STATE OF HAWAII

DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

HONOLULU, HAWAII

March 29, 2016

ADDENDUM 5

TO

REQUEST FOR PROPOSALS

NO. RFP-ERP16001

ENTERPRISE PAYROLL AND TIME AND ATTENDANCE SOLUTION (EPS) SOLUTION FOR THE STATE OF HAWAII

The following changes are made to the RFP:

1. Section 18.3.5 has been added to the Main RFP document and reads as follows, (see next page):

### **18.3.5** Offeror Compliance - Paper Documents. Offerors not utilizing the HCE to demonstrate compliance shall provide the paper certificates to the State POC as instructed below. All certificates must be valid on the date it is received by the State POC. Timely applications for all applicable clearances are the responsibility of the Bidder.

### 18.3.5.1 HRS Chapter 237 tax clearance requirement for award. Pursuant to Section 103D-328, HRS, the lowest responsive Bidder shall be required to submit a tax clearance certificate issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS). The certificate shall have an original green certified copy stamp and shall be valid for six (6) months from the most recent approval stamp date on the certificate. The Tax Clearance Application, Form A-6, and its completion and filing instructions, are available on the DOTAX website: <http://tax.hawaii.gov/forms/>.

### 18.3.5.2 HRS Chapters 383 (Unemployment Insurance), 386 (Workers’ Compensation), 392 (Temporary Disability Insurance), and 393 (Prepaid Health Care) requirements for award. Pursuant to Section 103D-310(c), HRS, the lowest responsive Bidder shall be required to submit a certificate of compliance issued by the Hawaii State Department of Labor and Industrial Relations (DLIR). The certificate is valid for six (6) months from the date of issue. A photocopy of the certificate is acceptable to the State POC. The DLIR Form LIR#27 Application for Certificate of Compliance with Section 3-122-112, HAR, and its filing instructions are available on the DLIR website: <http://labor.hawaii.gov/forms/>.

### 18.3.5.3 Compliance with Section 103D-310(c), HRS, for an entity doing business in the State. The lowest responsive Bidder shall be required to submit a Certificate of Good Standing (COGS) issued by the State of Hawaii Department of Commerce and Consumer Affairs (DCCA) - Business Registration Division (BREG). The Certificate is valid for six (6) months from date of issue. A photocopy of the certificate is acceptable to the State POC. To obtain the certificate, the Bidder must be registered with the BREG. A sole proprietorship is not required to register with the BREG and is therefore not required to submit the certificate. For more information regarding online business registration and the COGS is available at <http://dcca.hawaii.gov/breg/>.

### 18.3.5.4 Timely Registration. The above certificates should be applied for and submitted to the State POC as part of the Offer Response. If a valid certificate is not submitted on a timely basis for award of a contract, an Offeror otherwise responsive, may not receive the award.

### 18.3.5.5 Verification of Compliance. Upon receipt of compliance documents (A-6, LIR#27, COGS), the State POC reserves the right to verify their validity with the respective issuing agency. The Contractor shall maintain their compliance throughout the term of the contract.

1. .PDF files of Bargaining Unit contracts have been added to the Offerors Library
   1. BU-8-2013-15-HGEA-Unit 8-contract
   2. BU-01-UPW-2007-09-CBA
   3. BU-02-HGEA-2007-09-CBA
   4. BU-03-HGEA-2007-09-CBA
   5. BU-04-HGEA-2007-09-CBA
   6. BU-09-HGEA-2007-09-CBA
   7. BU-10-UPW-2007-09-CBA
   8. BU-11-HFFA-2007-11-CBA
   9. BU-13-HGEA-2007-09-CBA
   10. UH-BOR-2015-2017-final-greement-150817
2. Exhibit 1, Section 1, “Procedures for Submitting an Offer”, Section 1.1.7,

Currently Reads  
Files from an Offeror over 10MB in size, shall be split into a series of volumes (not larger in size than 10MB) to ensure convenient management and trouble-free uploading and downloading, and include the RFP Number and the Offeror name in the file name.  
  
Has Been Revised to Read  
Files from an Offeror over 50MB in size, shall be split into a series of volumes (not larger in size than 50MB) to ensure convenient management and trouble-free uploading and downloading, and include the RFP Number and the Offeror name in the file name.

1. Appendix I, “Number of End Users”, Section 2.0, “Anticipated Number of Future End-Users”, Paragraph 2,

Currently Reads

The State anticipates that all employees will require some self-service functionality (e.g., requisition processing, human resources, benefits administration, and time entry) across all modules. Specific functionality regarding self-service is detailed in “Appendix C1 - C6, Functional Requirements.”

The following table contains the total number of permanent and temporary positions based on the 2013 fiscal year budget. The estimates for the DOE also include applicants who will require self-service access to specific modules (e.g., recruitment).

Table 3. Anticipated Number of Self-Service End Users

| **Department** | **Number of Anticipated Self-Service End Users** |
| --- | --- |
|
| **Central** |  |
| Budget & Finance | 406 |
| DAGS | 707 |
| DHRD | 92 |
| **Other Executive Departments (including Education)** |  |
| Agriculture | 363 |
| Attorney General | 766 |
| Business, Economic Development, & Tourism | 302 |
| Commerce and Consumer Affairs | 437 |
| Defense | 449 |
| DOE | 22,649 salaried  22,621 casuals |
| Office of the Governor/Lt. Governor | 50 |
| Hawaiian Home Lands | 211 |
| Health | 2605 |
| Human Services | 2318 |
| Labor and Industrial Resources | 861 |
| Land and Natural Resources | 852 |
| Public Safety | 2631 |
| Taxation | 521 |
| Transportation – Airports, Harbors, Highways & Administration | 2182 |
| Libraries | 604 |
| **TOTAL EMPLOYEES (excluding applicants and casuals)** | **39,006** |

Has Been Revised to Read

The State anticipates that all employees (i.e., DAGS Payroll in Table 1) will require some self-service functionality (e.g., pay statement distribution, time entry, etc.) across all modules. Specific functionality regarding self-service is detailed in “Appendix C-1 and C-2, Payroll and Time & Attendance Requirements.”

[Table 3, Anticipated Number of Self-Service End Users] has been deleted.

1. Answers to Follow-up and New Questions:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **#** | **RFP Reference** | **Prospective Offeror Question** | **State Answer** | **Follow-Up Question** | **Response** |
| 85 | Main RFP Document, Section 9, Significant RFP Due Dates | Would the State be willing to push back the due date to April 18th?  This RFP response has many components and having an additional two weeks would materially help the quality of the response. | The State will not be extending the due dates for responses due to our expedited schedule for the procurement. | Will the State consider granting a two week extension to allow vendors time to prepare printed copies? | See initial answer to Question 85. Detailed revisions to submission requirements, including relief for the submittal of printed copies, will be released shortly as part of Addendum 6. |
| 103 | Appendix I, Number of End Users, Table 1, Current Number of End Users | [A] How many unique individuals (employees) are being paid in a calendar year (casual or salaried)?  [B] Of all the employees in [A], how many will be requiring access to employee self-service (ESS) functions like applying for absences and checking their pay advices (usually the same number as [A])?  [C] Of all the employees, there will be a subset who require greater access than ESS, i.e. the transaction/ power/ inquiry/ reporting users, e.g. managers using Manager Self-Service (MSS) or payroll/ HR/ Finance users running reports, inputting data, running processes.   What is the number of users in this subset? | [A] The total number of unique individuals being paid in a calendar year is represented in Table 1, Appendix I, as “DAGS Payroll.”  [B] All of the employees in [A] will require access.  [C] Please refer to Appendix I, Table 2 for a partial count of users who will require greater access than ESS. The full count will depend partly on the State’s decision to include optional functionality in Appendix C-2, Optional Payroll and Time & Attendance Requirements. |  |  |
| 104 | Appendix I, Number of End Users, Table 1, Current Number of End Users | Current 'users' as indicated by Appendix I, Table 1, are indicated to be:  -         DAGS Payroll users **86300**  -         Casual Payroll users **20,000**  -         Payroll entry systemusers **2,000**  Assuming 'users' here are employees being paid or with active employee records, this implies total active payroll recipients is approximately 108,300.  Is this a correct interpretation?  If not, how many unique individuals are being paid in a calendar year across the systems designated for replacement? | Please see the response to Question 103 [A]. |  |  |
| 105 | Appendix I, Number of End Users, Table 3, Anticipated Number of Self-Service End Users | Future 'self service users', as indicated by Appendix I, Table 3 are estimated to be 39,006, excluding casuals, which are listed as 22,621.  This gives a total of 61,627 self-service users.  Can you explain the discrepancy between 108,300 payroll employees indicated in Question 1 currently, and 61,627 indicated here as 'future'?  We also note that the powerpoint slide presentation mentioned 80,000 payroll employees. | Please see the response to Question 103 [A], and Addendum 5. The mechanics for offering self service to employees in non-Executive Branch agencies have not yet been decided upon, therefore the total number of active payroll recipients should be used for planning and costing for self service. |  |  |
| 106 | Appendix I, Number of End Users, Table 2, Number of Transactional, Power, Inquiry, and Reporting End Users | In Appendix I, Table 2, total transaction/power/inquiry/reporting users are 17,150.  Presumably nearly all of these users are paid employees, so are they included within the payroll employee numbers mentioned in Question 1 and 2 (i.e. 108,300 current, or 61,627 future self-service)? | Please see the response for Question 103 [A]. Yes, the counts of transactional, power, inquiry, and reporting end users are included in Table 1 of Appendix I. |  |  |
| 107 | Main RFP Document, Exhibit 2, “Offerors Library Instructions”, Paragraph 1: “In order for a vendor to participate in the RFP Process, submit an Offer, and have it evaluated, it must sign and deliver an NDA to the State as set forth below.” | Is the state allowing any edits on the NDA? | The State is not allowing edits to the NDA. This NDA is solely for gaining access to the Offerors Library. |  |  |
| 108 | Main RFP Document, Section 11.7 | Could you please confirm that the shipping address for RFP-ERP16001 is the same as the address listed for the Pre-Bid Conference? | The mailing address to submit proposals to is:  State of Hawaii Office of the Comptroller,  1151 Punchbowl Street Room 400, Honolulu, HI 96813 ATTN: Procurement Officer RFP-ERP16001  Detailed revisions to the requirements for submission of Offers will be released shortly as part of Addendum 6. |  |  |
| 109 | Appendix A, Offer Response Form, Section 5.2, Offeror References | Will the State be notifying vendors when Part 2 of the reference forms are successfully received by the State from a client? | Offerors should contact their references for confirmation that Section 2 has been sent to the State. The State will contact Offerors regarding references only if there are questions on the information submitted. |  |  |
| 110 | Appendix L; Cost Workbook. Appendix A, Section 10.0, Offer Checklist | As we are working on the Pricing document (appendix L) it appears that the format that the State is asking for costs does not fit our business model or pricing structure in a true SASS method. Would the State be open to receiving our pricing in an alternate format if it includes all costs, including implementation, ongoing services etc as called out in the RFP? Or can we attach a second pricing document that outlines our model as something to reference? | The use of the cost workbook as part of the offer response will allow the State to fairly and accurately evaluate all offerors’ responses, independent of a vendor’s suggested platform, infrastructure and pricing model. The State requires that all offerors complete the cost workbook in its entirety. Offerors may submit additional information regarding their pricing methodology as one of the optional Attachments 16 through 22. |  |  |
| 111 | Main RFP Document, Section 5, Guiding Objectives for the EPS Requested Under This RFP | Is it possible for us to bid on only the Timekeeping portion and not the Payroll? | The State has certain objectives for the EPS that the Offeror must meet with its EPS System and EPS Services. Each Offeror must include in its Offer how it will satisfy all of the State’s objectives, including implementing payroll services for all jurisdictions of the State of Hawaii. |  |  |
| 112 | Main RFP Document, Page 23, Section 11.8, Second Paragraph | Company A is acquiring Company B’s application management business on 4/1/16.  The Letter of Intent that was submitted in response to the State’s RFP was a Company A letter stating that both Company A and Company B would jointly collaborate on the response.  Since the due date of the response is 4/4/16, the entity that would be responding is Company B.  Is the State open to a Company B-only response?  Being that the timing of the bid was in the midst of the business acquisition, we respectfully would ask for an extension for the bid response. | Please refer to the follow-up response for Question 1. Being that the Letter of Intent to Submit Offer is non-binding (Main RFP document, Section 10.4), Offerors are not held to submitting an offer in the approach described in said letter. Regarding an extension, please refer to Question 85, including its follow-up response. |  |  |

1. Further clarification of proposal submittal requirements will be forthcoming in Addendum 6 shortly.

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Douglas Murdock

Procurement Officer