner- all users of the system, whether a case worker, designee, or the client, use the same profile components, but are granted different access to data and functions within the system. DHS expects the new framework to realize many operational improvements and savings from this function.
- **Accounting (minimal)** — Records and tracks the issuance of benefits to eligible and enrolled clients. In the first phase of the modernization (this procurement) DHS does not expect a great deal of accounting functionality to be implemented, but does expect some components to support EBT issuance.

EEF has been implemented using multiple Commercial Off-The-Shelf (COTS) application components and infrastructure technologies including Cúram HCR modules (MAGI Medicaid), Cúram CGISS modules (SNAP), Cúram Express Rules Engine (CER), DB2, Cognos for Reporting, Informatica for ETL, IBM WebSphere, Redhat JBoss Fuse ESB, EP Notify (custom made product) etc. The full list of products currently supporting the EEF initiative are provided as part of the Procurement Library.

The following figure captures the current EEF Stack.

Figure 11. EEF Platform – Technology Stack



The following Table captures the current EEF Technology Stack.

Table 7. EEF Platform – Solution Component breakdown

Component	System Capabilities
IBM/Cúram – Health Care Reform Module (only MAGI Medicaid implemented)	<ul style="list-style-type: none"> ■ Screening and Intake ■ Verification of Member Information ■ Eligibility Determination ■ Application Management ■ Case Management ■ Change in Circumstance Processing ■ Remote Identity Proofing ■ Notices
DocuShare	<ul style="list-style-type: none"> ■ Content Management System
CA – Identity and Access Management	<ul style="list-style-type: none"> ■ Identity Management ■ Access Control ■ Access Auditing
Guardium, Nagois, Ganglia	<ul style="list-style-type: none"> ■ Monitoring – Database and System Monitoring
Informatica	<ul style="list-style-type: none"> ■ Data Staging ■ Data Quality ■ Data Conversion and ETL
Cognos	<ul style="list-style-type: none"> ■ BI ■ Reporting
Database	<ul style="list-style-type: none"> ■ DB2
Redhat JBoss Fuse ESB	<ul style="list-style-type: none"> ■ SOA Infrastructure

3.2.3 Overview of Current Infrastructure Landscape

3.2.3.1 Platform

DHS supports multiple hardware platforms including but not limited to:

- P Series AIX
- Windows Servers
- P Series Linux Servers
- Mainframe runs on CICS/COBOL architecture.

DHS supports multiple software platforms including but not limited to:

- TSO is used as the text editor
- ZOS Operating System
- CICS 4.1 Teleprocessing Monitor
- IMS 4.1 Database
- VSAM File Management
- FOCUS
- LCM Source Code Management
- VB 6

- VB Script
- C
- C#.Net
- JavaScript
- MS SQL Server
- VB.NET
- ASP
- ASP.NET
- MS ACCESS
- DTS
- Power Builder
- DB2/UDB
- Oracle
- Harvest
- Visual SourceSafe
- Crystal Reports
- SQL Reporting Services
Quality Center
- LoadRunner
- WinRunner
- WISE
- Biztalk
- MS Sharepoint
- MS Sharepoint Portal Server
- JAWS
- MS Scorecard
- MS Great Plains Dynamics
- RedGate
- Idera
- Embarcadero

DHS currently utilizes a hybrid exchange system using Microsoft Office 365 for 4600 of our users and the state's Microsoft Exchange system managed by DIS for the remaining users. DHS currently uses Microsoft Lync for its unified communication system.

3.2.3.2 Virtualization

The State uses virtualization technologies for the more modern systems, mainly EEF. EEF uses virtualization technology to maximize efficient use of both hardware resources and software licenses. Processor pools group virtual machines running the same software, which allows the

EEF to license software based on the processor pools' maximum capacity rather than the cumulative maximum capacity of all distinct virtual machines.

The current EEF technology used for visualization is Power VM and VMware.

The State's (DHS/DIS) preference is to continue using Power VM and VMware..

3.2.3.3 Server Hardware and Environments

The State's uses a combination of IBM Z-Series for its mainframe as well as Power 770 machines for its client server and N-Tier applications.

The current hardware being used for the EEF solution is Power 770. The State's (DHS/DIS) preference is to continue to use the same hardware.

Most of the current legacy applications have different environments with at least a minimum of

- Development
- Testing
- Production

However, the N-Tier EEF solution has the following six environments

- Development
- Testing
- UAT
- Training
- Staging
- Production

Refer to the Application Inventory provided in the Procurement Library for detailed list of environments by system name.

3.2.3.4 Data Center and Hosting

The State (DHS/DIS) prefers to keep most of the Data Center and hosting functions "In House". However, select functions, which will be determined at a later date, could fall under the purview of the ISS Vendor using the Provision of optional Additional Services defined in this RFP.

DHS has a small Data Center of networked, rack mounted servers operating in the WINDOWS environment on location in DHS' downtown Little Rock office complex. To improve data security, and provide for a greater level of operations infrastructure redundancy, DHS is in the process of moving mission critical servers to the Data Center operated by the Department of Information Systems (DIS). If necessary, the selected vendor will be responsible for planning for and coordinating this move with the DIS staff in such a manner as to minimize downtime and impact upon the end user community at DHS.

3.2.3.5 Network Infrastructure

The State's (DHS/DIS) preference is to own and manage all of the Network Infrastructure as it does currently.

DHS' goal is to have all LAN-connected PCs and networking hardware monitored and managed remotely. The WAN communications protocol is TCP/IP.

- The Department of Information Systems is responsible for all WAN issues

- It is DHS' intent for DIS to be also responsible for all LAN maintenance and operations

3.2.4 Current IT Operations Support

DIS currently provides all infrastructure related IT Operational support processes through their contractor, Clear Pointe. As part of the infrastructure support DHS provides service desk support, network and data center support, incident management, problem management and a host of other infrastructure support activities modeled around ITIL v3 framework. Currently DHS is responsible for all applications operations support.

3.2.4.1 IT Operational Processes

DHS, through the incumbent vendor, manages and administers all operational processes for the applications. This includes items such as help desk, incident/problem management, change/release/configuration management, applications monitoring and performance management and capacity planning.

The Vendor should refer to the Joint Operations Performance Manual (JOPM) manual as well as Clear Pointe SOW provided as part of the procurement library to get a better understanding of the IT operational processes being used to support the legacy applications.

3.2.4.2 Service Desk Volumes

The following table provides a sampling of the Service desk volumes in a typical week.

Table 8. Sampling Service Desk Tickets per Week

Reports for Week	Apr 18 – 22 2016				
Total tickets Assigned to DHS in Service Desk	416				
Ticket Handling Information					
	Mon	Tue	Wed	Thur	Fri
Average Tickets per Hour per day	10.8	9.3	8.5	6.1	6.9
Average Tickets per person per Hour	5.4	4.7	4.3	3.1	3.5
Weekly Average Tickets per Hour	10.4				
Weekly Average Tickets per person per Hour	5.2				

The vendor should refer to the procurement library where 20+ weekly reports have been provided on Service desk volumes by application category to get a better understanding of the scope of activities.

3.2.4.3 IT Operational Tools

The incumbent vendor has implemented a variety of tools to support the development and maintenance and operations of DHS' application portfolio.

The Vendor should refer to the Joint Operations Performance Manual (JOPM) manual and the Application Inventory provided in the procurement library to get a better understanding of the tools currently being leveraged to maintain legacy applications.

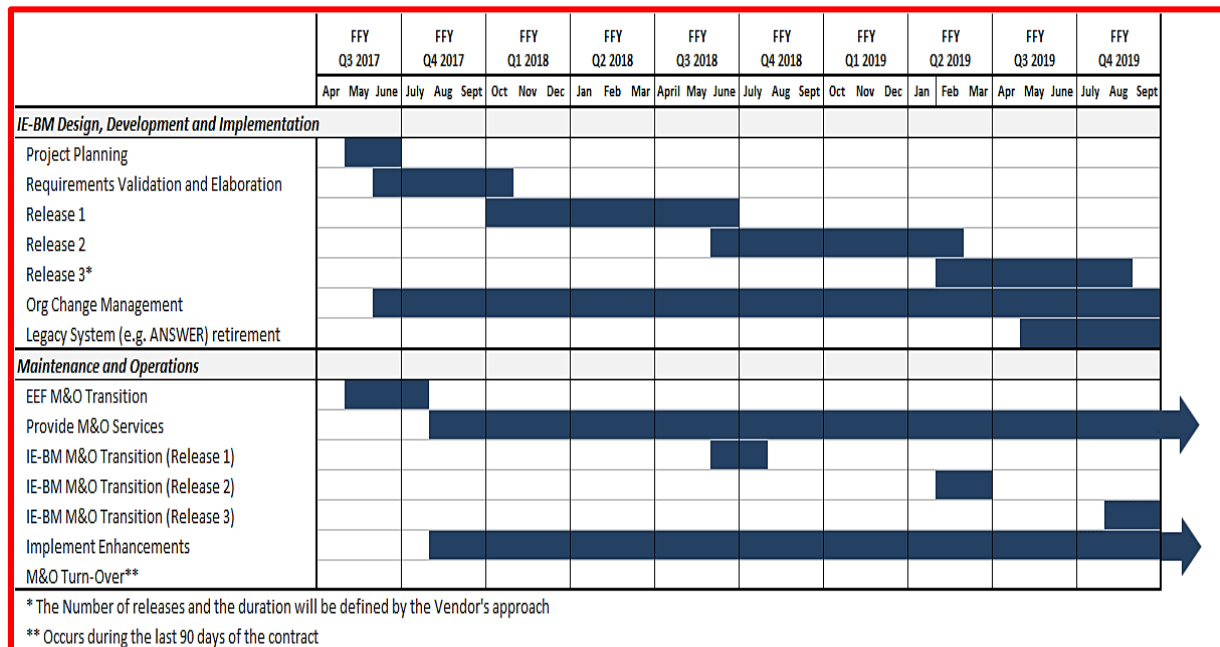
3.2.5 Ongoing Initiatives that could impact ISS Scope (this RFP)

3.2.5.1 Integrated Eligibility and Benefit Management (IE-BM)

It is DHS' intention to build the new DHS Enterprise Platform, Integrated Eligibility & Enrollment and Benefits Management (referred henceforth as IE-BM) to serve as the core of the Enterprise DHS Integrated Eligibility needs. The strategic goal of the organization is to migrate all core eligibility solutions applications to the IE-BM enterprise platform over a period of time. Once this project is completed all legacy eligibility and benefits management solutions will be retired (see Section 3.4.1) for additional details.

As such, ARDHS has performed the initial assessment of how the components of the Enterprise Platform will best support the complete functionality currently served by ANSWER, ACES, FACTS, WISE, WGN, Access Arkansas etc. to align with the defined vision. The predecessor to the IE-BM initiative was the EEF project that has deployed functionality for State's MAGI Medicaid Program. The State is conducting a parallel procurement to ISS to continue the build out of the IE-BM Solution, where appropriate, leveraging the assets that have been acquired as a part of the EEF initiative.

DHS is anticipating the IE-BM Project to be approximately 30 months in duration. However, all anticipated dates are subject to change pending IE-BM Vendor selection and project kickoff. The following figure provides a rough estimate of the IE-BM project timelines.



3.2.5.1.1 EEF Platform – Serving MAGI Medicaid Functionality

EEF was originally envisioned to fully support the MAGI Medicaid, Traditional Medicaid and SNAP (Food Stamps) functionality. However, due to various challenges with the current implementation, only the MAGI Medicaid functionality is currently in production. Though the SNAP functionality was also developed using the EEF Technologies, it has been halted at the beginning of the UAT phase (User Acceptance Testing).

DHS is of the opinion that the remaining programs will only be restarted after various enterprise level initiatives including architecture committee, governance, and a new Design, Development and Implementation (DDI) vendor are in place.

A separate RFP process is being undertaken to fulfil these tasks. This will be categorized under the Integrated Eligibility and Benefit Management (IE-BM) initiative.

DHS assumes that the following systems will be directly impacted by the IE-BM platform once the full vision of IE-BM is achieved. With the implementation of IE-BM platform (a separate RFP), it is the State's assumption that the following systems will either be completely retired or will only serve very limited functionality that is not served by the IE-BM platform and without duplication of data and/or functionality

- Arkansas Client Eligibility System (ACES)
- Food Stamps System (FACTS)
- Arkansas Networked System for Welfare, Eligibility and Reporting (ANSWER)
- Various existing interfaces to the above systems

3.2.5.2 Medicaid Management Information System Replacement

The DHS MMIS system is currently managed by HP. The MMIS system in itself will be outside the scope of this procurement, however, there is an initiative to replace the current MMIS system. The Vendor (this RFP) **must** coordinate and cooperate with the MMIS vendor or other vendors as required to support the design and implementation of interfaces to support end-to-end process integration.

There are many interfaces from the current legacy systems (both main frame and client server) that send and receive data with the MMIS system. The following are some of the core legacy systems that have interfaces to MMIS –

- ACES
- ANSWER
- SNAP
- EBT

3.2.5.3 DIS' Enterprise Data Warehouse/Business Intelligence Effort

DIS is in the early stages of developing a Statewide data warehousing strategy including centralizing some capabilities under DIS while following a federated model for other capabilities. This may impact the ISS Vendor's scope over the life of the contract, however, this change in scope should be captured through the benchmarking effort (see Section 3.5.2.2)

3.2.5.4 DIS' Enterprise Systems Operations Effort

DHS has migrated infrastructure operations support to DIS. There is also a Statewide initiative to centralize applications operations activities including:

- Help Desk Services (e.g. Service Desk)
- IT Operations process support (e.g. incident management, change/release/configuration management)
- Application Operations Services (e.g. job scheduling)

The Vendor will be responsible for coordinating with DIS and assisting with the transition. Once this transition is completed, there will be no need for the Vendor to provide IT Operations Support Services (Optional deliverable, see Section 3.4.5).

3.3 Business Drivers, and Objectives

The primary objective of this procurement is to select a Vendor to provide maintenance and operations for DHS' application portfolio. However, DHS has analyzed the structure of their current contract and how they are managing the incumbent vendor to identify opportunities to improve how their applications portfolio is managed. Below are the key objectives for this effort

- ISS Applications Maintenance and Operations (M&O) Procurement Goals
 - ☐ Implement an approach and pricing model that incentivizes the Vendor to maintain and operate a stable environment of production applications (aka applications portfolio) in a manner that is both efficient and effective, with cost predictability for DHS
 - ☐ Gain a better understanding of where funds are spent (e.g. align the funding of Applications M&O with actual M&O activities rather than shifting to discretionary above base line spending)
 - ☐ Reduce annual M&O as cost as a result of legacy retirement, consolidation of applications, improvement/automation of M&O processes and leveraging Vendor best practices
 - ☐ Ensure the business objectives are met by establishing service level targets
- Application Enhancements and Development Goals
 - ☐ Establish a methodology and measurements to verify Above Baseline cost estimates (establish a methodology to ensure cost of application development is within industry competitive pricing range)
 - ☐ Stop developing siloed/one-off solutions – migrate to Enterprise perspective/solutions; include some vendor ownership/accountability for this decision
- Access to additional technical resources
 - ☐ Leverage the applications provider market (with newer technologies) and to drive the optimal balance of efficiency, effectiveness and innovation when developing new business applications
 - ☐ Leverage to the specialized market expertise such as; advanced analytics, benchmarking, strategy, architecture, application portfolio analysis, etc.
 - ☐ Mitigate risk associated with the current DIS and DHS IT capacity and skills limitation by establishing contract for optional IT infrastructure and security services

3.4 Information Support Services (ISS) Engagement Scope

There are five areas of services (one optional) being procured through this RFP. These include:

1. Maintaining and operating DHS' current applications portfolio
2. Performing projects primarily to enhance DHS' current applications portfolio
3. Supporting DHS' Business Intelligence and Reporting needs
4. Providing access to staff and/or project teams with the specialized skills required to address specific DHS needs ranging from staff augmentation to developing new applications on emerging technology
5. IT Operations Support - Maintaining, operating and managing maintenance and operations processes for DHS (e.g. change management, incident management), Help Desk, Application Operations Services and Security Planning (**Optional**)

Each of these areas are described in the sections below.

As noted in Section 3.3 one of the primary objectives of this RFP includes improving the efficiency and effectiveness of applications support. DHS has structured the contract to encourage the Vendor to find opportunities to improve efficiencies and implementing these changes.

There are three elements to DHS' vendor management approach:

- 1) DHS will establish Service Level Agreements (SLAs) to which the Vendor must perform. These are captured in Template T-6 — ISS Requirements and the Vendor must report performance against each SLA at the defined reporting period
- 2) DHS will benchmark application M&O and development efforts so the Vendor's costs can be measured against industry peers
- 3) The Vendors will provide estimates of the complexity of any enhancement requests using a common approach that can be verified by DHS

These elements are further discussed in Section 3.5.2.

3.4.1 Application M&O Scope

As discussed in Section 3.2.2, DHS currently has approximately 200 applications for which the Vendor will perform M&O services. The inventory of these applications and the applicable attributes are available in the Procurement Library. The services outlined in this section should be performed for all of the applications captured in the application inventory. As captured in section 3.5.2, DHS' application portfolio could change over the course of the contract. The Vendor will be responsible for maintaining an inventory of all applications in the DHS portfolio (similar to the inventory provided in the Procurement Library. This inventory will capture any changes to the portfolio and will be captured on an annual basis by re-base-lining the portfolio and related M&O costs.

As discussed in section 3.2.2, DHS currently has approximately 200 applications in its portfolio, with 15 core applications. The Vendor will be responsible for maintaining and operating all of these applications and implementing enhancements (as requested via ABL agreements). The expectation is that the ISS Vendor, to align with the business goal of efficiently supporting the applications portfolio, will identify opportunities to streamline the development processes. In addition, DHS expects major new projects, like the IE-BM project will replace the legacy Integrated Eligibility Systems, will result in new integrations between the legacy application(s) and the new application (e.g. ANSWERS and the new IE-BM System), developing new interfaces to support a phased development approach and retiring applications that will be replaced by the new System. Below are the anticipated break down of roles and responsibilities between the ISS and the new System Vendor:

Table 9. Application Retirement Roles and Responsibilities

ISS Vendor	New System Vendor (i.e. IE-BM)
Status Quo Standard Operating Procedure - Continue maintaining and operating the legacy applications including change/release management and issue management	Status Quo Standard Operating Procedure - Accountable for ensuring the integration between applications function correctly and no data related issues (e.g. duplicate records, data incompatibility) arise; responsible for triaging and resolving any integration related issues
Legacy Rationalization Requirements - Collaborating with the Modernization Vendor (i.e.	Legacy Rationalization Requirements - Developing detailed functional specifications and

IE-BM) to help identify detailed functional specifications	developing the Above Baseline (ABL) Statement of Work for the ISS Vendor to respond to
Legacy Rationalization Execution - Building enhancements and testing to support the deployment of replacement solution, assist with data conversion, perform all tasks related to enabling the retirement of legacy system, including building of new tactical solutions on alternate platforms, and ensure the new solution can function as specified intended	Legacy Rationalization Execution - Responsible for ensuring that the ABL project to be performed by the ISS Vendor includes all activities required to retire the legacy application
Legacy Rationalization Execution - Responsible for making any modifications required to retire any legacy applications according to the agreed to ABL SOW	Legacy Rationalization Execution – Manage / coordinate all activities required to retire the application and be the single accountable entity that ensures the success of the overall rationalization effort, including successful retirements of the legacy system

The IE-BM project will, at a minimum, apply to ANSWERS, ACES and Access AR. DHS expects the vendors to perform these roles if another application is impacted or another Vendor is responsible for retiring a legacy application which the ISS Vendor is managing. The Application size and benchmarking results will be modified as these applications are retired.

3.4.1.1 Break Fix/Critical Fault/Corrective Maintenance

The Vendor will be responsible for fixing failures (not functioning as designed) that cause a crash, hang-up, data loss or corruption, erroneous results or no work around for a major documented function. Includes associated analysis, design, coding, testing, communications, documentation, and implementation. Also includes issues encountered in the course of keeping purchased application packages up and running.

Examples include:

- Program Abends
- System is down
- Data Records not processing as designed due to coding problems
- Problems transmitting data between systems
- System generating Incorrect or misleading data
- Data download Failures
- System Clocking (due to an Application problem)
- Unacceptable user workarounds due to system bugs
- Data contention abends/errors

3.4.1.2 Preventative and Perfective Maintenance

The Vendor will be responsible for improving performance and maintainability and proactively addressing latent defects and to find and eliminate errors before they can impact the business and performance of an application. The expected result of this effort is to improve application speed, reliability and/or reduce the ongoing support costs.

Examples include:

- Addressing documented problems that would save enough analyst support time or have material impact on the business to justify making code changes
- Reducing time spent looking for the root cause of problems - regardless of whether any action is taken
- Code refactoring such as extracting one or more smaller sub-routines from a larger routine or removing duplicate routines and replacing with one shared function
- Removing obsolete code or application modules that are no longer in use
- Improving internal support-related processes
- Making JCL changes to include table backups/reorganizations

This does not include work greater than 80 hours related to functional enhancements which is considered development.

3.4.1.3 Adaptive Maintenance

The Vendor will be responsible for adapting the application to changes in the operating environment (e.g. required by infrastructure, operating system, Vendor, etc.). This includes associated communication and documentation. This does not include adding new business capabilities from a user's perspective.

Examples Include:

- Installation, configuration and testing of dot releases and patches of Vendor package/COTS software (including security patches)
- Required upgrades to a new version of the application's DBMS, language(s) and/or operating system
- Testing the application following changes to the hardware environment such as server upgrades, virtualization, etc.
- Forced Currency Code subroutine conversions
- Accounting distribution edits subroutine conversions
- Changes to support application security
- Required modifications due to new Framework versions
- Changing JCL due to changes in versions of software support tools
- .Net, Java upgrades
- Ensuring software is maintained within an N-1 revision level unless agreed upon by the State

This does not include major version upgrades to vendor package/COTS software which typically include a substantial amount of new or changed business functionality and require significant effort to implement. This effort would be captured in development.

3.4.1.4 User Documentation

The Vendor will be responsible for maintaining existing user documentation. New documentation is part of project development.

3.4.1.5 System Documentation

The Vendor will be responsible for maintaining existing system documentation. New documentation is part of development.

This includes maintaining and setting up system documentation related websites.

3.4.1.6 Security

The Vendor will be responsible for providing access and authorization to systems.

Examples Include:

- Application specific access
- Removing old IDs
- Shutting off system authorizations

This does not include: Installation efforts that require code changes. These are handled as part of the development process.

3.4.1.7 Maintain Test Environment

The Vendor will be responsible for maintaining a test environment

Examples Include:

- Copying data from production to test
- Refreshing test environments
- Defining backups and restores

Does not include: Setting up test data to test a new system enhancement. This is part of the development project.

3.4.1.8 Maintain Business Rules

The Vendor will be responsible for updating business rules

This includes:

- Updating business rules stored in editable tables
- Explanations of and assistance with setting up Supplemental Tables

This does not include: Changing of code due to a business change. These are enhancements done by the development team.

3.4.1.9 Disaster Recovery

The Vendor will be responsible for supporting DHS during disaster recovery. DIS will be responsible for establishing the applications in the disaster recovery environment. The Vendor will be responsible for ensuring the disaster recovery environment is functioning.

This includes:

- Assisting in developing Disaster Recovery Plans
- Assisting in Disaster Recovery Testing
- Assisting in the event of a disaster

3.4.1.10 System Audits

The Vendor will be responsible for supporting system audits.

3.4.1.11 Training (Staff)

The Vendor will be responsible for providing staff to train other development and support staff on a given system, language or tool.

This includes:

- Required formal and informal effort for development and support staff to both learn and train
- Required effort required to switch to and learn a new package or tool that is directly related to an application (learning non-application specific packages should be recorded under admin)

3.4.1.12 Tier 2 Application Support

Provide Tier 2 Support for in scope applications. Calls will be forwarded by DHS' Service Desk. This includes both incident and problem management.

3.4.1.13 Training (Customer)

The Vendor will be responsible for assistance in proper use of the application and formal system training. **Customer training will be provided by the Vendor as part of the M&O process whenever system changes are delivered. The Vendor will need to update materials and train DHS' training team on any system modifications that result from application M&O activities. The purpose of this requirement is not to require the establishment of a training department.**

Note: Any training related to system enhancements (Section 3.4.2) will be included in the cost estimates and are not within the Application M&O scope.

Examples Include:

- Providing training over the phone on a system or piece of the system
- Formal onsite training for a facility
- One-on-one user training
- Compiling training material for a visit

3.4.1.14 Data Discrepancies

The Vendor will be responsible for assisting resolution of data issues where the data is the problem, not the associated code.

Examples Include:

- End user misuse of system functionality that can cause undesired effects. DHS is then asked to "fix" the data.
- Customers ask DHS to investigate data mismatches between two systems and it turns out not to be a system problem, but the way the user was looking at the data.
- Physically manipulating production data caused by a customer's inappropriate use of the system.

3.4.1.15 Efficiency Improvements

DHS expects the Vendor to drive M&O costs towards best-in-class through improvements in application M&O processes and automation. DHS also expects to launch strategic initiatives such as portfolio rationalization, application retirement, and cloud migration to achieve higher impact. These initiatives are considered to directly impact the scope of Applications M&O, though will be managed as projects, similar to projects covered by Implementing Enhancements (Application Development) scope. Annual adjustments will be used to re-align the costs and efforts based on any completed initiatives.

3.4.1.16 Out of Scope Services

This section provides the description of the services that are out of scope for the Applications M&O Scope. Some of these services may be provisioned by DHS through the IT Operations Support scope (see Section 3.4.5). The out-of-scope services are provided as a shortlist but have to reflect the actual excluded services.

Out of scope of the Application M&O Services SOW are the activities related to:

- **Desktop Services** — Activities required to provide, maintain, secure and support the User hardware and software workplace environments (desktop, laptop, mobile device) to access, deploy and apply the in-scope applications.
- **Data Center Services** — Activities required for providing, maintaining, securing, scheduling, backup, recovering and supporting the Organization's computing environments.
- **Network Services** — Activities required for providing, maintaining, securing and supporting the wide-area network (WAN) connectivity for the Organization, all Organization locations' local-area network (LAN) connectivity and Organization's IP telephony connectivity, including all connectivity hardware and software.
- **Infrastructure Management Services** — The infrastructure (e.g. physical servers, virtualization software and storage) will be provided to the Vendor by DIS.
- **Support, maintenance and operation of DHS enterprise IT processes** — This includes:
 - ☐ Incident Management
 - ☐ Problem Management and Root Cause Analysis
 - ☐ Change and Release Management
 - ☐ Configuration Management
 - ☐ Disaster Recovery
- **Help Desk Services** — Activities required to perform level 0 and 1 User Support related to direct resolution of end user questions and calls, call dispatch, tracking and tracing, call escalation, and self-help. Level 0 support activities are performed by Key Users for in-scope applications.
- **Application Operations Support Services** — Activities required to perform application monitoring and operational service activities as formalized in run books, inclusive of job scheduling and execution, backup and restore of the in-scope applications. Application Operations Services are addressed by the Data Center Service Provider.

Note: some of these services may be included in the IT Operations Support Scope (DHS Optional), Section 3.4.5 if DHS decides to purchase these services.

3.4.1.17 Vendor and State Roles/Responsibilities

The contract will be awarded to a Prime Vendor who will provide the services and staffing required to support the entire applications portfolio. Additionally, DHS requires the Prime Vendor, as part of their fixed fee contract, to continuously identify opportunities to improve how the services are provided and implement those enhancements to achieve the SLA targets and cost reduction goals. The table below captures the anticipated DHS and Vendor responsibilities. The table excludes the responsibilities and tasks that the Vendor will not be performing, not considering the optional services.

Table 10. State and Vendor Responsibilities

Areas	Preliminary State of AR Responsibilities	Preliminary Vendor Responsibilities
Application M&O		
Application Security Admin	<ul style="list-style-type: none"> ■ Provide approved list 	<ul style="list-style-type: none"> ■ Administer users
System Performance/Monitoring	<ul style="list-style-type: none"> ■ Perform monitoring in alignment with policies and procedures 	<ul style="list-style-type: none"> ■ Develop policies and procedures ■ Optional to perform monitoring (see Section 3.4.5)
Capacity Planning	<ul style="list-style-type: none"> ■ Lead process ■ Infrastructure capacity planning 	<ul style="list-style-type: none"> ■ Provide capacity estimates and usage forecast changes
Change/Release/Configuration	<ul style="list-style-type: none"> ■ Lead process 	<ul style="list-style-type: none"> ■ Align with State standard process ■ Package releases
Incident/Problem Management	<ul style="list-style-type: none"> ■ Lead process 	<ul style="list-style-type: none"> ■ Application Support, Tier 2, 3
Disaster Recovery	<ul style="list-style-type: none"> ■ Lead process (DIS/DHS) 	<ul style="list-style-type: none"> ■ Application recovery, detailed recovery procedures, assist with testing, remediation
System Audits	<ul style="list-style-type: none"> ■ Coordinate/lead audits 	<ul style="list-style-type: none"> ■ Assist with audits ■ Manage security roles etc. ■ Maintain documentation ■ Review logs and report anomalies
License management/provisioning	<ul style="list-style-type: none"> ■ Buy and manage 	<ul style="list-style-type: none"> ■ Certificate management
Back-up and Recovery	<ul style="list-style-type: none"> ■ Provide infrastructure and perform back-ups 	<ul style="list-style-type: none"> ■ Design back-up using DIS architecture
Database administration	<ul style="list-style-type: none"> ■ N/A 	<ul style="list-style-type: none"> ■ Primary responsibility
Remote access/VPN	<ul style="list-style-type: none"> ■ Provide as a service 	<ul style="list-style-type: none"> ■ Comply with Security Policies
Middleware management (patching etc.)	<ul style="list-style-type: none"> ■ Provide shared middleware (e.g. service bus, content management) 	<ul style="list-style-type: none"> ■ Primary responsibility for application related COTS (PowerBuilder IDE) ■ ETL management ■ Integrate with State services

Areas	Preliminary State of AR Responsibilities	Preliminary Vendor Responsibilities
Infrastructure M&O		
Infrastructure (storage, servers, Data Center etc.)	<ul style="list-style-type: none"> ■ Provide hosting and infrastructure management 	<ul style="list-style-type: none"> ■ Provide requirements to DIS
Other M&O Related activities		
M&O process documentation and maintenance	<ul style="list-style-type: none"> ■ Document reviews and approvals 	<ul style="list-style-type: none"> ■ Document maintenance procedures for all apps and anything unique to each application
Governance (tech)	<ul style="list-style-type: none"> ■ Primary responsibility; establish expectations, forms, process etc. 	<ul style="list-style-type: none"> ■ Follow Process and Submit requests as appropriate
Cost allocations/chargeback	<ul style="list-style-type: none"> ■ Design, maintain and administer chargeback 	<ul style="list-style-type: none"> ■ Provide usage information
Data Quality	<ul style="list-style-type: none"> ■ Primary responsibility 	<ul style="list-style-type: none"> ■ Report on data quality issues, support improvement plans
Master Data Management	<ul style="list-style-type: none"> ■ Manage and oversee ongoing governance and data clean-up 	<ul style="list-style-type: none"> ■ Support process, provide reports (e.g. list of duplicate clients)
Contract Reporting		
SLAs	<ul style="list-style-type: none"> ■ Monitor against SLAs 	<ul style="list-style-type: none"> ■ Report performance against SLAs
Budget	<ul style="list-style-type: none"> ■ Approve budget and changes for each project 	<ul style="list-style-type: none"> ■ Report budget against each ABL project
Bi-annual benchmarking	<ul style="list-style-type: none"> ■ Primary responsibility; update contacts 	<ul style="list-style-type: none"> ■ Support data acquisition

3.4.2 Implement Enhancements (Application Development)

In addition to providing maintenance and operations for the legacy applications, the Vendor must implement functional enhancements to the existing application portfolio or develop new functionality (Above Baseline – ABL Activities). The exact scope of these projects will be identified during the engagement as needs arise through a specific request from DHS. These projects will include activities which are not covered by the Applications M&O Scope (Section 3.4.1) or the Business Intelligence and Reporting scope (Section 3.4.3) and require more than 80 hours of effort. They include:

- Implementing additional functionality within an existing application
- Building new applications to support emerging requirements
- Enhancing a solution/testing a solution to support other State of Arkansas initiatives (including the initiatives listed in section 3.2.5)
- Implementing architectural changes to the solution to improve solution performance

The resulting functionality will be warranted for a year after the completion of the project.

Prior to initiating any DDI project DHS will provide a scoping document, with the ISS Vendor's assistance, at enough detail for the vendor to provide a fixed fee bid. This fixed fee bid will include an explanation of the basis for the estimate (e.g. the number of function points). This estimating methodology must be agreed to beforehand by DHS and allow for a third party to validate the cost estimate.

In certain circumstances, especially when looking at newer technologies, DHS may request the Vendor to procure services from a vendor with specific skill sets. This type of scope of work is covered in Section 3.4.4.

The Vendor must provide status reports for each project throughout its life and must receive approval from DHS governance body whenever the scope, schedule or budget must be modified. At any point in the project DHS has the right to end the contract for convenience.

The focus of this work is any enhancements to the applications. This does not include initiatives to improve the efficiency of providing M&O or application development services as these are covered under other scopes of work. However, these projects may be managed in a similar manner

3.4.2.1 Efficiency Improvements

The Vendor shall drive application development costs towards best-in-class through process enhancements such as implementing automated testing tools. The expectation is that these efforts will be implemented as part of enhancement projects and agreed to within Service Level Requirements and related targets.

3.4.2.2 Roles and Responsibilities

The ISS Vendor shall be responsible for all design, development and implementation (DDI) projects that enhance the existing solution. The Vendor must manage these as fixed fee contracts based on the scope provided by DHS. Although the size and scope of these projects could vary significantly, the Vendor must be able to provide all the skillsets required to complete a complex project. The expectation is that the roles and responsibilities will vary by project, though the standard Vendor and State of Arkansas roles and responsibilities are captured in the table below:

Table 11. Typical State of Arkansas and ISS Vendor DDI project roles

Areas	State of AR Responsibilities	Vendor Responsibilities
Applications Planning	<ul style="list-style-type: none"> ■ Provide scoping document and formal bid request 	<ul style="list-style-type: none"> ■ Application strategy, architecture and planning ■ Provide estimates
Requirements	<ul style="list-style-type: none"> ■ Develop requirements 	<ul style="list-style-type: none"> ■ Facilitate requirements validation and elaboration sessions
Project Management	<ul style="list-style-type: none"> ■ Dependent on the size of the project; range from a single point of contact to full time PM 	<ul style="list-style-type: none"> ■ Primary management of the project ■ Provide SDLC and Project Mgmt methodologies (in alignment with DHS' standards)
Detailed design	<ul style="list-style-type: none"> ■ Provide SMEs, solution architecture oversight 	<ul style="list-style-type: none"> ■ Security, functional and technical design ■ Architecture documentation

Develop/Build	<ul style="list-style-type: none"> ■ Build infrastructure ■ Provide SMEs/input ■ Expose data from interfaced systems 	<ul style="list-style-type: none"> ■ Build application
Testing	<ul style="list-style-type: none"> ■ Use Acceptance Testing 	<ul style="list-style-type: none"> ■ All other testing ■ Management and support of UAT
Change Management/Training	<ul style="list-style-type: none"> ■ Review and approve trainings 	<ul style="list-style-type: none"> ■ Develop/update trainings, deliver as requested/appropriate
Data Conversion	<ul style="list-style-type: none"> ■ Extract data from existing system (if not ISS managed) ■ Data quality ■ Testing 	<ul style="list-style-type: none"> ■ Extract data from existing system (if ISS managed) ■ Data conversion design ■ Build ETL/interfaces ■ Conversion plan execution
Roll-out	<ul style="list-style-type: none"> ■ Production/code migration oversight 	<ul style="list-style-type: none"> ■ Release packaging and deployment
Documentation	<ul style="list-style-type: none"> ■ Review/approve documentation 	<ul style="list-style-type: none"> ■ Update of plans, design, development and training materials
Infrastructure (storage, servers, Data Center etc.)	<ul style="list-style-type: none"> ■ Provide storage infrastructure 	<ul style="list-style-type: none"> ■ Provide requirements to DIS
Governing of projects and reporting	<ul style="list-style-type: none"> ■ Select projects to evaluate ■ Evaluate scope, schedule, budget provided by the Vendor and approve whether to proceed ■ Make decisions on in-flight projects which are not proceeding as planned 	<ul style="list-style-type: none"> ■ Provide status reporting on all active projects with status against approved plan (scope, schedule, budget)
Architecture/technology governance	<ul style="list-style-type: none"> ■ Lead architecture governance ■ Review architecture to the re-use of technology and alignment with State of Arkansas architecture ■ Guide architecture governance Review designs to ensure compliance with State standards 	<ul style="list-style-type: none"> ■ Ensure integration between apps continues to work
Cloud applications	<ul style="list-style-type: none"> ■ Provide input and approve designs 	<ul style="list-style-type: none"> ■ Integration, Infrastructure and all monitoring, security and operations

DHS will maintain a list of potential enhancements/projects. When DHS decides to evaluate a project, it will develop a scoping document with enough detail for the Vendor to provide a fixed fee estimate for the scope and a schedule and deliverables. The Vendor must collaborate with DHS during this time to ensure the application strategy (e.g. enhancing existing applications

rather than building a new application with similar functionality) and architecture are in alignment with DHS' standards and architecture guidelines. Additionally, during this timeframe the Vendor shall collaborate with DHS to define the preferred methodology (e.g. modified waterfall, Agile, etc.) and define milestones. Once the Vendor response has been provided DHS will assess the viability of the project (potentially including a third party review of the costing methodology) and either decide to proceed with the project, request a change to the approach, or not proceed.

DHS reserves the right to cancel any project at its discretion.

3.4.3 Business Intelligence and Reporting

As outlined in Section 3.2.2, DHS has a data warehouse and business intelligence solution implemented, however, the business' BI and reporting needs are always evolving. The Vendor will be responsible for:

- Capturing and tracking the end-user's business intelligence and reporting needs
- Collaborating with the end-users to define/refine a solution to their business needs
- Selecting the appropriate technology solution (e.g. parameter driven reports, analytics tool, ad-hoc query tool, etc.)
- Developing a solution for their BI needs and migrating this solution into production
- Documenting the functional and technical design of each solution
- If required, migrating additional data into the data warehouse from the source systems
- Training users on how to use the solution and providing any required training materials

DHS envisions an iterative approach will be required to interpret and fully understand the user's needs. DHS envisions the Vendor will provide 12 full time staff members will be assigned to performing the tasks outlined above.

DHS expects the Vendor to propose to distribute the current BI and reporting portfolio into M&O (BL - Baseline) and Enhancement (ABL – Above Baseline) projects, and allocate appropriate resources to each set of activities. The Vendor should include a minimum set of resources for support of BI Power Users within the departments as a part of M&O Services.

As the State of Arkansas is developing a state-wide data warehouse and reporting solution the scope of this area may be increased or decreased during the annual review cycles.

3.4.3.1 Roles and Responsibilities

The State will be responsible for prioritizing the business intelligence and reporting requests and providing input before and during the development cycle.

The Vendor will report all in flight reporting efforts with the associated costs on a monthly basis. DHS reserves the right to review the costs of any reporting effort.

3.4.4 Provision of Additional As-Needed Services

Throughout the life of this contract DHS envisions requiring additional technical resources to address its IT needs. These additional IT related services may include but are not limited to:

- Application development on emerging technologies (e.g. mobile platforms)
- Strategic planning
- Enterprise architecture
- Integration expertise

- Benchmarking and function point analysis
- HHS analytics and business benchmarking
- Revenue optimization analytics
- Oversight/IV&V/QA
- Business process reengineering
- Security (planning and oversight, vulnerability scanning, penetration testing, risk assessment, audits etc.)
- Application development process consultants
- ITIL process consulting

The request for these services will vary based on DHS' specific needs but could range from a skillset required to augment DHS staff in fulfilling their responsibilities, a simple scope of work, or a set of high level requirements for a proof of concept.

The Vendor will need to provide these services either through internal resources, or, more frequently, or at AR DHS discretion, through procurement of sub-contractors who have the specific skills required. Any resulting work efforts will be administered by the Vendor through their contract with DHS.

DHS, in certain circumstances, especially when DHS is looking at newer technologies, may request the Vendor to conduct a market survey and obtain bids from outside vendors. The Vendor must establish a process for this activity that is transparent and encourages competition and acquisition of the outside vendors with the right skill set. The Vendor shall manage any sub-contractor and implementation of selected outside vendor.

3.4.4.1 Roles and Responsibilities

DHS will:

- Provide a request for services which outlines their expectations
- Review qualified staff/project teams identified by the Vendor and select the preferred option
- Review and approve all payment documentation (e.g. timecards, deliverables)

The ISS Vendor will:

- Review the request for services and ensure all areas of ambiguity have been addressed
- Identify qualified staff/project teams which can meet the needs outlined in the request for services. Typically, this will include sub-contractors.
- Coordinate with candidate/project team
- Administer all billing activities
- Be responsible for the end-to-end solution (if a new solution integrates with applications being managed by the Vendor)
- Report progress and/or costs of all additional services activities monthly

All requests will be approved by the DHS governance body. DHS reserves the right to cancel any additional services work at its discretion.

3.4.4.2 As Needed Services Required at Engagement Initiation

As a part of the response to this RFP, the Vendor must propose an appropriate number of Senior Information Security Analysts / Subject Matter Experts with appropriate qualifications to assist DHS with its security related initiatives. **This as-needed service will be required when the engagement commences and Vendors shall include this scope in their transition costs.** The scope of these support activities are listed below.

Scope of “As Needed” Security Services

The Vendor’s proposed resources will be responsible for supporting DHS’ Security related initiatives including but not limited to:

- MARS-E 2.0, and IRS Compliance and Auditing
- Multifactor (two-factor) authentication access for all internal and contracted staff who access FTI, PHI, PII
- Addition of encryption (various, including data in motion) for systems storing, transmitting or receiving that data, including ANSWER.
- Use of public key infrastructure for certificates
- Position risk validation (HR categorization of all roles organizationally by the security risk of that role)
- Securing and hardening Server operating systems (including ANSWER) requiring upgrades to an OS level capable of thwarting current attacks
- Better controls around remote and role-based system access

Vendor Responsibilities and Activities

The Vendor will work with the Department of Human Services (DHS) to establish, review, and update documentation pertaining to the assets of the DHS. Documentation updates include the use of Centers for Medicare and Medicaid Services (CMS) templates, DHS policies and procedures, and other documentation relevant to the Security of DHS Information Technology systems and network infrastructure. The reviews will include, but are not limited to:

- All documents pertinent to Security Accreditation
 - ☐ Business Impact Assessment (BIA)
 - ☐ System Security Plan (SSP), System Security Report (SSR), Safeguard Procedures Report (SPR)
 - ☐ Information System Risk Assessment (ISRA)
 - ☐ Business Continuity Plan (BCP)
 - ☐ Plan of Actions and Milestones (POAM)
 - ☐ Privacy Impact Analysis (PIA)
- Logs
- Rule Sets
- System and Network Configuration

The Vendor will work with the Department of Human Services (DHS) to establish target identification and analysis techniques pertaining to the assets of the DHS and include the use of CMS templates, DHS policies and procedures, and other techniques relevant to the Security of

DHS Information Technology systems and network infrastructure. The techniques will include, but are not limited to:

- Network Discovery
- Network Port and Service Identification
- Vulnerability Report Analysis
- Wireless Scan Report Analysis

The Vendor will work with the Department of Human Services (DHS) to establish a plan for Security Assessment Planning pertaining to the assets of the DHS and include the use of Centers for Medical Services (CMS) templates, DHS policies and procedures, and other relevant practices to the Security of DHS Information Technology systems and network infrastructure. The techniques will include, but are not limited to:

- Developing a Security Assessment Plan
- Prioritizing and Scheduling Assessments
- Selecting and Customizing Techniques
- Assessment Logistics
 - ☐ Third Party Assessor Selection and Skills
 - ☐ Location Selection
 - ☐ Technical Tools and Resource Allocations
- Assessment Plan Development
- Legal Considerations

The Vendor will work with the Department of Human Services (DHS) to establish the execution of Security Assessments pertaining to the assets of the DHS and include the use of Centers for Medical Services (CMS) templates, DHS policies and procedures, and other relevant practices to the Security of DHS Information Technology systems and network infrastructure. Assessors performing application security assessments should have a specific baseline skill set that includes certifications, such as, CISSP, CE|H, CISA, or GIAC certifications. The minimum skill set includes knowledge of specific programming languages and protocols; knowledge of application development and secure coding practices; understanding of the vulnerabilities introduced by poor coding practices; the ability to use automated software code review and other application security test tools; and knowledge of common application vulnerabilities. The techniques will include, but are not limited to:

- Coordination of Assessments
- Assessments
- Analysis
- Mitigation Recommendations
- Reporting

As a part of the implementation, assessment, and configuration strategy, the Vendor will continuously update the POA&M to identify activities that have been accomplished, partially accomplished, or are pending action by another individual or system. The Vendor shall ensure that the POA&M is integrated into the AR DHS' configuration management process and facilitate centralized tracking and management of changes to systems, policies, processes,

procedures, as well as provide an oversight mechanism that will address compliance requirements.

The resources will be provided for a minimum of 2 years, and the services will be renewed for appropriate number of required resources on a semi-annual basis at the conclusion of the initial term of service.

3.4.5 IT Operations Support Services (Optional)

As noted in Section 3.2.5, the State of Arkansas has undertaken a lengthy process to move all departments onto infrastructure platforms and M&O processes operated and maintained by DIS. As part of this RFP DHS may request the ISS Vendor perform some of these activities until they migrate to the state-wide processes. As part of the Applications M&O scope, the Vendor will be responsible for ensuring the applications follow DHS' M&O processes. This optional deliverable expands the Vendor's responsibility to include Help Desk Services, DHS operations process support (supporting, operating, managing, maintaining and documenting the IT Operational processes) and application operations support.

An overview of these support activities are included in Section 3.2.4 and additional details are provided in the Procurement Library. They include:

- **Help Desk Services** — Activities required to perform level 0 and 1 User Support related to direct resolution of end user questions and calls, call dispatch, tracking and tracing, call escalation, and self-help. Level 0 support activities are performed by Key Users for in-scope applications. Help Desk services are addressed in the Help Desk Services SOW.
- **DHS IT Operations process support** (support, maintain and operate the Enterprise IT Processes within the DHS environment.) This includes, at a minimum:
 - ☐ Change and Release Management
 - ☐ Configuration Management
 - ☐ Capacity Management
 - ☐ Performance Management
 - ☐ Disaster Recovery
 - ☐ Incident Management
 - ☐ Problem Management and Root Cause Analysis
- **Application Operations Services** — Activities required to perform application monitoring and operational service activities as formalized in run books, inclusive of job scheduling and execution, backup and restore of the in-scope applications. Application Operations Services are addressed in the Data Center Services SOW.

As mentioned above, the State of Arkansas has a strategic initiative to migrate all infrastructure maintenance processes to DIS. This may occur at any time during the terms of this contract and the Vendor must assist with the transition.

3.4.5.1 Roles and Responsibilities

DHS will:

- Ensure all non-ISS Vendor managed applications follow the Vendor's maintenance processes including submitting all requests, documentation and other information required

- Monitor monthly reports (provided by the Vendor) to evaluate performance and help address any issues identified
- Review all documentation provided by the Vendor
- Approve any changes to the maintenance and operations processes
- Providing staffing for the Help Desk to provide Tier 1 support
- Run all activities captured in the run books

The Vendor will be responsible for managing and operating DHS maintenance processes. This includes:

- Transition existing maintenance processes and take ownership of managing these processes
- Document the maintenance processes including defining any required templates, roles and responsibilities
- Oversee the execution of the process and ensure the processes are performed
- Identify opportunities to improve processes
- Review the request for services and ensure all areas of ambiguity have been addressed
- Provide monthly reporting including process volumes, risks, issues, and status of activities being performed to improve the IT operations support execution.

3.4.6 Non-Formalized Service Inclusion

The Vendor understands and accepts that all activities that affect the Service Environment as defined in Section 3 including its subsections and the Procurement Library, will be within the scope of the engagement and the responsibility of the Vendor, except when explicitly assigned to DHS or a third party.

Where such activities are not formally defined in this RFP, the Vendor will perform these activities as if they were included in this RFP and initiate the required actions to remedy the gap.

3.5 Engagement Staffing and Management

3.5.1 Engagement Management and Governance

To manage the contract resulting from this RFP DHS will establish a Governance Body(ies) and a Contract Manager.

The Governance Body(ies) will be responsible for:

- Reviewing any changes to the contract (including changes to the scope)
- Approving any projects (Applications M&O improvement projects, implement enhancement projects or additional services). No work will commence without governance body's approval
- Approving any changes to project scope, schedule or budget and/or cancelling projects
- Managing any escalations
- Approving any adjustments to the contract due to the benchmarking process
- Reviewing proposed solution designs/architecture against DHS' architecture standards to ensure compliance and re-use of technology wherever possible

The Contract Manager will be responsible for:

- Reviewing Monthly Performance Reports
- Managing the Deliverables Approval Process
- Administering Performance Measures against SLAs and penalties (if required)
- Tracking progress of all projects approved by the governance body.
- Escalating any in-flight projects which are projecting a scope, schedule or budget which is significantly different than the scope, schedule or budget approved by the governance body
- Approving any invoices
- Managing the benchmarking process
- Managing the development of scoping documents and request for additional services
- Validating the scope/cost of any projects

3.5.2 Vendor Management

As outlined in Section 3.3, the objectives of this RFP includes reducing the cost of applications M&O and enhancements through task automation and improvements in application M&O and development processes. The Vendor will be held accountable for finding opportunities to improve efficiencies of M&O and implementing these changes.

Through this RFP DHS will establish metrics to ensure competitive pricing and continuous improvements towards best-in-class for both application maintenance and operations and enhancement development.

There are three elements to DHS' vendor management approach:

- 1) DHS will establish Service Level Agreements (SLAs)
- 2) DHS will benchmark the Vendor's application M&O efforts for the 15 core applications so the Vendor's costs can be compared to peers and best-in-class.
- 3) DHS will evaluate enhancement request costs through industry standards methods of functional sizing and cost estimation validation techniques (e.g. Function Point Analysis and published industry benchmarks)

3.5.2.1 Service Levels

DHS will establish Service Level Agreements (SLAs) which the vendor must perform to. These are captured in Template T-6 – ISS Requirements and the Vendor must report performance against each SLA at the defined reporting period.

Service Levels O9-3 through O9-6 (Application Availability and Performance) will not be administered against existing applications until the end of the first year. The Vendor must commence tracking and reporting system performance and availability at the end of the Transition period. For those applications that are determined not able to meet the SLRs, the Vendor must develop a plan to align with the required service levels. If this requires system modifications, the Vendor will develop Enhancement Requirements and Cost Estimates (see Section 3.6.2.4) capturing the modifications required to bring the application in alignment with the SLRs. If DHS decides not to proceed with the required enhancements the service levels for that application will be adjusted accordingly.

3.5.2.2 Benchmarking

The Vendor's focus and objectives must be aligned with DHS' goals. The Vendor should continually strive to improve its processes to reduce the Applications M&O costs through each year of the contract period. These cost savings will be measured and achieved by benchmarking the cost savings opportunities against similar organizations and applications portfolio. DHS will be responsible for the benchmarking. The goal is to approach best-in-class performance for providing the services at the service levels outlined in this RFP.

On a bi-annual (once every 2 years) basis, DHS will benchmark the applications M&O and enhancement efforts so the Vendor's costs can be measured against best-in-class. As outlined in the ISS Engagement Scope Section (Section 3.4) DHS expects the Vendor to undertake activities to decrease the cost of supporting the 15 core applications in DHS' portfolio and developing enhancements. The vendor is expected to submit a fixed bid for the Maintenance and Operations of the entire application portfolio in response to this RFP, and support a benchmark of the core 15 core applications within 60 days of the first anniversary of project start date. DHS expects the Vendor to decrease the gap between its M&O costs and best-in-class, top quartile, on an annual basis. The Vendor is expected to be within 20% of the Peer Average with the initial cost benchmark, and achieve cost performance levels within 10% of top quartile performance within 3 years, or demonstrate a 10% annual cost reduction until such time that the Vendor has achieved cost performance equal to or better than the top quartile peers. If the Vendor is not within the 20% of the peer average, AR DHS reserves the right to re-engage in cost negotiations with the Vendor to close the gap between the Vendor's M&O costs for the 15 core applications and a range within 20% of peer cost benchmark. The following is a brief definition of the different peer performance groups:

- Peer – Average: representing the average for the comparative group
- Peer – Percentile_25 (top quartile): representing the lowest quartile (most efficient) for the comparative group
- Peer – Percentile_75 (third quartile): representing the highest quartile (least efficient) for the comparative group

The Vendor must also understand the State of Arkansas is anticipating some of the core 15 applications maybe retired over time. If this occurs the benchmarking results will be adjusted for the change in scope. This benchmarking will be conducted by DHS.

3.5.2.3 Function Point Analysis

DHS anticipates the use of Function Point Analysis as the preferred method to measure the functional size of each of the 15 core applications in its portfolio, and benchmark the performance of the Vendor with respect to Application M&O activities. The Vendor must fully cooperate with the DHS selected third party that will measure the Functional size of the 15 core applications for benchmarking purposes, and provide appropriate resources to assist with the initial count of Function Points, if requested.

DHS also expects to use Function Points to assess the functional size of new enhancement requests (Above Baseline initiatives) and the Vendor is expected to provide estimates of the Function Point size of any enhancements requests along with the fixed cost proposal. These estimates must be provided in a format that can be validated by a third party.

3.5.3 Vendor and DHS Staffing

3.5.4 DHS Staffing Expectations

DHS will provide the resources required to perform the DHS Responsibilities outlined in Section 3.4.1.17 and Section 3.4.2.2.

To manage the scope of this RFP, DHS plans to provide a skeleton staff. They will manage the ISS Vendor's contract. This will include reviewing monthly status reports and performance against SLAs, approving and monitoring progress against the DDI projects and approving and monitoring Business Intelligence activities. Additional resources will be provided to support the ISS Vendor's DDI activities as outlined in each scoping document.

3.5.5 Vendor Staffing Expectations

The Vendor must provide a team to perform the scope outlined in Section 3.4 and complete the tasks and deliverables outlined in section 3.6. The Vendor will lead these activities and deliver the related services, and should not expect direct State or incumbent support resources to be available after the transition period. The Vendor's team will have an ongoing on-site presence with core resources dedicated to performing the activities outlined in Template T-6 - ISS Requirements. The Vendor must also have the capability to add staff with deep knowledge of the implemented technology to support major enhancements/upgrades in a timely manner.

3.5.5.1 Vendor Key Personnel

The term "Key Personnel", for purposes of this procurement, means Vendor staff deemed as being both instrumental and essential to the Vendor's satisfactory performance of all requirements contained in this RFP. Vendor Key Personnel must be the primary team that delivers the ISS Services. As these staff members are deemed critical to the success of this initiative, they must be full-time and dedicated solely to the DHS account (unless otherwise noted).

The Vendor should include names and resumes for proposed Key Personnel as part of its Proposal, using Response Template T-5 — Staff Experience, to clearly demonstrate the proposed Key Personnel's ability to perform the role as described. The Vendor should ensure Key Personnel have, and maintain, relevant current license(s) and/or certification(s). The Vendor can provide alternative solutions though any changes must be approved by DHS. Changes to the proposed positions and responsibilities will only be allowed with prior written permission from DHS.

If the Vendor believes that an alternative organizational design could improve service levels and/or decrease costs, a discussion of these options and their benefits should be included in T-4 – Vendor Project Organization and Staffing Response Template of this RFP.

The Vendor shall seek and receive DHS approval before hiring or replacing any Key Personnel. The Vendor shall remove and replace Key Personnel, if requested by DHS, within two (2) weeks of the request for removal.

The Vendor must provide DHS with written notification of anticipated vacancies of Key Personnel within two (2) business days of receiving the individual's resignation notice, the Vendor's notice to terminate an individual, or the position otherwise becoming vacant. Replacements for Key Personnel shall have qualifications that meet or exceed those specified in this section and will be subject to approval by DHS. The Vendor shall provide DHS with status update reports every week on the progress of the replacement candidate recruiting process until a qualified candidate is hired. The Vendor shall have in place a qualified replacement within sixty (60) days of the last day of employment of the departing Key Personnel. During the

recruitment and training period, the Vendor shall provide an interim replacement for all Key Personnel, subject to approval by DHS.

DHS requires these key resources to be members of the transition team to ensure continuity. The Vendor must ensure Key Personnel have, and maintain, relevant current license(s) and/or certification(s).

Table 12 provides Key Personnel positions for the Vendor team, corresponding roles and responsibilities for the engagement, and minimum qualifications for each.

Table 12. Vendor's Enterprise Platform Services Engagement Key Personnel Roles

Title	Roles and Responsibilities	Expected Qualifications
Engagement Director / Executive	<ul style="list-style-type: none"> ■ Serves as the primary point of contact with DHS leadership, governance bodies and other State Executive Sponsors for activities related to contract administration, overall engagement management and scheduling, correspondence between DHS and the Vendor, dispute resolution, and status reporting to DHS for the duration of the Contract ■ Is authorized to commit the resources of the Vendor in matters pertaining to the performance of the Contract ■ Is responsible for addressing any issues that cannot be resolved with the Vendor's Engagement Manager ■ Is responsible for all subcontractor relationships 	<ul style="list-style-type: none"> ■ Minimum of five (5) years direct project oversight and authority over ongoing relationships with clients where its firm has implemented enterprise solutions ■ Previously managed ongoing M&O in a similar environment <i>(does not need to be dedicated 100% to the account)</i>
Engagement Manager / Services Manager	<ul style="list-style-type: none"> ■ Serves as the day-to-day liaison with DHS ■ Is available and responsive to State requests for consultation and assistance ■ Is responsible for establishing and maintaining a positive client relationship ■ Provides timely and informed responses to operational and administrative inquiries that arise ■ Manages staff assigned to all day-to-day M&O activities ■ Plays an active role in day-to-day management of the Account so as to be knowledgeable and aware of all issues, concerns and requirements ■ Meets with DHS staff or such other person DHS may designate on a regular basis to provide oral and written status reports and other information as required ■ Manages the relationships with subcontractors and partner vendors ■ Provides ongoing reporting of operation against SLAs ■ Ensures all activities are coordinated and follow the processes outlined in this RFP (e.g. enhancement development) 	<ul style="list-style-type: none"> ■ Five (5) years managing a M&O team for an enterprise solution within a public sector client

Technical Lead/Architect	<ul style="list-style-type: none"> ■ Provides detailed applications knowledge in support of complex application issues/incidents ■ Reviews all potential System changes (e.g., configuration, warranty fixes, enhancements) from a technical perspective and provides technical design/assessments ■ Is available to DDI Project teams for consultation on future enhancements (e.g., changes to achieve strategic objectives, implement a new program) 	<ul style="list-style-type: none"> ■ Five (5) years of experience architecting/designing enterprise solutions ■ Two (2) years of experience with technology implemented at DHS
Security Expert	<ul style="list-style-type: none"> ■ Architects all changes to the Solution's security ■ Maintains all security documentation ■ Ensures the Solution meets all applicable security regulations 	<ul style="list-style-type: none"> ■ CISSP or similar security certification ■ Five (5) years of experience implementing/managing security in enterprise solutions <p>Preference will be given to candidates with security experience with the software implemented at DHS in similar businesses (does not need to be dedicated to the account)</p>
Operations Lead	<ul style="list-style-type: none"> ■ Ensure all team members follow the approved processes ■ Identify opportunities for process improvement ■ Lead the process documentation and training of changes to the processes (if the optional IT Operations Support services are purchased) 	<ul style="list-style-type: none"> ■ ITIL certified ■ Five (5) years of experience managing
Project Team	<ul style="list-style-type: none"> ■ Maintain and support DHS' systems 	<ul style="list-style-type: none"> ■ A team member must have five (5) years of experience in each technologies being support (e.g. PowerBuilder, CICIS, mainframe).

3.5.6 Expected Work Environment

3.5.6.1 Shoulder-to-Shoulder Organization Structure and Knowledge Transfer

The Vendor must propose a suitable engagement and partnership model with the DHS team to ensure proper knowledge transfer throughout the life of the contract. This will include "shoulder-to-shoulder" work (when required) with identified DHS resources so that knowledge about DHS' systems and business can be transferred from DHS to the Vendor staff and knowledge about the system can be transferred from the Vendor to DHS staff. This is particularly important with regards to the DDI of system enhancements.

Vendors' Key Personnel associated with the Legacy Applications M&O Engagements must work from Little Rock for the duration of the Contract. Vendors should propose a structure that will best meet this requirement. The final configuration of the Vendor's organizational structure requirement will be defined during the transition phase of the engagement.

3.5.6.2 Facilities and Equipment/Location of Contracted Personnel

DHS recognizes the importance of coordination between the Vendor's staff and DHS' staff. As such, the activities performed in response to this RFP must primarily be performed in Little Rock. The Vendor may perform services from a location outside of Little Rock only once approved by DHS. **Shared services (staff support such as finance, billing, contracts) may work outside of Little Rock without approval by DHS.** All work associated with this RFP must be performed at a location within the United States of America.

The Vendor must propose a facility with sufficient office and meeting space for the Vendor's personnel and the capability to support up to twenty (20) DHS employees for short periods (e.g. phases of enhancement projects that require significant DHS input such as UAT). DHS strongly prefers this facility be in downtown Little Rock (either within walking distance or 5 miles of the DHS offices with complementary parking) and must provide adequate free parking for DHS staff. The Vendor is required to secure their own facility space aligned to DHS' expectations. The Vendor shall be responsible for all telephones and furniture and will provide three (3) guest workstations for DHS employees.

DHS will coordinate with the Vendor to provide secure access to the DHS network though the Vendor will be responsible for the local network. DHS will provide the Vendor staff with the personal computers required to support and manage the DHS applications.

The Vendors' staff shall be available to participate in services-related meetings as scheduled by DHS. On-site work shall be performed during normal State business hours, Monday through Friday 8:00 AM until 5:00 PM.

Vendors must establish appropriate protocols in alignment with Federal and State regulations, including but not limited to FIPS, HIPAA and IRS Publication 1075, to ensure the physical property/facility security and data security and confidentiality safeguards are maintained.

3.5.7 Deliverables Approval

3.5.7.1 Deliverables Approval Approach

DHS will use a deliverables-based approach to determining progress and completion. DHS and the Vendor will establish specific expectations for deliverables using the Deliverables Expectation Document process described below. All deliverables will be reviewed and approved using a structured and controlled process. These processes, structures and tools will govern any work done for ISS Applications Support. The Vendor must agree to these processes, and any work done not in compliance with these is completely at risk by the Vendor.

The Vendor will further detail the processes, roles and templates to be used in the ISS Applications M&O and Deliverables approval process during the initial phase of their effort (in the Project Management Plan (PMP) and during transition phase for the Vendor's and the Vendor's ISS Applications M&O activities). The PMP must align with the guidelines set by the DHS' operational processes.

3.5.7.2 Deliverables Expectations Document

Vendors must develop Deliverables Expectations Documents (DEDs), in an approved DHS form and format, and Vendor deliverables must adhere to the information within the DED. The Vendor must not perform any work on any deliverable until the DED has been approved in writing by DHS. The Vendor must use a standard template for all DEDs that will include at least the following:

- The purpose and a description of the deliverable

- An outline/table of contents for the deliverable including a description of the anticipated content
- Identify the reviewers and approvers of the deliverable
- Acceptance criteria
- The approach to managing changes to the deliverable after the deliverable is approved
- Interim steps the Vendor will perform and work products the Vendor will provide in completing the deliverable so DHS feedback can be incorporated early in the process and reduce the risk of delays when the final deliverable is produced

As each deliverable is submitted, the Vendor must include a copy of the associated DED.

3.5.7.3 Controlled Correspondence

In order to track and document requests for decisions and/or information, and the subsequent response to those requests, DHS and the Vendor shall use Controlled Correspondence.

Each Controlled Correspondence document shall be signed by the DHS Project Manager (or designee) and the Vendor Project Manager (or designee). No Controlled Correspondence document shall be effective until the signatures of both are attached to the document.

The Controlled Correspondence process may be used to document mutually agreeable operational departures from the specifications and/or changes to the specifications. Controlled Correspondence may be used to document the cost impacts of proposed changes, but Controlled Correspondence shall not be used to change pricing.

Controlled Correspondence shall not be the basis of a claim for equitable adjustment of pricing. Any changes that involve a change in pricing must be by a Purchase Order Change Notice.

Controlled Correspondence documents will be maintained by both parties in ongoing logs and shall become part of the normal status reporting process.

3.5.7.4 Deliverable Acceptance

All Vendor deliverables are subject to review by DHS prior to final approval, acceptance, and payment. Where appropriate, the Vendor will perform a walkthrough of a draft version of the deliverable with all appropriate DHS staff and solicit feedback prior to submitting the Deliverable for approval.

Acceptance of all Vendor deliverables will be completed via a Deliverables Acceptance Document (DAD) in a format approved by DHS, and drafted for each deliverable by the Vendor.

Review time will depend on the complexity of the deliverables. DHS shall have no less than ten (10) working days to complete its review of the deliverable. DHS will accept or reject the deliverables in writing using Controlled Correspondence and the DAD. In the event of the rejection of any deliverable, the Vendor shall be notified in writing via Controlled Correspondence, giving the specific reason(s) for rejection. Unless agreed by DHS due to complexity of the deliverable, Vendor shall have five (5) working days to correct the rejected deliverable and return it to DHS via Controlled Correspondence. Failure by DHS to complete activities within the timeframes noted does NOT constitute acceptance, approval or completion unless otherwise agreed upon by DHS and the Vendor.

All payment requests (e.g., invoices) must include copies of the relevant DADs signed by the DHS stakeholder authorized to approve the deliverable. Deliverables and submitted/approved DADs must be tracked by the Vendor in a tracking tool approved by DHS.

3.6 Information System Support (ISS) Scope of Work Tasks and Deliverables

This section captures DHS' expectations regarding the tasks and deliverables the ISS Vendor will perform. The Mandatory Response Templates allow the Vendor to more fully detail its Proposal in each of these areas.

3.6.1 Scope of Work Overview

At a minimum the following deliverables (or equivalent) must be produced by the Vendor for DHS' approval. These deliverables will be payment milestones and the Vendor shall not be paid until DHS has reviewed and approved each deliverable.

The following sections includes DHS' expectations on the services and deliverables to be provided by the Vendor. The tasks include:

Table 13. List of ISS Applications M&O Deliverables

Task	#	Deliverable	Frequency
Task 1 – ISS Transition Planning	ISS.1.1	ISS Applications M&O Transition Plan	Once
Task 2 – ISS Transition Planning Transition Services	ISS.2.1	Transition Status Report	Weekly during transition period
	ISS.2.2	Assessment Report	Annually
	ISS.2.3	Applications M&O Plan	Once
	ISS.2.4	Completed Applications M&O Readiness Checklist	Once
Task 3 – Provide M&O Services, Report Status and Assure Quality	ISS.3.1	Monthly Status Report and Service Level Agreement Reporting (15 Core Applications)	Monthly
	ISS.3.2	Monthly Status Report and Service Level Agreement Reporting (Non-Core Applications)	Monthly
Task 4 – Implement Enhancements (Application Development)*	ISS.4.1	Enhancement Requirements and Cost Estimates	Once per task order
	ISS.4.2	Completed Enhancement Check-List	Once per release
Task 5 – Support DHS' Business Intelligence, Analytics and Reporting Needs	ISS.5.1	Business Intelligence and Reporting Support	Monthly
Task 6 – Provisioning of Additional As-Needed Services	ISS.6.1	Milestone Completion	Defined by Request for Additional Services
Task 7 – Turn-Over M&O Services	ISS.7.1	M&O Turn-Over Plan	Updated as needed or requested by DHS

Task	#	Deliverable	Frequency
	ISS.7.2	M&O Turn-Over Assessment Report	Monthly during turn-over activities
Task 8 – ISS IT Operations Processes (Optional Deliverable)	ISS.8.1	IT Operations Support Transition Plan	Once
	ISS.8.2	Completed IT Operations Support Checklist	Weekly during transition period
	ISS.8.3	Monthly Status Report and Service Level Agreement	Monthly
	ISS.8.4	Help Desk Services	Monthly
	ISS.8.5	IT Operations Support Turn-Over Plan	Updated as needed or requested by DHS
	ISS.8.6	IT Operations Support Turn-Over Assessment Report	Monthly during turn-over activities

*Enhancements are ABL Costs

3.6.2 Detailed Scope of Work

The following sections define the services/tasks that the Vendor must perform to support the in-scope ISS applications.

3.6.2.1 Task 1: ISS Applications M&O Transition Planning

The ISS M&O Transition Plan task includes all activities required to effectively and seamlessly migrate M&O activities of the ISS applications from the incumbent vendor to the Vendor's M&O team, integrate with the DIS M&O processes and ensure a smooth transition of in-flight projects. Additionally, the Vendor will evaluate the current portfolio of applications and identify opportunities to improve IT Operations Support (e.g. identify dead code, identify opportunities for automation). DHS will provision support for the transition from the incumbent vendor. The incumbent vendor will provide assistance (e.g. knowledge transfer related to software, data, documentation, tools, processes, help desk operations) to the Vendor as the M&O activities are transitioned to them (see the Procurement Library for additional details). The ISS Applications M&O Transition Plan must be collaboratively developed with DHS and the incumbent vendor, and aligned with the incumbent vendor's transition plan. Transition planning activities are anticipated to start approximately 6-9 months before the end of the incumbent vendor's contract.

The Plan should outline all key elements required to take over management of the ISS applications (and perform all requirements outlined in Template T-6 — ISS Requirements) including, but not limited to:

- Organization structure including roles and responsibilities and staffing levels for the M&O processes. This includes a facilities plan, staffing plan/onboarding plan and training plan for all the staff required to perform the activities identified in this SOW and Template T-6 — ISS Requirements
- Transitioning administration and ownership of tools and data supporting the ISS Applications
- Performing M&O related to the ISS components

- Identification of all relevant documentation (e.g., design, architecture, support processes) and transitioning maintenance of these documents
- Updating M&O documentation with changes resulting from the migration to the Vendor's M&O team
- Rules of engagement with respect to the DHS/DIS' role in maintaining and operating the infrastructure, as well as managing and coordinating a multi-vendor environment
- Approach to ISS Applications M&O reporting including status reporting, SLR Performance Reporting and reporting mechanisms
- Approach to security and confidentiality in alignment with all applicable Federal and State laws, policies and regulations
- Approach to reducing cost of the Application M&O during the contract
- Approach for introducing function points and metrics for tracking Vendor performance

In addition, at DHS' discretion, the Vendor may need to include a transition plan for the M&O DHS assumes the transition will not occur all at once but rather the Vendor will incrementally take responsibility for the ISS Applications M&O activities throughout the transition period.

The transition plan shall be completed by senior staff who will be responsible for the transition and for the ongoing ISS Applications M&O activities.

Deliverable ISS1.1 – ISS Applications M&O Transition Plan	
Required Delivery	Submitted for approval no later than 9 months prior to the end of the incumbent vendor's contract
Frequency	Once

Deliverable ISS1.1 – ISS Applications M&O Transition Plan	
Description	<p>The ISS M&O Transition Plan captures all of the activities the Vendor must perform to establish the ISS IT Operations Support organization and migrate applications M&O and tools to the Vendor. The Plan must include a schedule to complete the tasks prior to the end of the incumbent vendor's contract.</p> <p>Scope of this deliverable includes:</p> <ul style="list-style-type: none"> ■ Documentation of the Vendor's proposed target state including: <ul style="list-style-type: none"> □ Proposed Vendor staff □ Roles and responsibilities of all partners related to the ISS IT Operations Support □ Proposed list of activities and processes to support the activities □ Acquisition, transition and need for tools ■ Training plans to ensure staff gain the required knowledge in alignment with the incumbent vendor's Requirement Statement outlining the technical resources and requisite knowledge, skills and experiences required to transition M&O activities ■ Plan for coordinating roles and responsibilities between the Vendor and the DHS/DIS Infrastructure support team ■ Approvals for plans by DHS and commitment to supply resources ■ Staffing of target organizations and ongoing support through the duration of the Contract ■ Security and confidentiality plan ■ Inventory and plan for all Solution hardware and software, documentation, supplies, facilities and other resources within the Contract ■ Plan for migrating all required documentation to the Vendor ■ Plan to transition for all applicable development tools, processes and procedures and management tools (e.g., security management, systems management) <p>This deliverable must include measureable progress milestones/check-points so DHS can quantify the transition risk.</p> <p>This deliverable should also include the assumed level of support required from DHS and the incumbent vendor.</p> <p>The ISS M&O Transition Plan must include a Readiness Checklist (Deliverable ISS-5) which captures all activities that must be completed prior to completing the transition of ISS Applications M&O activities from the incumbent vendor, grouped by service to allow for incremental transition.</p>
References	N/A

3.6.2.2 Task 2: ISS Applications M&O Transition Services

The Vendor must execute the tasks and activities outlined in the ISS Applications M&O Transition Plan (defined in Task 1) – the activities required to seamlessly transition M&O services to the contracted Vendor. The Vendor's M&O team must have a significant on-site presence to ensure adequate knowledge transfer occurs and expects the Vendor to lead these activities as a project, with a Project Manager to track progress against all tasks and highlight risks and issues that require DHS' attention. DHS assumes it will be able to provide the State staff support outlined in the Plan and, as such, anticipates the Vendor will be able to complete the tasks on schedule.

During the transition period, the Vendor must track progress closely and accurately report progress to DHS. This includes weekly status meetings, Executive Steering Committee meetings and coordination with the IV&V vendor.

Prior to transitioning any ISS Applications M&O activities, the Vendor must demonstrate that it is able to assume the responsibility for that activity. Proof that all required activities have been completed must be provided (and DHS' approval received) along with a transfer or conversion plan for converting tools. A formal go/no-go decision process will be established to gain approval from DHS prior to transitioning the service.

For a period of time after the Vendor has taken ownership of and responsibility for performing the ISS Applications M&O activities, the incumbent vendor will maintain an advisory team as a contingency. This team will provide advice and recommend improvements. The Vendor must cooperate with the incumbent vendor and implement the recommendations which DHS approves.

Deliverable ISS.2.1 — Transition Status Report	
Required Delivery	Submitted throughout the transition period (9 months prior to the end of the incumbent vendor's contract) through transition completion.
Frequency	Weekly
Description	<p>This deliverable will document progress against the ISS Applications M&O Transition Plan and capture tasks performed, planned tasks, risks and issues and track progress against the Readiness Assessment.</p> <p>If tasks are not performed in accordance with the ISS Applications M&O Transition Plan, the Vendor will provide a recovery plan with updated projected dates.</p> <p>This deliverable must include mitigation steps being taken against any identified risks and any contingency plans.</p> <p>This deliverable must also highlight upcoming activities that must be performed by DHS and risks/issues which require DHS' involvement to resolve.</p> <p>This deliverable must include documentation confirming (and proof of DHS' approval) activities have been effectively initiated and completed.</p> <p>This deliverable will track progress against the Readiness Checklist to ensure all required activities are completed (and DHS' approval received) prior to transitioning ownership of any ISS Applications M&O activities.</p>
References	Deliverable ISS.1.1

Deliverable ISS.2.2 –Assessment Report	
Required Delivery	The design assessment must be completed prior to transitioning IT Operations Support and annually thereafter
Frequency	Annually
Description	<p>This deliverable provides an assessment of the current applications and will identify opportunities to improve application M&O effectiveness and efficiency (e.g. tool deployment, task automation, etc.). This will also include a roadmap of when the Vendor plans to implement the improvements.</p> <p>This deliverable will be deemed approved once it has been presented to State staff and they have agreed with the contents, recommendations and the roadmap</p>
References	Deliverables ISS.1.1

Deliverable ISS.2.3 — Applications M&O Plan	
Required Delivery	The Applications M&O Plan must be completed prior to transitioning of IT Operations Support is completed
Frequency	Once

Deliverable ISS.2.3 — Applications M&O Plan	
Description	This deliverable will include an overview of how the Vendor is providing M&O services. This includes items such as processes, procedures, roles and responsibilities, hand-offs, tools, user guides and any additional information. This document will be maintained throughout the M&O period and will be accepted once it has been reviewed and accepted by DHS.
References	Deliverable ISS.1.1

Deliverable ISS.2.4 – Completed Application M&O Readiness Checklist	
Required Delivery	The completed and approved checklist must be submitted for approval no later than the end of the incumbent vendor's contract
Frequency	Once
Description	<p>This deliverable documents that all activities required to transition ISS Applications M&O services to the Vendor have been complete.</p> <p>This deliverable must be a completed version of the Transition Checklist included in the ISS Applications M&O Transition Plan (defined in Task 1) with documented proof that the activities have been completed.</p> <p>This deliverable must include documented proof that the ISS Vendor is trained to provide M&O services, documentation has been updated and processes have been transitioned including, but not limited to:</p> <ul style="list-style-type: none"> ■ Application M&O ■ Management and operations of M&O tools ■ Tools and documentation ■ Break-Fix <p>This deliverable must include the completion of the ISS M&O Transition Plan. This deliverable is documentation to confirm that all ISS Applications M&O reporting activities and the implementation of reporting and reporting tools and processes are complete, as described in the ISS Applications M&O Transition Plan.</p>
References	Deliverables ISS.1.1, ISS.2.1, ISS.2.2, ISS.2.3

3.6.2.3 Task 3: Provide M&O Services, Report Status and Assure Quality

For the duration of the M&O period, Vendor will perform the M&O activities in accordance with the Service Level Requirements (SLRs). To ensure these activities are performed and the SLRs are met, the Vendor shall:

- Maintain and implement account management structure, planning and procedures according to the plan
- Provide application service level reporting based on agreed upon SLR targets

Deliverable ISS.3.1 – Monthly Status Report and Service Level Agreement Reporting (15 Core Applications)	
Required Delivery	7 days after month end
Frequency	Reports generated monthly (specific SLRs reported according to the SLR reporting schedule)

Deliverable ISS.3.1 – Monthly Status Report and Service Level Agreement Reporting (15 Core Applications)	
Description	<p>Monthly report that captures the status of the Vendor's M&O activities related to the core applications including:</p> <ul style="list-style-type: none"> ■ Periodic report that details at least the SLAs in scope for that reporting period. This must include: <ul style="list-style-type: none"> <input type="checkbox"/> A relevant history of the SLAs reported on in previous reporting periods <input type="checkbox"/> All SLAs in scope for the current reporting period <input type="checkbox"/> Progress on corrective action plans established in the last reporting period or since that time <input type="checkbox"/> Any new corrective action plans established due to the current reporting period ■ Activities performed and planned <ul style="list-style-type: none"> <input type="checkbox"/> M&O activities <input type="checkbox"/> Activities being performed to increase efficiency of the Application M&O activities ■ Operational changes and recommended changes ■ Documentation status ■ Hours spent by employee, broken down by warranty, M&O and enhancements by application, task and/or project
References	N/A

Deliverable ISS.3.2 – Monthly Status Report and Service Level Agreement Reporting (Non-Core Applications)	
Required Delivery	7 days after month end
Frequency	Reports generated monthly (specific SLRs reported according to the SLR reporting schedule)
Description	<p>Monthly report that captures the status of the Vendor's M&O activities related to the non-core applications including:</p> <ul style="list-style-type: none"> ■ Periodic report that details at least the SLAs in scope for that reporting period. This must include: <ul style="list-style-type: none"> <input type="checkbox"/> A relevant history of the SLAs reported on in previous reporting periods <input type="checkbox"/> All SLAs in scope for the current reporting period <input type="checkbox"/> Progress on corrective action plans established in the last reporting period or since that time <input type="checkbox"/> Any new corrective action plans established due to the current reporting period ■ Activities performed and planned <ul style="list-style-type: none"> <input type="checkbox"/> M&O activities <input type="checkbox"/> Activities being performed to increase efficiency of the Application M&O activities ■ Operational changes and recommended changes ■ Documentation status ■ Hours spent by employee, broken down by warranty, M&O and enhancements by application, task and/or project
References	N/A

3.6.2.4 Task 4: Implement Enhancements (Application Development)

The ISS Vendor will implement new functionality, both modification of existing functionality and new functionality (and potentially new systems). The ISS Vendor should anticipate the staffing required to perform development will fluctuate based on needs but will average multiple resources. Each effort to implement enhancements will be treated as a fixed fee deliverable. Prior to developing any enhancements, the effort will be scoped and cost estimates developed. The ISS Vendor will be responsible for:

- Attending service requests priority-setting meetings with DHS staff
- Notifying DHS of any incorrect, incomplete, or ambiguous Solution or business requirements; this notification shall include recommendations for correcting the requirement to preserve correct and unambiguous requirements in the Requirements Repository
- Developing a methodology for sizing application requests and pricing them based on function point analysis or equivalent
- Collaborating with DHS to define the scope of a release based on the prioritization of the requested changes
- Implementing submitted enhancement requests in a timeline that satisfies the SLRs defined in this RFP for this SOW, in a timeline that addresses DHS' business needs
- Completing modifications by the release date approved by DHS. The approved dates are established through a DHS prioritization process
- Submitting all deliverables associated with the service requests and releases in a timeline to allow for the deliverable review and approval process described in this RFP
- Enforcing coding standards. These standards include the use of comments and code reuse. The process for enforcing coding standards must:
 - ☐ Include validations to ensure that code comments and in-line code documentation are properly implemented
 - ☐ Utilize a combination of code peer reviews, custom tools and third-party tools including open source tools
 - ☐ Include the production of reports demonstrating code standards enforcement and coverage across code base
 - ☐ Include specific processes to ensure code reusability and enforcement of code reusability standards
 - ☐ Include support for the DHS quality assurance team to perform periodic or random audits and code reviews
- Updating Training Materials and developing a Training Plan, if required, for end users and IT support staff

Deliverable ISS.4.1 – Enhancement Requirements and Cost Estimates	
Required Delivery	Before commencing a DDI activities for the release
Frequency	Once per release

Deliverable ISS.4.1 – Enhancement Requirements and Cost Estimates	
Description	<p>For each agreed upon release, the ISS Vendor shall produce the following deliverables:</p> <ul style="list-style-type: none"> ■ Release Requirements/Scope (incl. list of requested changes) ■ Development Plan including: <ul style="list-style-type: none"> □ Documentation (e.g. updates to specification or new specs) □ Testing Plans □ Change Management/Training Plans □ Infrastructure impact □ Staffing plan ■ Acceptance Criteria Check-List including items such as: <ul style="list-style-type: none"> □ Testing results/Passed UAT □ Updated documentation □ Updated Operations Plan ■ Interim deliverables ■ Function Point and Cost Estimates ■ Release Check-List
References	N/A

Deliverable ISS.4.2 –Completed Enhancement and Release Check-List	
Required Delivery	Submitted once the release is completed
Frequency	Once per release
Description	For each agreed upon release, the ISS Vendor will produce the completed check list (defined in Deliverable ISS..4.1)
References	Deliverable ISS.4.2

3.6.2.5 Task 5: Support DHS' Business Intelligence, Analytics and Reporting Needs

This task includes all activities required to support DHS' reporting and analytics needs.

There are currently 12 contractor staff supporting these activities. It is strongly recommended that the Vendor will assign at least 12 individuals to work with DHS staff to continually enhance access to data and reporting and evolve the business intelligence capabilities. The number of staff may be annually adjusted after each re-baselining.

The ISS Vendor will maintain a list of requests received from different DHS stakeholders. Based on prioritization by DHS governance committee, the Vendors will meet with specific stakeholders to understand their needs, identify the appropriate technology to support the need (e.g. parameter based reports, analytical tools, query tools) and build the solution. The Vendor will iterate on the solution, building mock-ups, proof of concept etc. until the needs are met prior to migrating the reports to production. This includes expanding the data warehouse or data marts if additional data elements are required.

Deliverable ISS.5.1 –Business Intelligence and Reporting Support	
Required Delivery	7 days after month end
Frequency	Once per month

Deliverable ISS.5.1 –Business Intelligence and Reporting Support	
Description	<p>Monthly report that captures the business intelligence activities including:</p> <ul style="list-style-type: none"> ■ Activities performed and planned <ul style="list-style-type: none"> □ Activities □ Activities being performed to enhance DHS’ business intelligence strategy ■ Changes and recommended changes
References	N/A

3.6.2.6 Task 6: Provisioning of Additional As-Needed Services

DHS envisions additional IT services may be required throughout the duration of this contact, many of which may not be the core competency of the ISS Vendor. These services are listed in Section 3.4.4.

When DHS requires additional resources they will provide the ISS Vendor with a formal Request for Additional Services to ISS Vendor. These requests will vary based on DHS’ specific needs but could range from a skill set required to augment DHS’ staff in fulfilling their responsibilities, a simple scope of work, or a set of high level requirements for a proof of concept. The request will also clarify whether the resource must be from a sub-contractor or if the ISS Vendor can recommend internal resources. Additionally, DHS will provide whether the submission should be managed as a fixed fee or time and materials statement of work, the milestones and acceptance criteria.

Upon receipt of a request for additional services (approved by DHS) the ISS Vendor will identify a resource or a team of resources which the ISS Vendor is confident can address the requirements outlined by DHS. The Vendor will be responsible for ensuring DHS’ request has sufficient detail to contact their network of sub-contractors to identify qualified personnel, identifying potential candidates/teams and providing their information to DHS.

The ISS Vendor will provide multiple qualified options, have their sub-contractors provide cost estimates (based on the ISS Vendor’s rate sheets and classifications) and additional documentation required for DHS to evaluate the different options.

The ISS Vendor will administer any work efforts that result from requests for additional services through their contract.

If these efforts result in a change to the DHS application architecture (e.g. a new mobile application) the ISS Vendor will be responsible for the end-to-end solution.

The expectation is the vendor will have relationships with a variety of sub-contractors who they can contact to fulfill the requests.

Deliverable ISS.6.1 – Milestone Completion	
Required Delivery	Defined in Request for Additional Services (monthly for T&M requests, per agreed upon schedule for fixed fee efforts)
Frequency	Submitted once per release as defined by DHS in the Request for Additional Services
Description	ISS Vendor must provide evidence that the anticipated milestone have been completed and acceptance criteria have been met. Typically this will include signed acceptance of the deliverable by the appropriate State representative.
References	N/A

3.6.2.7 Task 7: Turn-Over M&O Services

Upon completion of the M&O period, or as decided by DHS, DHS may migrate the responsibilities for M&O services to in-house staff or to an alternate vendor. The ISS Vendor will provide the necessary effort to assist with this transition including development of transition plans and provision of ongoing transition assistance.

The ISS Vendor will provide the necessary effort to assist with this transition including development of transition plans and provision of ongoing transition assistance. The ISS Vendor must continue to perform M&O services at the level required in the Contract, maintain staffing to continue supporting the applications and provide the support required to smoothly transition M&O activities to the new party. They must be integral in the transition activities.

Deliverable ISS.7.1 - M&O Turn-Over Plan	
Required Delivery	Nine (9) months prior to Contract expiration or transition date
Frequency	Updated as needed or requested by DHS
Description	<p>The Plan will comprehensively detail at least the following:</p> <ul style="list-style-type: none"> ■ The activities needed to transition services to another provider, including roles and responsibilities throughout the transition ■ The coordination means, tools and artifacts to be used by all providers ■ The staffing transition plan including the methods for ensuring the ISS Vendor will provide adequate staffing until the other provider is prepared to take ownership ■ Process for monthly ISS Vendor assessments of all activities critical to the M&O transition and completion of ISS Vendor M&O activities
References	N/A

Deliverable ISS.7.2 - M&O Turn-Over Assessment Report	
Required Delivery	Six (6) months prior to Contract expiration
Frequency	At least monthly during transition activities
Description	Reporting includes progress of transition activities by the ISS Vendor, DHS and other providers, as appropriate
References	Deliverable ISS.7.1

3.6.2.8 Task 8: IT Operations Support (DHS Optional Deliverable)

Currently the IT Operations processes (outlined in Section 3.2.4) are performed by the incumbent vendor. The State of Arkansas is in the process of transitioning to statewide processes. In the interim DHS may request the ISS Vendor perform these activities. This task will include operating and maintaining (updating/maintaining documentation, modifying processes as business requires).

These tasks include all of the activities required to transition the M&O processes to the Vendor, operate and maintain the processes and turn-over the M&O processes when requested by DHS. Additionally, this may include providing Help Desk Services and include operations services.

Deliverable ISS.8.1 – IT Operations Support Transition Plan (Optional Deliverable)	
Required Delivery	Submitted for approval as part of Deliverable ISS-1 – ISS Applications M&O Transition Plan no later than 6 months prior to the end of the incumbent vendor's contract

Deliverable ISS.8.1 – IT Operations Support Transition Plan (Optional Deliverable)	
Frequency	Once
Description	The ISS IT Process Transition Plan captures all of the activities the Vendor must perform to migrate the ownership and execution of IT processes. The Plan must include all of the components of Deliverable ISS-1 but focused on the activities required to effectively transition the IT processes to the Vendor including a check-list capturing all activities required to complete the transition and ensure all process documentation has been updated to address any changes due to the transition to the Vendor.
References	Deliverable ISS.1.1

Deliverable ISS.8.2 – Completed IT Operations Support Process Readiness Checklist (Optional Deliverable)	
Required Delivery	The completed and approved checklist must be submitted for approval no later than the end of the incumbent vendor's contract
Frequency	Once
Description	This deliverable documents that all activities required to transition IT process management and ownership to the Vendor have been complete. This deliverable must be a completed version of the Transition Checklist included in the IT Process Transition Plan (defined in Deliverable ISS-16) with documented proof that the activities have been completed.
References	Deliverables ISS.1.1, ISS.2.4, ISS.8.1

Deliverable ISS.8.3 – Monthly Status Report and Service Level Agreement Reporting (Optional Deliverable)	
Required Delivery	7 days after month end as part of Deliverable ISS-6
Frequency	Reports generated monthly (specific SLRs reported according to the SLR reporting schedule)
Description	<p>This deliverable provides a status of the IT process activities performed by the Vendor. Monthly report that captures the status of the Vendor's IT process activities including:</p> <ul style="list-style-type: none"> ■ Periodic report that details at least the SLAs in scope for that reporting period. This must include: <ul style="list-style-type: none"> ❑ A relevant history of the SLAs reported on in previous reporting periods ❑ All SLAs in scope for the current reporting period ❑ Progress on corrective action plans established in the last reporting period or since that time ❑ Any new corrective action plans established due to the current reporting period ■ Activities performed and planned <ul style="list-style-type: none"> ❑ IT process activities ❑ Activities being performed to increase efficiency of the IT process activities ■ Operational changes and recommended changes ■ Documentation status
References	ISS.3.1, ISS.3.2

Deliverable ISS.8.4 – Help Desk Services (Optional Deliverable)	
Required Delivery	7 days after month end
Frequency	Reports generated monthly (specific SLRs reported according to the SLR reporting schedule)
Description	<p>This deliverable will include metrics defined by DHS in collaboration with the ISS Vendor including:</p> <ul style="list-style-type: none"> ■ Performance against SLAs ■ Call volume metrics ■ Required staffing levels ■ Key issues and risks ■ Status of initiatives to improve performance
References	ISS.3.1, ISS.3.2, ISS.8.3

Deliverable ISS.8.5 - IT Operations Support Turn-Over Plan (Optional Deliverable)	
Required Delivery	Within 4 weeks of DHS requesting IT process be turned over to another party (e.g. DIS)
Frequency	Once
Description	<p>The Plan will comprehensively detail at least the following:</p> <ul style="list-style-type: none"> ■ The activities needed to transition services to another provider, including roles and responsibilities throughout the transition ■ Planned/anticipated training required ■ The staffing transition plan including the methods for ensuring the Vendor will provide adequate staffing until the other provider is prepared to take ownership ■ Process for monthly assessments of all activities critical to the IT process transition
References	N/A

Deliverable ISS.8.6 - IT Operations Support Turn-Over Assessment Report (Optional Deliverable)	
Required Delivery	Once the transition of IT processes has been completed
Frequency	At least monthly during transition activities
Description	Reporting includes progress of transition activities by the Vendor, DHS and other providers, as appropriate
References	ISS.8.5

3.7 Proposed Project Work Plan

For ISS Applications Support, DHS is looking for one (1) three (3) year contract with four (4) one (1) year extensions. At the end of each year, DHS will work with the Vendor to re-baseline and adjust payment, as required. Starting on the first anniversary and on a bi-annual basis, a cost benchmark of the 15 core applications will be conducted. At the end of the Contract, the Vendor shall assist with transition if a new vendor is selected.

Table 14 outlines the estimated dates for the Engagements. Vendors should consider this schedule, its proposed phasing and release schedule, and propose what it believes to be an achievable and recommended schedule.

Table 14. Proposed Schedule

Task Name	Start Date/ Duration (Calendar Days)
ISS Project Start Date	7/1/2017
ISS Applications M&O Transition Planning	Start Date + 30 Days
ISS Applications M&O Transition	Start Date + 179 Days
ISS Application M&O Services (Total Project Duration)	Start Date + 1093 Days
End of Year 1 re-baselining	Start Date + 455 Days
End of Year 2 re-baselining	Start Date + 820 Days
Turn-Over M&O Services	End Date – 184 Days

The starting date for the ISS Applications M&O Services assumes that the Vendor has been awarded the Contract in a time frame that allows them to start as planned. Dates will be adjusted if the initial start date is delayed. The Transition Services will commence immediately after the contract is executed.

This schedule assumes the optional one year extensions are not be exercised. If they are exercised additional re-baselining tasks will be performed and the Turn-Over M&O Services (assisting DHS and/or another vendor prepared to perform the ISS services) will be shifted accordingly.

DHS does not envision a big-bang turn-over and anticipates that the Vendor will work with incumbent vendor for a period of 6-9 months to properly transition services. The Vendor must propose an approach to the transition activities that minimizes the transition time.

DHS anticipates that ISS Applications M&O will be dependent on the efforts of DHS/DIS to provide the support required for the Vendor to perform these tasks. The Vendor shall highlight the dependencies and assumptions to enable DHS to transition the work to the new vendor.

3.8 Performance Standards and Associated Remedies

The failure by the Vendor to meet the performance standards and timelines set forth in this RFP will result in damages sustained by DHS and that it is difficult to quantify DHS' actual damages sustained by reason of such failure. This RFP will establish the baseline measure for Vendor performance. DHS will require the Vendor to pay penalties for failure according to the following criteria to comply with agreed SLAs.

For failure by the Vendor to meet an SLR, DHS will require the Vendor to pay penalties, and the Vendor must agree to do so, until the SLR is met and accepted as corrected and approved by DHS. Penalties are not intended to be punitive, however DHS, at its sole discretion, may begin exercising the use of penalties at any point during the engagement (to encourage behavior aligned with the business objectives) during which the Vendor has failed to meet availability, performance, timeliness and any other performance standard (captured in the SLRs) regardless of any previous actions.

The Vendor's Proposal should include a response to the SLRs (captured in Template T-6 — — ISS Requirements).

- State law requires that all contracts for services include Performance Standards for measuring the overall quality of services provided. Template T-6 — ISS Requirements identifies expected deliverables, performance measures, or outcomes; and defines the acceptable standards a vendor **must** meet in order to avoid assessment of damages.
- The State may be open to negotiations of Performance Standards prior to contract award, prior to the commencement of services, or at times throughout the contract duration.
- The State **shall** have 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 vendor so as to establish standards that are reasonably achievable.
- All changes made to the Performance Standards **shall** become an official part of the contract.
- Performance Standards **shall** continue throughout the term of the contract.
- Failure to meet the minimum Performance Standards as specified **shall** result in the assessment of damages.
- In the event a Performance Standard is not met, the vendor will have the opportunity to defend or respond to the insufficiency. The State **shall** have the right to waive damages if it determines there were extenuating factors beyond the control of the vendor that hindered the performance of services. In these instances, the State **shall** have final determination of the performance acceptability.
- Should any compensation be owed to the agency due to the assessment of damages, vendor **shall** follow the direction of the agency regarding the required compensation process.

3.8.1 Liquidated Damages

DHS and the Contractor agree that failure by the Contractor to meet the performance standards and timelines set forth will result in damages sustained by DHS and that it is difficult to quantify DHS' actual damages sustained by reason of such failure. It is agreed by both parties that this RFP will establish the baseline schedule for measuring Contractor performance. It is therefore agreed that DHS may require the Contractor to pay liquidated damages for failure according to the following criteria.

1. For failure by the Contractor to meet a deliverable date, DHS may require the Contractor to pay liquidated damages per work day, for each and every day thereafter until such deliverable is completed and accepted as corrected and approved by DHS. The parties understand that liquidated damages are intended to be a last resort to expedite action on the part of Contractor and are not intended to be punitive. DHS, at its option, may begin default proceedings at any point during the period during which the Contractor has failed to meet timeliness, performance standard, documentation, work product, or deliverable date(s). DHS will not begin default proceedings prior to the beginning of the calendar month following the deliverable due date. The deliverable due dates will be defined in the final Schedule and Work Plan.

2. Prior to exercising the option to impose liquidated damages, DHS and the Contractor shall attempt to resolve all issues through the course of normal business activities using applicable agreed “cure” periods to correct failures.
3. Written notification of failure to meet a performance standard, documentation, work product, or deliverable related to this contract may be given by DHS’ Contract Manager at any time a failure occurs. In the event of failure to meet a performance standard, documentation, work product, or deliverable, the Contractor must have up to fifteen (15) calendar days from the date of receipt of the written notification to correct the failure set forth in the written notification. If the failure is not resolved within the period and DHS deems that the Contractor has not acted in good faith, liquidated damages may be imposed retroactively to the date of expected delivery.
4. Contractor shall not be liable for liquidated damages which result from events that are directly caused by the failure of DHS or any State Agency to perform any required activity, force majeure, or any other cause that is not Contractor’s responsibility under this Contract. Additionally, Contractor shall be relieved of its commitments to the extent any delays or service interruptions are due to: action or inaction by DHS, its end-users, their employees, invitees, and third parties, including, but not limited to, changes in applications, protocols, or transmission parameters without prior coordination with the Contractor; breach of this Agreement by DHS; or any other cause beyond the control of the Contractor including, but not limited to Force Majeure or failure or unavailability of DHS’ data center or equipment not provided by the Contractor.

3.8.2 Deliverable Quality Consequences and Incentives

Vendor must ensure that all Deliverable Expectation Documents related to each deliverable clearly and thoroughly outline the expected content and the level of detail required. The contract will include specific remedies and related consequences for quality issues encountered after the first round of DHS review and feedback. This can include penalties as well as vendor opportunities to “earn back” penalties through improvements in future deliverables that can be approved after first round reviews.

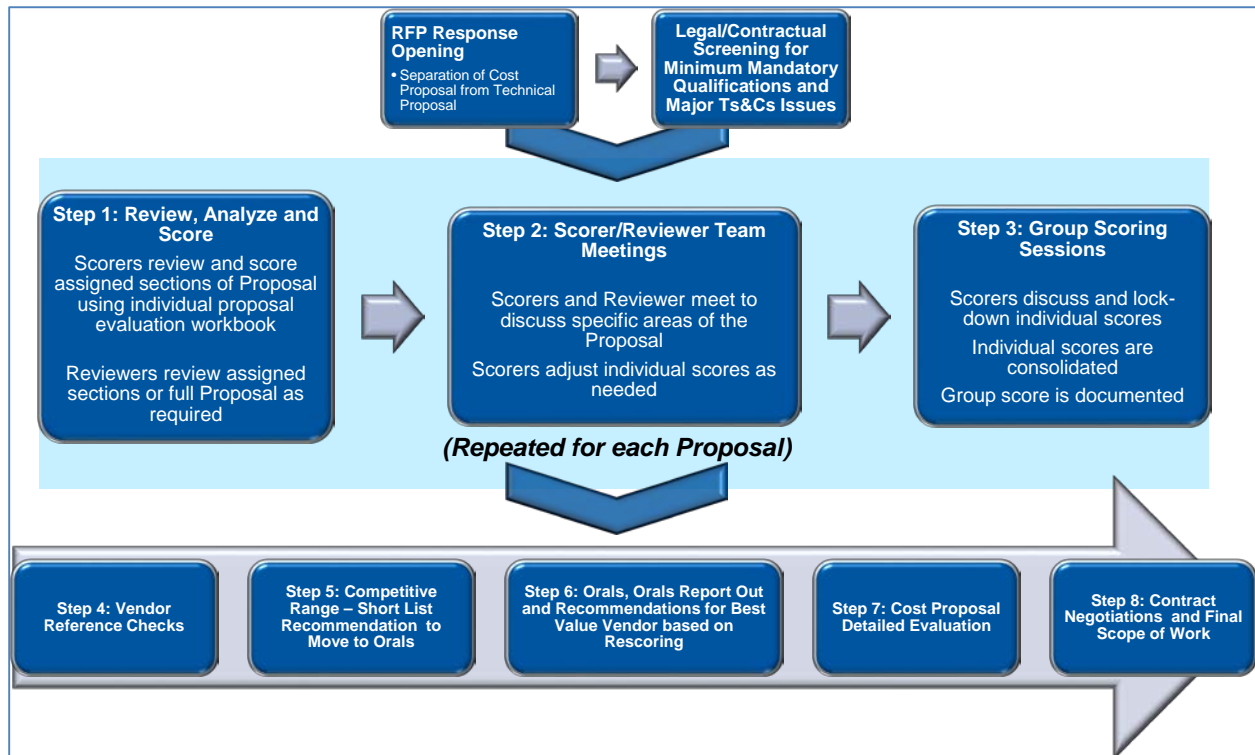
For example:

- If a deliverable review and approval takes more than two (2) iterations, the State will deduct ten percent (10%) for each additional review and approval period from the total cost of the deliverable. The vendor can earn back each single deducted amount for each subsequent deliverable that achieves approval through a single submission, review and approval cycle.
- The first deliverable requires four (4) submission, review and approval cycles. The total cost of this deliverable is \$100. After the third review without an approval the cost of the deliverable is reduced by \$10 to \$90 and after the fourth review when approval is achieved the final deliverable payment is reduced by another \$10 and the vendor is paid \$80 for the deliverable.
- The second deliverable is approved in only one review and approval cycle. This deliverable is \$100. The payment to the vendor will be \$110 - \$100 for the deliverable and a payback incentive of \$10 from the first deduction on deliverable one.
- The third deliverable is approved in only one review and approval cycle. This deliverable is \$100. The payment to the vendor will be \$110 - \$100 for the deliverable and a payback incentive of \$10 from the second deduction on deliverable one.

4.0 Proposal Evaluation

The State will use a disciplined and objective evaluation process as illustrated in Figure 12 (State DHS Evaluation Process) to select the best value Vendor. The State will consider Vendor responsiveness, strengths, capabilities and advantages in meeting the State's requirements and expectations as they are clearly described in the proposal and further articulated and clarified through Vendor oral presentations and reference checks completed by DHS. The State through DHS reserves the right to contact Vendor's clients (individuals, entities, or organizations) that have had dealings with the Vendor or proposed staff, whether or not named as references or identified in the Proposal.

Figure 12. State DHS Evaluation Process



4.1 Evaluation Criteria

DHS will evaluate proposals based on the following best value Evaluation Criteria as displayed in Table 15 below:

Table 15. Evaluation Criteria

Global Criteria	Sub-Criteria
Vendor Experience	<ul style="list-style-type: none"> ■ Vendor Organization: Template 2: Section 1, 2 ■ Financial Stability: Template 2: Section 3 ■ Vendor References: Template 3: Section 1 <p>*Includes main section and any subsections (i.e. Section 1.0, 1.1, 1.2, etc.)</p>
Project Staff and Project Organization	<ul style="list-style-type: none"> ■ Project Organization: Template 4: Section 1,2,3,4,5,6) ■ Staff Experience: Template 5: Section 1,2,3)

Global Criteria	Sub-Criteria
	*Includes main section and any subsections (i.e. Section 1.0, 1.1, 1.2, etc.)
ISS Requirements	<ul style="list-style-type: none"> ■ Transition Services: Template 6: Tab O1, Template 7: Section 1 ■ Applications M&O: Template 6: Tab O2, Template 7: Section 2 ■ Modification and Enhancement: Template 6: Tab O3, Template 7: Section 3 ■ Business Intelligence and Reporting: Template 6: Tab O4, Template 7: Section 4 ■ Provision of Additional Services: Template 6: Tab O5, Template 7: Section 5,6 ■ Account Management & QA: Template 6: Tab O7, Template 7: Section 7,8 ■ M&O Turnover: Template 6: Tab O8, Template 7: Section 9 ■ M&O SLR's: Template 6: Tab O9 ■ SOW, Value Add and Benefits: Template 7: Section 10,11 ■ Work Plan: Template 8: Section 1 <p>*Includes main section and any subsections (i.e. Section 1.0, 1.1, 1.2, etc.)</p>
Cost	<ul style="list-style-type: none"> ■ Cost of proposed products/services (Seven year grand total on Table 1 of the Cost Summary Tab of C-1)

4.2 Initial Compliance Screening

OSP will perform an initial screening of all proposals received. Unsigned proposals and proposals that do not include all required forms and sections are subject to rejection without further evaluation. OSP reserves the right to waive minor informalities in a proposal and award contracts that are in the best interest of the State of Arkansas.

Initial screening will check for compliance with various content requirements and minimum qualification requirements defined in the RFP. The State through OSP also reserves the right to request clarification from Vendors who fail to meet any initial compliance requirements prior to rejecting a proposal for material deviation from requirements or non-responsiveness.

4.3 Minimum Mandatory Qualifications

The minimum mandatory requirements for this RFP are listed below. If the Vendor (Prime and/or Subcontractor) does not maintain these credentials or cannot demonstrate compliance with all of these requirements to the State, the Vendor proposal will be rejected.

- The Vendor (Prime) must have at least five (5) years' experience with three (3) engagements similar in size, complexity and scope to this procurement that include the delivery of information support services
- The Vendor's team (both Prime and Subcontractor) must have proven experience with projects of in the implementation of Business Intelligence and Reporting as defined in the RFP with at least three (3) implementations similar in size, complexity and scope in the past five (5) years
- The Vendor (Prime) must at least have an annual revenue of \$50 Million

The Vendor is to demonstrate compliance with the above mandatory requirements in Template T-1 — Cover Letter and Executive Summary. If the Vendor's Proposal meets the above mandatory requirements, the Vendor's Proposal may be included in the next part of the technical evaluation phase of this RFP – the Competitive Field Determination (see Section 4.4.1).

4.4 Evaluation Scoring

DHS' Proposal Review Team (PRT) will evaluate the Proposals that successfully proceed through Compliance Screening and the Minimum Mandatory Requirements review and score each proposal based on the criteria outlined in the table below.

Table 16. Evaluation Scoring Grid

Information for Evaluation Sub-Sections	Maximum Raw Points Possible	Sub-Section's Weighted Percentage	* Maximum Weighted Score Possible
Minimum Mandatory Requirements	Pass/Fail	Pass/Fail	Pass/Fail
E.1 Vendor Experience			
E.1.A1. Vendor Organization	5	10%	80
E.1.A2. Vendor Experience/Understanding	5	5%	40
E.1.B1. D&B and Financial Capacity	5	2.5%	20
E.1.B2. Corporate References/Guarantee	5	2.5%	20
E.1.C1. Vendor References	5	5%	40
E.2 Project Organization and Staffing			
E.2.A1. Organization and Staffing Plan	5	7.5%	60
E.2.A2. Vendor Key Personnel/Staff Mgmt.	5	7.5%	60
E.2.A3. Training, Staff Retention	5	3.75%	30
E.2.B1. Staff Experience/Resumes	5	15%	120
E.2.B2. Collaboration	5	3.75%	30
E.3 ISS Requirements			
E.3.A1. Transition Services	5	5.625%	45
E.3.B1. Application M&O	5	5.625%	45
E.3.C1. Modifications and Enhancements	5	3.75%	30
E.3.D1. Business Intelligence and Reporting	5	1.875%	15
E.3.E1 Provision of Additional Services	5	3.75%	30
E.3.F1. Account Management and QA	5	1.875%	15
E.3.G1. M&O Turnover	5	1.875%	15

E.3.H1. M&O SLR's	5	5.625%	45
E.3.I1. SOW/DED/Lessons Learned	5	5.625%	45
E.3.J1. Work Plan	5	1.875%	15
Totals	100	100.0%	800

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

- A. The *Information for 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.
- B. The vendor'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
- C. Vendor's weighted scores for sub-sections will be added to determine the Total Technical Score for the Proposal.

An agency-appointed Evaluation Committee (the PRT) will evaluate and score qualifying Proposals. Evaluation will be based on vendor's proposal. Other agencies, consultants, and experts may also examine documents at the discretion of the Agency. Members of the PRT will individually review and evaluate proposals and complete an individual score worksheet for each proposal. After initial individual evaluations are complete, the PRT 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. After committee members have had an opportunity to discuss their individual scores with the group, the individual committee members will be given the opportunity to change their initial individual scores, if they feel that is appropriate. 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.

This group or consensus score shall be used to determine which Vendors will be asked to participate in the Oral Presentations described in 4.5. The PRT shall meet again after Oral Presentations and may adjust the consensus score for each proposal based on the clarifications presented by the Vendors

4.4.1 Competitive Field Determinations

DHS through the disciplined objective proposal review process will identify proposals that are within the field of competition for admission to orals. The field of competition consists of the technical proposals receiving 475 points or more.

4.5 Oral Presentations

The State will conduct Oral Presentations from Vendors admitted to the field of competition as described in 4.4.1. The key personnel as identified in the Vendor's Proposal must be active participants in the Oral Presentations – the State is not interested in Corporate or Sales personnel being the primary participants in oral presentations. This event will focus on proposal clarifications, an understanding of the capabilities of the Vendor and importantly identified key personnel's ability to perform consistent with the Vendor's proposal in meeting the State's requirements. The State will notify selected Vendors of the time and location for these activities, and supply agendas or topics for discussion. The State reserves the right to ask additional questions during oral presentations to clarify the scope and content of the written proposal.

The Vendor's oral presentation must substantially represent material included in the original written proposal, and the State will not allow the introduction of new concepts or offers during the Orals.

4.6 Cost Score

When pricing is opened for scoring, the maximum amount of cost points will be given to the vendor with the lowest seven year grand total as shown in Table 1 on the Cost Summary Tab on the Official Bid Price Sheet. (See Section 5.1.1 for maximum points possible for cost score.)

The amount of cost points given to the remaining vendors 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

5.0 Vendor Selection and Contract Award

5.1.1 Successful Vendor Selection

The Grand Total Score for each vendor, after the Orals and re-scoring of the proposals, which shall be a sum of the Technical Score and Cost Score, shall be used to determine the ranking of proposals. If the State so chooses, it **shall** have the right to conduct negotiations with the highest ranking vendor. All negotiations **shall** be conducted at the sole discretion of the State. The State **shall** solely determine the items to be negotiated.

If negotiations fail to result in a contract, the State may begin the negotiation process with the next highest ranking vendor. The negotiation process may be repeated until the anticipated successful Vendor has been determined, or until such time the State decides not to move forward with the procurement and an award.

Evaluation Component	Maximum Points Possible
Technical Proposal	800
Cost	200
Maximum Possible Grand Total Score	1,000

5.1.2 Anticipation to Award

Once the anticipated successful Vendor has been determined, the anticipated award will be posted on the OSP website at http://www.arkansas.gov/dfa/procurement/pro_intent.php.

The anticipated award will be posted for a period of fourteen (14) days prior to the issuance of a contract. Vendors and agencies are cautioned that these are preliminary results only, and a contract will not be issued prior to the end of the fourteen day posting period.

OSP **shall** have the right to waive the policy of Anticipation to Award when it is in the best interest of the State.

It is the Vendor's responsibility to check the OSP website for the posting of an anticipated award.

5.1.3 Issuance of Contract

Any resultant contract of this *Bid Solicitation* **shall** be subject to State approval processes which may include Legislative review and approval. The resultant Contract must also be reviewed and approved by the State's Federal Partners.

A State Procurement Official will be responsible for award and administration of any resulting contract.

5.2 Availability of Funds

If funding is delayed or reduced, or is not appropriated in full, DHS shall have the right to partially or fully terminate or suspend any contracts under this RFP. If DHS does not exercise the right to fully terminate or suspend, DHS shall determine which aspects of this RFP shall move forward and which services shall be performed.

5.3 Notice to Proceed

Upon execution of the Contract, a Notice to Proceed will be issued that will indicate the date when Vendor's work on the scope of services is to commence.

Any work performed by the successful Vendor prior to receipt of a "Notice to Proceed" letter and a fully executed copy of the Contract shall be at the Vendor's own risk and expense. The State and DHS are not and will not be liable for any work, contract costs, expenses, loss of profits or damages whatsoever incurred by the successful Vendor prior to the receipt of a fully executed Contract.

5.4 Term of Contract

This is a multi-term contract solicitation that has been deemed to be in the best interest of the State. The award will be represented by a fixed-price contract.

The Contract term is for an initial period of Thirty Six (36) months.

Unless terminated, the Vendor and the State may extend the term of the Contract for four (4) additional one-year periods (or parts thereof) for a total of Seven (7) years, which includes the initial Contract term of three (3) years, without the necessity of re-soliciting, upon mutual agreement in writing. If an option to extend is mutually agreed upon, the Vendor shall be required to execute a supplement to the Contract for the additional extension period.

Appendix A – Glossary

A

AASIS Arkansas' accounting system made up of different modules: AASIS Payment Interface, AASIS Employee Change SSIS Process, AASIS Repository

Above Baseline Contract Scope of Work that is outside the definition of the Firm Fixed Price Baseline Scope of Work.

Access AR Is the web based Consumer Portal which interacts with the ANSWER system to provide an entry point for all Participants.

Advanced Security Option (ASO) A product of Oracle, ASO provides important preventive controls to protect sensitive data at the source.

Affordable Care Act (ACA) On March 23, 2010, President Obama signed the Affordable Care Act. The law puts in place comprehensive health insurance reforms that will roll out over four years and beyond.

American Recovery and Reinvestment Act A Federal Act passed in 2009, including any subsequent laws, rules, mandates, etc. derived from it, as interpreted by the State of Arkansas.

ARFinds Is a link within ANSWER that allows County Office workers to verify citizen information.

Arkansas Client Eligibility System (ACES) Medicaid and TEA eligibility system

Arkansas Networked System for Welfare, Eligibility, and Reporting (ANSWER) An eligibility front end system used by DHCS workers

AWARE is a Microsoft Windows based application created for the Arkansas Division of Services for the Blind (DSB). This program was created to automate documentation and allow easy access to client information. DSB receives state and federal funding each fiscal year that is allotted to each counselor to be used to grant services needed to clients. These services are rendered through the AWARE application in the form of authorizations and payments that are then downloaded once a week to the server and picked up in a batch process.

B

Business Intelligence (BI) The capability of gathering information in the field of business; the process of turning data into information and then into knowledge.

Business Intelligence Publisher (BIP) Oracle reporting solution to author, manage, and deliver reports.

Business Process Execution Language (BPEL)

C

Centers for Medicare and Medicaid Services (CMS) A Federal agency within the United States Department for Health and Human Services.

Central Time refers to common time during summer or winter months for Central US states as applicable.

Child Care Billing (CCB) Is a sub-system to the Child Care Suite

Child Care Development Fund (CCDF) Provides child care assistance to eligible low-income working families and students, TEA clients and individuals transitioning from DEA. CCDF also provides support to child care and early childhood education providers through contracts and

grants for training, resource and referral activities, printed materials and online resources that promote high quality.

Child Care Eligibility (CCE) Is a sub-system to the Child Care System Suite.

Child Care Licensing (CCL) Is a sub-system to the Child Care System Suite.

Child Care Reporting System (CHRIS) SACWIS front end used by DHS workers

Child Care System Suite (CCS) The sub-systems comprise of Child Care Licensing (**CCL**), Child Care Eligibility (**CCE**), Child Care Billing (**CCB**), Special Nutrition Program (**SNP**), Decision Support System (**DSS**), Exclusion and Rates

Children's Health Insurance Program (CHIP) A medical coverage source for individuals under age 19 whose parents earn too much income to qualify for Medicaid, but not enough to pay for private coverage.

CICS Is the primary mainframe CICS COBOL architecture for Arkansas' current system and is comprised of approximately 80 online programs and 300 batch programs

Client A Client is a person who is receiving services from the State.

Coding Validation Tables (CVT) The AASIS Coding Validation Tables (CVT) is a web-based application that is potentially used by all DHS employees. The Cost Allocation/Research & Statistics Staff are the administrators of the data within the CVT.

The CVT is a comprehensive table of accounting and cost allocation coding information which serves multiple purposes. The major purpose of the CVT is to serve as a coding accuracy check for expenditure information used in cost allocation. Since AASIS does not have any coding accuracy monitoring tools, an additional validation method had to be developed outside of AASIS to identify coding errors.

Commercial Off-The-Shelf (COTS) Software or hardware that are ready-made and available for sale to the general public and they are often designed to be implemented easily into existing systems without the need for customization.

Contract The binding agreement between DHS and the awarded Vendor.

Contractor The company or individual that is contracted to perform work or provide supplies. It is referred to in this RFP as the Vendor.

D

Database Management System (DBMS)

Decision Support System (DSS) Is a sub-system to the Child Care System Suite

Deliverables Acceptance Document (DAD) A document approved by DHS, used to receive formal acceptance of a deliverable by DHS for each deliverable by the Vendor.

Deliverables Expectations Document (DED) A document approved by DHS to guide the development of deliverables created by the Vendor.

Department of Finance Administration (DFA) Provides information and assistance for state residents in complying with tax, child support, and licensing laws. DFA is responsible for State revenue management.

Department of Health and Human Services (HHS) The U.S. Department of Health and Human Services is the U.S. government's principal agency for protecting the health of all Americans and providing essential human services, especially for those who are least able to

help themselves. HHS is responsible for almost a quarter of all federal outlays and administers more grant dollars than all other federal agencies combined.

Department of Human Services (DHS) Is the largest department in the Arkansas State Government. Services are provided through Divisions that are coordinated from Central Offices in Little Rock (Pulaski County). The department is the largest payer of Medicare services in Arkansas with more than \$5.1 billion in State and Federal Medicaid dollars being paid to approximately 12,000 providers across the State in fiscal year 2014.

Department of Information Systems (DIS) Provides information technology for the State of Arkansas. Their mission is to provide technology leadership and solutions to assist their customers in delivery of public services.

Department of Workforce Services (DWS) Maintains records on Unemployment Insurance, Employment Service, Workforce Investment activities, and Labor Market Information. The TANF division handles the TEA benefits.

Department of Finance Administration (DFA)

Design, Development and Implementation (DDI) The common term for the project-based work to stand up technology and/or services.

Development Disabilities Services System (DDS) A system used by the Division of Developmental Disabilities Services.

DHS Enterprise Platform Is a suite of technology components that have been implemented by DHS. These currently provide support for the system and will provide the infrastructure and shared components for the System, and other future DHS systems.

DHS Enterprise Program (Program) A DHS-wide initiative that serves to coordinate IT and non-IT projects to support the vision of an Agency of One. Leverages the technology capabilities of the DHS Enterprise Platform to provide Department-wide information sharing and consistency in capabilities.

Division of Aging and Adult Services (DAAS) A division within DHS which serves as the focal point for all matters concerning older Arkansans and adults with disabilities. DAAS' mission is to promote the health, safety and independence of these populations.

Division of Behavioral Health Services (DBHS) A division within DHS which supports, certifies, licenses and funds mental health and substance abuse prevention, treatment and recovery services throughout the state.

Division of Child Care and Early Childhood Education (DCCECE) A division within DHS that licenses and investigates complaints against child care centers, child placement and adoption agencies; administers the Pre-K program, provides professional development for child care workers, oversees a Federal child care assistance program for low-income families and administers the child nutrition program.

Division of Children and Family Services (DCFS) A division within DHS that is responsible for the management of the child abuse hotline; conducting child maltreatment investigations; the safety, permanency and well-being of children in the foster care system and for those who can remain in their homes under DCFS's guidance; and for ensuring timely permanency for all children served including adoptions.

Division of Community Service and Nonprofit Support (DCSNS) A division within DHS that provides assistance to build capacity in Arkansas' nonprofits through training and technical assistance consultation.

Division of County Operations (DCO) An Arkansas DHS Division that accepts and processes applications for nearly a dozen public assistance programs and enrolls consumers in the programs for which they have been approved.

Division of Development Disabilities Services (DDS) A division within DHS that provides community and facility-based care and services to thousands of Arkansans with developmental disabilities. DDS also refers to the system used by the division to perform their work.

Division of Medical Services (DMS) A DHS Division that oversees the Medicaid, ARKids First, CHIP, and Long-Term Care systems in AR including the licensing and inspection of nursing homes. DMS' mission is to ensure that high-quality and accessible health services are provided to citizens of AR who are eligible for Medicaid and nursing home care.

Division of Services for the Blind (DSB) A division within DHS that provides customized vocational rehabilitation services, independent living skills instruction, equipment, audio information and consultation services for people who are blind or severely visually impaired and those interested in employing them.

Division of Youth Services (DYS) A division within DHS that provides, in a manner consistent with public safety, a system of high-quality programs to address the needs of youth who come in contact with, or are at risk of coming in contact with, the juvenile justice system.

E

Electronic Benefit Transfer (EBT) A method of benefit distribution in the form of a "credit card" TEA and SNAP use the same card and process. TEA and SNAP benefits are distributed to the client's card on different timelines. WIC program also uses an EBT card, but it is not the same physical card used for TEA and SNAP. WIC and TEA/SNAP do not use the same EBT vendor.

Eligibility and Enrollment Framework (EEF)

Employment and Training (E&T)

End-to-End (E2E) A design principle in computer systems. Rather than measuring a transaction within the component of the system, E2E measures the entire system performance.

Enrollment and Eligibility (E&E)

Enterprise Data Warehouse (EDW)

Enterprise Service Bus (ESB) A software construct found in a SOA that provides fundamental services via a messaging engine.

Extract, Transform, and Load (ETL) Refers to a process in database usage and especially in data warehousing that performs: Data extraction — extracts data from homogeneous or heterogeneous data sources.

F

Firm Fixed Price (FFP) The amount of payment does not depend on the amount of resources or time expended.

Fiscal Year (FY) The State of Arkansas's fiscal year

Food and Consumer Services (FCS) Originally named the Food and Nutrition Service as established under Reorganization Plan No. 2 of 1953 by the Secretary of Agriculture. The Food and Nutrition Service was abolished by the Secretary's Memorandum 1010-1 dated Oct. 20, 1994. The functions of which were assumed by Food and Consumer Service. In 1998, the Food and Consumer Service was again renamed the Food and Nutrition Service as per the regulation published in the Federal Register of Feb. 26, 1998 ([63 FR 9721](#)). These requirements encompass all federally certifiable criteria including the Food and Consumer Services (FCS)

Automation of Data Processing/Computerization of Information Systems (ADP/CIS) Model Plan Checklist

Food and Nutrition Service (FNS) An agency of the United States Department of Agriculture (USDA), was established on August 8, 1969. The **FNS** is the federal agency responsible for administering the nation's domestic nutrition assistance programs. An agency of USDA's Food, Nutrition, and Consumer Services. FNS works through the administration of 15 Federal nutrition assistance programs including WIC, Supplemental Nutrition Assistance Program (SNAP), and school meals.

Food Stamps System (FACTS) Is a mainframe system that comprises of 10 sub-systems serving approximately 106,000 clients. The system processes applications for Food Stamps from the ANSWER system, issues monthly benefits and provides reporting.

Firm Fixed Price (FFP)

Function Point Analysis (FPA) Is a sizing measure of clear business significance. First made public by Allan Albrecht of IBM in 1979, the FPA technique quantifies the functions contained within software in terms that are meaningful to the software users.

G

H

Health and Human Services (HHS) May refer to either the Federal agency of this name, or the domain of organizations involved in the delivery of healthcare and human services benefits and care to citizens.

Health Insurance Portability and Accountability Act (HIPAA) HIPAA is the federal law enacted in 1996. The primary goal of the law is to make it easier for people to keep health insurance, protect the confidentiality and security of healthcare information and help the healthcare industry control administrative costs.

Health Care Independence Program (HCIP) A program that pays for private health insurance for certain low-income adults in Arkansas. Low-income adults who need insurance can apply online at access.arkansas.gov, www.arhealthconnector.org, or at one of the Department of Human Services' (DHS) county offices. Eligible adults will be offered a choice of private insurance plans that best meets their needs.

Home Energy Assistance Program (HEAP) System

Human Development Center (HDC)

I

IMS database An IMS database is a hierarchical database. Information is structured in records that are subdivided into a hierarchy of related segments. A record is a root segment and all of its dependent segments. Segments are further subdivided into fields. Independent Verification and Validation (IV&V) Third party vendor that oversees the Project to ensure quality and timely delivery.

Information Technology (IT) The application of computers and telecommunications equipment to store, retrieve, transmit and manipulate data, often in the context of a business or other enterprise. It is also used as a synonym for computers and computer networks and it also encompasses other information distribution technologies.

Information Technology Infrastructure Library (ITIL) A set of practices for IT service management that focuses on aligning IT services with the needs of business.

Integrated Eligibility - Benefit Management (IE-BM) vendor The IE-BM vendor responsible for the DDI of the Eligibility and Benefits Management Solution.

Internal Revenue Service (IRS) Tax agency for the federal government

J

Joint Application Development (JAD) A process for the development of requirements commonly used in systems development.

K

KidCare An Arkansas system that manages the eligibility determination and authorization tracking for the subsidized Child Care program.

L

Letter of Intent (LOI) A non-binding letter stating the Vendor's intent to submit a Proposal in response to this RFP.

Life Cycle Management (LCM)

Limited English Proficiency (LEP) Persons who are unable to communicate effectively in English because their primary language is not English and they have not developed fluency in the English language.

M

Maintenance and Operations (M&O) A phase in the software development lifecycle where the operational system has been transitioned to the maintenance and support team to ensure that the system continues to perform according to specifications. The purpose of M&O is to perform routine maintenance, upgrades, enhancements and end user support to support the system's operational effectiveness.

Medicaid Management Information System (MMIS) Is an integrated group of procedures and computer processing operations (subsystems) developed at the general design level to meet principal objectives. For Title XIX purposes, "systems mechanization" and "mechanized claims processing and information retrieval systems" is identified in section 1903(a)(3) of the Act and defined in regulation at 42 CFR 433.111. The objectives of this system and its enhancements include the Title XIX program control and administrative costs; service to recipients, providers and inquiries; operations of claims control and computer capabilities; and management reporting for planning and control.

Modified Adjusted Gross Income (MAGI) The income figure used to determine an individual's or family's eligibility for premium tax credits and other savings for Marketplace health insurance plans and for Medicaid and the Children's Health Insurance Program (CHIP). For many people, it's identical to or very close to adjusted gross income.

Modified adjusted gross income is adjusted gross income plus untaxed foreign income, non-taxable Social Security benefits, tax exempt interest. MAGI includes these income sources for all household members required to file a tax return. MAGI doesn't include Supplemental Security Income (SSI). MAGI does not appear as a line on your tax return.

Multiple Virtual Storage (MVS) This is the most commonly used operating system on the System/370 and System/390 IBM mainframe computers. It was developed by IBM, but is unrelated to IBM's other mainframe operating systems, e.g., VSE, VM, TPF.

N

Non-MAGI This refers to person classification group for Medicaid groups who exceed specified income levels but still qualify for pre-defined benefits. The details of non-MAGI qualification are defined by the Federal government.

Medicaid provides a variety of medical services including health care coverage, long-term care, mental health services, hospice, orthotics, prescription drugs and various home-based and community-based services for certain eligible low-income and needy populations.

O

Office of Child Support Enforcement (OCSE) A division within the Department of Finance and Administration, Revenue Division. OCSE works in partnership with the Federal Office of Child Support Enforcement and other State agencies. The actions of OCSE are based on federal and state law.

Office of Financial Administration (OFA) An office within DHS that manages the Department's \$6.2 billion budget and provides administrative and financial support to DHS' 10 divisions and 6 support offices.

Office of Quality Assurance (OQA) An office within DHS that is responsible for planning and directing the Quality Assurance program for DHS.

Office of Policy and Legal Services (OPLS) An office within DHS responsible for advocate for court-ordered protection of abused and neglected children; review eligibility for Department of Human Services programs; issue legal opinions; represent DHS in administrative hearings and in-state and federal courts; review contracts, guide policy writing; and draft legislation.

Office of State Procurement (OSP) The Office of State Procurement (OSP) has primary responsibility and oversight for the State wide procurement of commodities, technical and professional services for all state agencies, boards and commissions and colleges and universities.

Office of Systems and Technology (OST) The Office of Systems Technology is responsible for the overall administration, planning, direction, management, development, implementation, and maintenance of all DHS technology (IT) and information systems processing for the Department of Human Services statewide. OIT provides project planning and management, business application systems development and maintenance, systems software and hardware management, telecommunications and network management and support, and technical training; and operates the Data Center including computing facilities management, data control, and technical help desk functions.

Open Access Same-Time Information System (OASIS) The AR DHS accounting system used to manage overpayments

Optional Scope Refers to scope of work that is optional for the State to initiate or not at the sole discretion of the State.

P

Project Cost Resources (PCR)

Point of Contact (POC) An individual that is responsible for all communication regarding the RFP. There is an OSP POC identified, and each Vendor must name a Vendor POC.

Pre Cost Allocation Transaction Review (PCATR) An application is a web-based application that used by division CFOs and the Cost Allocation/Research & Statistics Staff to support the DHS Cost Allocation process.

Prime Vendor The Prime Vendor is the single entity which the State shall enter into a contract negotiation with if identified to be the best value solution based on the proposal evaluation process. Once a contract is enacted, the Prime Vendor becomes the prime contractor responsible for the management and delivery of all subcontractors (if identified in the submitted proposal) involved in providing products and/or services under this procurement.

Project See “Information System Support” Services.

Project Management Plan (PMP) A comprehensive plan for the execution of the Project; includes multiple sub-plans that address specific project management aspects.

Proposal The document submitted by interested Vendors that outlines their solutions to meet the needs of DHS as outlined in the RFP and the cost to do so.

Purchase of Services (POS) POS oversees contracts for an array of services for SSD that are provided by community agencies.

Q

Quality Assurance (QA) This is a process-centered approach to ensuring that the organization is providing the best possible products or services.

R

Recipient Overpayment and Accounting System (ROAS) ANSWER interfaces with ROAS to manage the overpayment process along with WORC which calculates the percentage of clients performing activities necessary.

Request for Proposals (RFP) A solicitation made, often through a bidding process, by an agency or company interested in procurement of a commodity, service or valuable asset, to potential suppliers to submit business proposals.

S

Scope of Work (SOW) The scope of the products and services requested through this procurement as outlined in the RFP.

Service-Level Agreement (SLA) An agreement between two parties of the level of service one will provide to the other.

Service-Level Requirement (SLR) DHS' service expectations of a Vendor.

Service-Oriented Architecture (SOA) is a design paradigm and discipline that helps IT meet business demands. Some organizations realize significant benefits using SOA including faster time to market, lower costs, better application consistency and increased agility. SOA reduces redundancy and increases usability, maintainability and value. This produces interoperable, modular systems that are easier to use and maintain. SOA creates simpler and faster systems that increase agility and reduce total cost of ownership.

Service Provider Service Provider is any third party service provider, program or entity who may provide services directly to a Client.

Social Security Administration (SSA) delivers services through a nationwide network of over 1,400 offices that include regional offices, field offices, card centers, teleservice centers, processing centers, hearing offices, the Appeals Council, and our State and territorial partners.

Social Security Number (SSN) A nine-digit number assigned to citizens, some temporary residents and permanent residents, in order to track their income and determine benefit entitlements.

Special Nutrition Program (SNP) Is a sub-system to the Child Care System Suite.

SPIRIT The system that manages SNP supplemental nutrition program within the WIC program specifically. This is separate and distinct from the SNAP program that offers supplemental nutrition assistance to a wider population.

State of Arkansas (State) The State in which the issuing entity of this RFP, DHS, is located.

Statewide Automated Child Welfare Information System (SACWIS)

Subject Matter Expert (SME) An expert in a specific subject area.

Supplemental Nutrition Assistance Program (SNAP) A program that provides a nutritional safety net for low-income children, families and adults. Recipients receive their benefits on an Electronic Benefits Transfer (EBT) card that works at most grocery stores, approved farmers markets, and some smaller stores that sell food. SNAP recipients cannot get cash back from the cards. More than \$685.1 million in benefits were provided to 685,812 people during AR SFY'14.

Supplemental Security Income (SSI) Income that is not used in the calculation for MAGI.

T

Transition Employment Assistance (TEA) A program that provides time-limited cash assistance and employment-related services each month to low-income families with dependent children. There are 24,681 people receiving services in AR SFY'14.

Time Sharing Option (TSO)

U

User Acceptance Testing (UAT) A phase in software development in which the software is tested by the intended audience for functionality. UAT is conducted in order to obtain feedback from users to make any final adjustments before releasing to the public. Also called beta testing, application testing, and end-user testing.

V

Vendor A vendor interested in, proposing for, or award the Contract for the procurement in this RFP. This is inclusive of an actual or prospective or award winning Vendor.

Vendor POC This is the official point of contact for the Vendor with regard to this RFP and Contract.

W

Women, Infants and Children (WIC) The Special Supplemental Nutrition Program for Women, Infants, and Children provides Federal grants to States for supplemental foods, health care referrals, and nutrition education for low-income pregnant, breastfeeding, and non-breastfeeding postpartum women, and to infants and children up to age five who are found to be at nutritional risk.

Work Incentive Service Eligibility (WISE)

Work Breakdown Structure (WBS) A hierarchical and incremental decomposition of the project into phases, deliverables and work packages.

Worker Generated Notices (WGN) WGN is a tool built within the ANSWER System to create client notices.

Work Rate Calculation (WORC) Calculates the percentage of clients performing activities necessary.

X

Y

Z