

STATE OF NORTH DAKOTA

Request for Proposals
for an

ENTERPRISE RESOURCE PLANNING SYSTEM

Proposals Due:

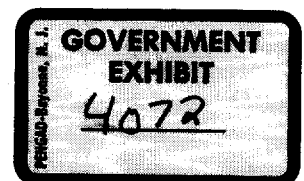
Friday, November 17, 2000

4:00 p.m.

Issued by:

North Dakota Information Technology Department

September 18, 2000



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Section 1 - General Information

1.1 Introduction

The State of North Dakota is soliciting proposals for the purchase and implementation of an integrated suite of software products to support the financial and administrative functions of state government, higher education, and public education.

The State is taking a unique approach to this initiative by combining the requirements of state government, higher education, and public education and looking for a single enterprise-wide solution that meets the requirements of all institutions. All three entities will participate in the evaluation of these proposals and determination of the final solution.

This document will define the scope of the work to be performed, the requirements the vendor must address, how to respond to this Request for Proposal (RFP), and the administrative requirements that must be followed.

The intent of this RFP is to document the high-level functional requirements of state government, higher education, and public education. It is critical for the respondent to clearly describe how the proposed solution meets the requirements, what value-added functionality the proposed solution provides, what features require code modifications or customization, and what requirements cannot be met.

1.2 Terminology

The terms used in individual sections of this document are intended to be consistent with those commonly used in the application field in question. When responding, use the terms used in this document, and define any terms or conditions that require further clarification.

General terminology used throughout this document includes the following. By "State", we mean the "State of North Dakota". By "University System," we mean the "North Dakota University System". By "Public Schools", we mean "North Dakota's Public Schools". By "vendor", "bidder" or "respondent", we mean "any software provider that submits a bid in response to this proposal." By "software system" or "software suite", we mean "the ERP suite of software products." By "Successful Vendor", we mean "the vendor whose proposal has been accepted by the State".

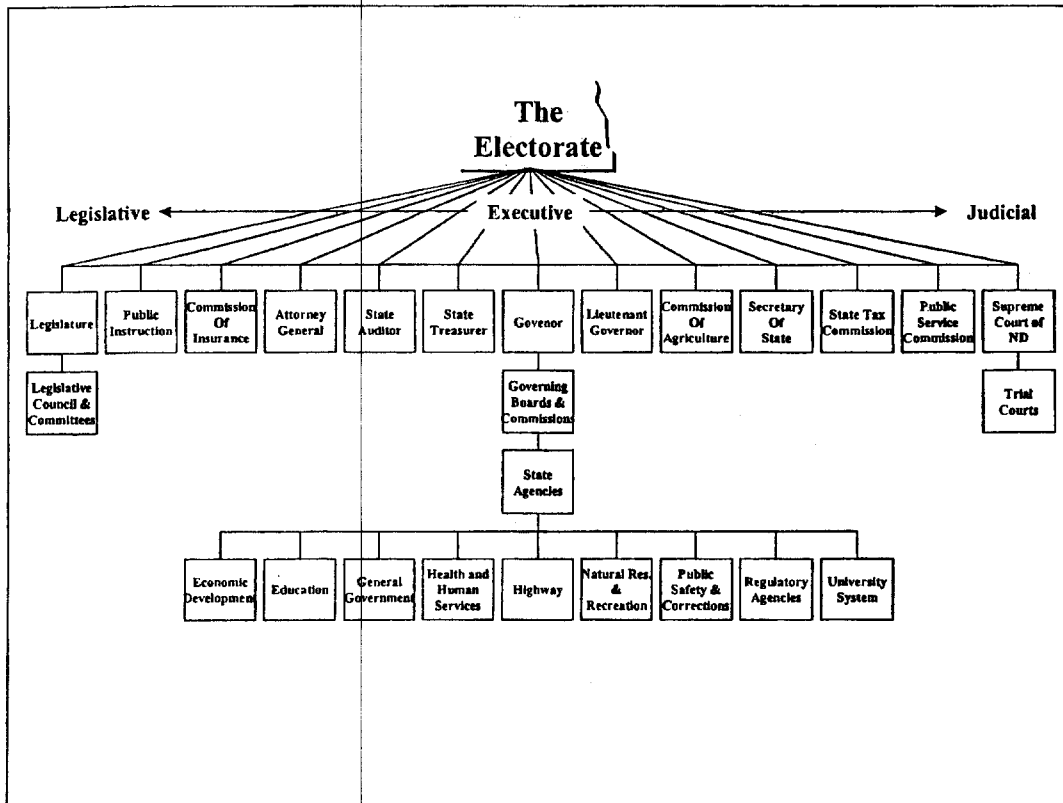
Terminology referring to information transfer and transfer of documents includes the following. By "hard copy" or "paper copy", we mean "a document submitted on paper." By "electronic version", we mean "an electronic document submitted via email or email attachment." Formal notification and formal requests can take place by means of any of these methods depending upon the context as stated in this RFP.

Section 2 - Current Environment

2.1 Overview

As indicated in Section 1, the scope of this RFP is to address the financial and administrative needs of state government, higher education and public education. This section provides an overview of the current environment of those organizations.

The following figure provides a high-level outline of North Dakota's Organization Chart:



2.1.01 North Dakota State Government Profile

The State of North Dakota has three independent branches of government: the legislative, executive, and judicial branches. The Governor leads the executive branch. Many State departments and agencies have been established by law. As specified in the State's Constitution, the State enacts a biennial budget.

The State has approximately 10,000 employees and maintains a presence in each of the 53 counties within the state. There are 99 unique departments (or agencies) within the state's accounting system. Those entities are listed in the following table:

State of North Dakota Departments

GOVERNOR'S OFFICE
SECRETARY OF STATE
OFFICE OF MGMT & BUDGET
INFORMATION TECHNOLOGY DEPARTMENT
STATE AUDITOR
CENTRAL SERVICES
STATE TREASURER
ATTORNEY GENERAL
STATE TAX COMMISSIONER
OFFICE OF ADMINISTRATIVE HEARINGS
LEGISLATIVE ASSEMBLY
LEGISLATIVE COUNCIL
STATE JUDICIARY
STATE RETIRE. & INVEST. OFFICE
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
PUBLIC INSTRUCTION
ND UNIVERSITY SYSTEM BOARD OFFICE
LAND DEPARTMENT
STATE LIBRARY
SCHOOL FOR THE DEAF
SCHOOL FOR THE BLIND
VOCATIONAL EDUCATION
ND DEPARTMENT OF HEALTH
VETERANS' HOME
INDIAN AFFAIRS COMMISSION
VETERANS AFFAIRS DEPT
CHILDRENS SVC COORD. COMMITTEE
HUMAN SERVICES
PROTECTION & ADVOCACY
JOB SERVICE
INSURANCE DEPARTMENT
INDUSTRIAL COMMISSION
LABOR COMMISSIONER
PUBLIC SERVICE COMMISSION
AERONAUTICS COMMISSION
BANKING & FINANCIAL INSTITUTIONS
SECURITIES COMMISSIONER
BANK OF NORTH DAKOTA
MUNICIPAL BOND BANK
HOUSING FINANCE AGENCY
MILL AND ELEVATOR
WORKERS COMP. BUREAU
HIGHWAY PATROL
RADIO COMMUNICATIONS
DIV OF EMERGENCY MANAGEMENT
PENITENTIARY INDUSTRIES
CORRECTIONS & REHAB.
ADJUTANT GENERAL (NATIONAL GUARD)
ECONOMIC DEVELOPMENT & FINANCE
DEPARTMENT OF AGRICULTURE
DAIRY PRODUCTS PROMOTION COMMISSION
EDIBLE BEAN COUNCIL

MILK MARKETING BOARD
OILSEED COUNCIL
STATE POTATO COUNCIL
ND SOYBEAN COUNCIL
DRY PEA AND LENTIL COUNCIL
CORN COUNCIL
SEED DEPARTMENT
VETERINARY MED EXAM BRD
N.D. STOCKMEN'S ASSOCIATION
BEEF COMMISSION
STATE WHEAT COMMISSION
ND BARLEY COUNCIL
STATE FAIR ASSOCIATION
HISTORICAL SOCIETY
COUNCIL ON THE ARTS
GAME & FISH DEPARTMENT
ND TOURISM DEPARTMENT
ND PARKS & RECREATION
WATER COMMISSION
DEPT OF TRANSPORTATION
BISMARCK STATE COLLEGE
LAKE REGION STATE COLLEGE
WILLISTON STATE COLLEGE
UNIVERSITY OF NORTH DAKOTA
UND-MEDICAL CENTER
NORTH DAKOTA STATE UNIVERSITY
ND STATE COLLEGE OF SCIENCE
DICKINSON STATE UNIVERSITY
MAYVILLE STATE UNIVERSITY
MINOT STATE UNIVERSITY
VALLEY CITY STATE UNIVERSITY
MSU - BOTTINEAU
NORTH DAKOTA FOREST SERVICE
TRANSPORTATION INSTITUTE
AGRICULTURAL EXPERIMENT STATION
NDSU EXTENSION SERVICE
NORTHERN CROPS INSTITUTE
MAIN RESEARCH CENTER
DICKINSON RESEARCH CENTER
CENTRAL GRASSLANDS RESEARCH CENTER
HETTINGER RESEARCH CENTER
LANGDON RESEARCH CENTER
NORTH CENT. RESEARCH CENTER
WILLISTON RESEARCH CENTER
CARRINGTON RESEARCH CENTER
AGRONOMY SEED FARM
LAND RECLAMATION RES. CTR.

The Office of Management and Budget (OMB) and the Information Technology Department (ITD) are the two state agencies that will be principally involved in the implementation of the new ERP system from a state government perspective.

The mission of OMB is to provide a range of products and services resulting in a well run government that meets the needs of the North Dakota citizens. The mission of ITD is to provide leadership and knowledge to assist state government in achieving their mission through the innovative use of information technology.

The Bank of North Dakota, located in Bismarck, is the only state-owned bank in the nation. Its mission, established by legislative action in 1919, is to encourage and promote agriculture, commerce and industry in North Dakota. In this role, the Bank acts as a funding resource in partnership with other financial institutions, economic development groups and guarantee agencies. At this point, the scope of this RFP is not addressing applications for the Bank.

The North Dakota Mill and Elevator Association is the only state-owned milling facility in the nation. The mission of the North Dakota Mill is to promote and provide support to North Dakota agriculture, commerce and industry. At this point, the scope of this RFP is not addressing applications for the Mill.

2.1.02 North Dakota University System Profile

The North Dakota University System is composed of the entities listed below.

- 11 campuses
- 2 research universities (University of North Dakota (UND), North Dakota State University (NDSU)) and related entities
 - Medical School (UND), Energy and Environmental Research Center (UND), Cooperative Extension (NDSU), Agriculture Research Centers (NDSU), Northern Crops Institute (NCI), UGPT Institute
- 1 comprehensive institution (Minot State University)
- 3 baccalaureate institutions (Dickinson State University, Mayville State University, Valley City State University)
- 5 two-year campuses (Bismarck State College, ND State College of Science (Wahpeton), Minot State University - Bottineau Campus, Lake Region State College (Devils Lake), Williston State College)
- University System Office

Each campus has a distinct mission and must have the capability to function and organize independently of the other campuses. However, there are needs to provide combined or consolidated information, both for the system as a whole and for varying groups of campuses. The NDUS encourages collaboration among the campuses. Specifically, this includes sharing faculty and courses via interactive television and other more direct means. Because of the growth of shared courses, the NDUS has specific administrative requirements.

There are also multiple-campus alignments where administrative responsibilities for at least two campuses reside with single offices. For example; two campuses share a president, some vice presidents, and several administrators. While the campuses, for the most part, operate autonomously, the respective administrative offices need access to data from both campuses just as if they were administering a single campus.

The NDUS has approximately 5,450 full-time, 570 part-time, 2,500 temporary, and 4,100 student employees; approximately 35,000 students in degree programs; an additional 60,000 in continuing education programs; and annual operating budgets totaling approximately \$530 million (2000-2001).

The Higher Education Computer Network (HECN) North Host Site, located at the University of North Dakota, has been designated as responsible for the operations and management of the systems that run the administrative applications for all eleven campuses in the NDUS.

2.1.03 Public Education Profile

The North Dakota Public Education system is made up of 231 school districts serving approximately 111,000 students. There are approximately 8,500 administrators, faculty and staff within the system.

The State's Department of Public Instruction provides overall leadership for the educational system.

2.2 State Government Technology Environment

2.2.01 Existing Software Applications

The core accounting application is the Statewide Accounting and Management Information System (SAMIS). SAMIS is the official state accounting system for use by all of the State's agencies operating from the State Treasury. The System provides a standardized financial management capability for transaction processing and financial reporting for individual agencies as well as the State as a whole. The system has been in production since 1987. Core functionality includes General Ledger, Cash Management and Grants Accounting. The SAMIS applications has numerous interfaces from other State applications.

The Payroll/Personnel system provides an employee database, benefits administration, payroll processing, and management reporting.

2.2.02 Hardware and Systems Software Environment

The State's Information Technology Department (ITD) serves as the host site for state agency mainframe processing. Currently ITD operates an IBM 9672/R36 (CMOS processor) with 4 gigabytes of memory running the OS/390 version 2.9 operating system. ITD has installed a Magstar Tape System to handle magnetic tapes. ITD also administers an IBM AS/400 Model 720 minicomputer with 1 gigabyte of memory and 119 gigabytes of disk storage.

ITD also uses Sun Solaris and Windows NT for many web related and web application serving applications.

The primary software development languages currently in use by ITD are: COBOL MVS, CICS and NATURAL for mainframe development. Powerbuilder, Composer, C++, SNAP, and Crystal Reports for Client/Server development, and HTML, C++, Net.Data, Perl, Kornshell, and JAVA for World Wide Web development. The databases of choice for ITD and most commonly implemented databases are: DB2, ADABAS, and ORACLE databases.

2.2.03 Communication and Systems Software Environment

ITD maintains a state network that provides and supports voice, data, and video telecommunications services to the executive branch state agencies, legislative branch, and judicial branch.

Most large and medium sized agencies are served by PBX's, the vast majority of which are Nortel Meridian 1's. Small offices are served either with key-systems or Centrex in nine cities. The main purpose of the Centrex is to consolidate traffic for connection to our long distance service.

When discussing the Communications and System Software Environment, it is important to note that The 56th Legislative Assembly of the State of North Dakota passed Senate Bill (SB) 2043 on April 20, 1999. Part of the content of SB 2043 is as follows:

SECTION 8. Required use of wide area network services.

Each state agency and institution that desires access to wide area network services and each county, city, and school district that desires access to wide area network services to transmit voice, data, or video outside that county, city, or school district shall obtain those services from the department. The chief information officer may exempt from the application of this section a county, city, or school district that demonstrates its current wide area network services are more cost-effective for or more appropriate for the specific needs of that county, city, or school district than wide area network services available from the department. The chief information officer shall exempt from the application of this section a county, city, or school district that is under contract to receive wide area network services from an entity other than the department, for the term of that contract, but that political subdivision may not extend or renew that contract beyond July 31, 2001.

2.3 North Dakota University System Technology Environment

2.3.01 Existing Software Applications

The Higher Education Computer Network (HECN) North Host Site currently runs locally developed administrative applications, written in Natural and COBOL.

2.3.02 Hardware and Systems Software Environment

The HECN North Host Site processor is an IBM Multiprise 2000 model 225 running OS/390 v2.6 and CICS v3 as the transaction monitor. There are 3480 and 3590 tape cartridge drives available, with the 3590 drives located in an automated tape library system. There is one IBM RAMAC virtual array for the disk space. Software AG's ADABAS is the database system. TSO is the full screen editor. Network access is through a CISCO CIP with TCP/IP being the primary access method, but SNA/SDLC also being available. High speed central printing is available through both impact and laser printers. Five of the campuses have voice response units to enable touch-tone registration and student information access via telephone.

The HECN also hosts several SUN computers with the Oracle database for a couple of applications including a data warehouse.

2.3.03 Communication and Systems Software Environment

The HECN maintains a combination of frame-relay and point-to-point circuits connecting all eleven North Dakota University System campuses transporting data between institutions and to the Internet. Each campus has a computing facility providing support for central campus printing and other campus uses of the host systems.

The 56th Legislative Assembly of the State of North Dakota SB 2043 provides that each higher education institution within the NDUS access to a new statewide high-bandwidth wide-area-network allowing for high-speed voice, video and data transmission.

2.4 Public Education Technology Environment

2.4.01 Existing Software Applications

Currently, there are no standards for administrative applications for the State's Public Education institutions. As such, individual school districts are running any number of applications to support their institutions.

2.4.02 Hardware and Systems Software Environment

Currently, there are no standards for hardware and systems software for the State's Public Education institutions. As such, individual school districts are running any number of infrastructure solutions to support their institutions.

2.4.03 Communication and Systems Software Environment

Currently, Public School's participate in a number of cooperatives in procuring communications services to provide access to the Internet and Distant Learning applications. Public School's are also a consideration in Senate Bill 2043 (see Section 2.2.03).

Section 3 - Proposal Requirements

3.1 Overview

The State of North Dakota is seeking an integrated suite of software products with proven functionality for state government, higher education, and public education. The core applications include financial management, purchasing, budgeting, human resources, payroll, asset management, and student information.

The vendor providing the software (that is, the manufacturer of the software package) must assume prime contractor responsibility ("Application Contractor"). Each Respondent must submit only one proposal which must include all associated implementation and maintenance services. These services may be provided by the Application Contractor or through a subcontractor(s).

All Respondents are advised to begin preparation of their responses immediately, as the requirements of this RFP are complex and must be responded to carefully.

3.2 Responsibility to Read and Understand RFP

Each Respondent responding to this RFP will be held to have read and thoroughly examined this RFP. Failure of the Respondent to read and thoroughly examine the RFP will not excuse any failure to comply with the requirements of the RFP or any resulting contract, nor shall such failure be a basis for claiming additional compensation.

3.3 Submission of Proposals

Each proposal shall be sealed and must be signed by an authorized agent of the Respondent. One signed original hard copy, two identical hard copies, and one electronic copy (Microsoft Word Format on CD-ROM or 3 1/2 disks) shall be submitted by the date and time specified on the front cover of this RFP.

Proposals shall be submitted to:

Attn: Dan Sipes
Information Technology Department
600 E. Boulevard Avenue – Department 112
Bismarck, ND 58505-0100

Each proposal shall be submitted in a package marked as follows:

Bid# 112-0009
ERP Proposal

It is the sole responsibility of the Respondent to ensure that its proposal arrives at the proper place and on time. Proposals received after the specified date and time will not be accepted.

Upon proper written application, the bidder may withdraw a proposal at any time up to opening. No modifications will be permitted once a proposal has been submitted. Proposals shall be valid for at least 180 days after the proposal opening date to afford the State adequate time to analyze the proposals and secure appropriations.

3.4 Bidders Conference

A mandatory bidder conference will be held in the Heritage Center, Lecture Rooms A and B, State Capitol Grounds, 612 East Boulevard Ave., Bismarck, ND (701-328-1000) on Tuesday, October 3, 2000 at 1:00 p.m. CDT.

A map of the capital grounds is located at <http://www.state.nd.us/images/grounds.pdf>

Proposal respondents are required to attend the conference. Proposals by respondents who do not attend will not be accepted. Potential vendors attending the bidder conference will automatically become officially registered respondents.

3.5 Questions and Clarification

All questions must be submitted in writing by email to:

Scott Kost
Email address: skost@eidebailly.com

Contact with other State personnel or consultants concern this procurement is strictly prohibited.

The due dates for these questions are listed in Section 3.6. All questions and answers will be distributed to officially registered respondents.

3.6 RFP Schedule

The following table outlines the planned schedule for this RFP. The State retains the right to adjust the schedule in any manner it deems appropriate.

Activity	Date(s)
Release of RFP to vendors	September 18, 2000
Mandatory Bidder's conference	October 3, 2000
Responses to questions from Bidder's conference	October 10, 2000
Deadline for written questions	October 23, 2000
Responses to written questions completed	October 30, 2000
Due date for Proposals	November 17, 2000
Proposals opened at 4:00 p.m. CST	November 17, 2000
State evaluation of Proposals	November 20 - December 15, 2000
Selection of Finalists	December 15, 2000
Oral Presentations and Site Visits	January & February 2001

Selection of Preferred Vendor and Contract Negotiations	March 2001
Anticipated Project Start Date	May 1, 2001

3.7 Basis of Award

It is the State's intention to award a contract based on the information contained within the proposals received, as well as information obtained from other sources.

The State reserves the right to accept or reject any and/or all proposals and to award a contract which the State considers the most advantageous to the State and its citizens.

The State reserves the right to make an award without further discussion of the proposal submitted. The proposal should be initially submitted on the most favorable terms the vendor can offer. The respondent shall specifically stipulate that the proposal is predicated upon the acceptance of all terms and conditions stated in the Request for Proposal. It is understood that the proposal will become a part of the official file on this matter without obligation to the State.

The foregoing should not be interpreted to prohibit either party from proposing additional contract terms and conditions during the negotiation of the final contract.

The State may, at its sole discretion, select or reject individual parts of the proposal by the respondent. As part of the evaluation process, the State may find it necessary to add or delete services from the respondent's proposal to make equivalent evaluation comparisons.

Proposals will be evaluated in accordance with predetermined criteria, with clarifications and best and final offers as the State deems necessary. The evaluation process is not designed to award the contract to the vendor of least cost, but rather to that respondent with the best combination of attributes and offerings based upon the evaluation criteria.

Respondents who are eliminated from further competition will be mailed notification by the State as soon as practical.

3.8 Proposal Format

The following table provides an outline of the mandatory proposal format.

Chapter 1 – General Information

Section	Description
Executive Summary	The executive summary should provide a concise description of the Respondent's proposal and should be prepared in a way that it may be read independently of the other detail of the proposal. Included in the executive summary should be an overview of the Respondent's proposed solution and the expected benefits to the State of North Dakota.
Firm Background, Qualifications, and References	The Respondent is to provide an overview and brief history of the firm (including its age, stability, financial viability, etc.), and what uniquely qualifies it for this project. This section should also include financial statements for the past three years. The proposal should also include the number of state, higher education, and public education clients for which the Respondent has implemented similar client server ERP systems over the past

	five years and a brief description of each. In addition, the state requires three references from implementations of like size and complexity.
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Chapter 2 – General Requirements

Section	Description
Project Management	The Respondent must describe its approach to project management. This discussion shall include information about overall project management techniques, issue management approaches, quality control, status reporting, meeting facilitation, and staffing.
Business Process Analysis	The Respondent must describe its approach to determining how the system can best be used to meet the State's processing needs and business objectives
Installation and Integration	The Respondent must describe the services and activities associated with the initial product installation, integration, and quality assurance methods.
Implementation Support	The Respondent must describe its services related to implementation support including developing account code structure, designing system administration and operational procedures, establishing security functions, and developing an implementation plans.
Reports Analysis and Development	The Respondents must describe its services associated with reports analysis and development services including reports needs analysis, report design, development, and testing, utilization of data warehouse and analysis tools, and end user training requirements.
Customization	The Respondent must describe its services and methodology to address any required customization requirements. This section should also describe how application customizations carry forward into future releases of the system.
Interface Development	The Respondent must describe its services and methodology to address the identification and development of standard interfaces for the new ERP application.
Data Conversion	The Respondent must describe its services and methodology to address all data conversion requirements associated with the implementation of the new ERP application.
Testing	The Respondent must describe its approach to testing the application including the development of user acceptance test plans, system testing, and user testing. This should include a recommendation of the system testing environments.
Post-Implementation Support	The Respondent must describe its post-implementation support processes including technical, functional, and operational support.
Training Requirements	The Respondent must outline its approach to meeting the State's training requirements as outlined in Section 5.1.02. This section should include an outline of the Respondent's approach to Change Management. The Respondent should also outline key success factors and risks associated with Training and Change Management.
User Support Requirements	The Respondent must outline its approach to meeting the State's user support requirements as outlined in Section 5.1.03.

Chapter 3 – Technology Requirements

Section	Description
Overview	<p>The Respondent must recommend changes to the State's hardware, software, and networks (WAN and LAN) that provides for the best system performance and is most cost effective for the State. The Respondent is required to include fixed license and maintenance agreements (including tools or utilities) required to run the application.</p> <p>This chapter must include:</p> <ul style="list-style-type: none"> • Detailed description of the recommended client and server configurations • Recommended database management systems • Recommended database management and system management tools • Detailed description of communications requirements • Detailed description of printer configurations to support central and distributed printing • Required environment for Application Development including software development and testing tools • Recommendations for test environments • Description of system administration requirements including recommended staff levels for ongoing administration and support
Performance, Reliability, Security and Recovery	<p>The Respondent must describe the expected performance, reliability, security and recovery aspects of the proposed system. These include:</p> <ul style="list-style-type: none"> • Performance and Scalability benchmarks (including response time benchmarks) • High Availability Strategy (including the strategy for maintaining a 24x7 environment) • Disaster Recovery • Data Security

Chapter 4 – Overall Functional Requirements

Section	Description
Self-Service Applications	Describe overall application strategy related to "self-service" applications as described in Section 5.2.01.
Integrated Systems	Describe the overall integration capabilities and strategy (see Section 5.2.02).
Best Practices	Describe application capabilities to improve business processes, manage work flows, and implement best practices.
Customization	Provide a description of the tools, skill sets, and requirements necessary to customize the application
Interfaces	Provide a description of the application capabilities to develop interfaces with existing legacy applications (see Section 5.2.05).
System Navigation	Provide a description of the System Navigation features of the application (see Section 5.2.06)
Reporting	Describe end-user reporting capabilities of the system (see Section 5.2.07).

Chapter 5 – State Government Software Description and Requirements

Section	Description
Overview	<p>Provide an overview of the Respondent's products and the integration of the modules provided for state government. Summarize requirements that will not be met and describe the strategy that will be proposed to address these gaps.</p> <p>The Respondent must clearly show the extent to which the proposed software product must be modified, enhanced, or supplemented to meet the system requirements. If no modifications, enhancements, or supplements are required, the Respondent must state this in its proposal. The State recognizes that additional customization requirements may be identified during analysis and design work sessions; however, best efforts should be made to document all potential modifications.</p> <p>Respondents who quote software that is not generally available at the time of the bid must clearly state this in its proposal and guarantee its availability.</p>
Financial Management	Provide a description of the software proposed to provide the functionality described in Section 5.3.01.
Customer Management	Provide a description of the software proposed to provide the functionality described in Section 5.3.02.
Purchasing	Provide a description of the software proposed to provide the functionality described in Section 5.3.03.
Budget Control	Provide a description of the software proposed to provide the functionality described in Section 5.3.04.
Human Resources and Payroll	Provide a description of the software proposed to provide the functionality described in Section 5.3.05.
Department of Transportation	Provide a description of the software proposed to provide the functionality described in Section 5.3.06.
Electronic Document Management	Provide a description of the software proposed to provide the functionality described in Section 5.3.07.
Data Warehouse and Decision Support	Provide a description of the software proposed to provide the functionality described in Section 5.3.08.
Optional Functionality	<p>Per Section 5.3.09, Respondents are encouraged to offer additional software that may be of interest to the State. Respondents are requested to provide a detailed description of optional software offered. Optional software should be priced separately from the mandatory application software in the cost proposal. Optional software will not be a factor in evaluating bid responses; however, the State reserves the right to purchase said software as part of this procurement.</p>

Chapter 6 – North Dakota University System Software Description and Requirements

Section	Description
Overview	<p>Provide an overview of the Respondent's products and the integration of the modules provided for higher education. Summarize requirements that will not be met and describe the strategy that will be proposed to address these gaps.</p> <p>The Respondent must clearly show the extent to which the proposed software product must be modified, enhanced, or supplemented to meet the system requirements. If no modifications, enhancements, or supplements are required, the Respondent must state this in its proposal. The State recognizes that additional customization requirements may be identified during analysis and design work sessions; however, best efforts should be made to document all potential modifications.</p>
Financial Management	Provide a description of the software proposed to provide the functionality described in Section 5.4.01.
Customer Management	Provide a description of the software proposed to provide the functionality described in Section 5.4.02.
Student Information Systems	Provide a description of the software proposed to provide the functionality described in Section 5.4.03.
Budget Development	Provide a description of the software proposed to provide the functionality described in Section 5.4.04.
Human Resources and Payroll	Provide a description of the software proposed to provide the functionality described in Section 5.4.05.
Purchasing	Provide a description of the software proposed to provide the functionality described in Section 5.4.06.
Data Warehouse and Decision Support	Provide a description of the software proposed to provide the functionality described in Section 5.4.07.
Outside Agency Reporting	Provide a description of the software proposed to provide the functionality described in Section 5.4.08.
Electronic Document Management	Provide a description of the software proposed to provide the functionality described in Section 5.4.09.
Optional Functionality	Per Section 5.4.10, Respondents are encouraged to offer additional software that may be of interest to the State. Respondents are requested to provide a detailed description of optional software offered. Optional software should be priced separately from the mandatory application software in the cost proposal. Optional software will not be a factor in evaluating bid responses; however, the State reserves the right to purchase said software as part of this procurement.

Chapter 7 – Public Education Software Description and Requirements

Section	Description
Overview	<p>Provide an overview of the Respondent's products and the integration of the modules provided for higher education. Summarize requirements that will not be met and describe the strategy that will be proposed to address these gaps.</p> <p>The Respondent must clearly show the extent to which the proposed software product must be modified, enhanced, or supplemented to meet the system requirements. If no modifications, enhancements, or supplements are required, the Respondent must state this in its proposal. The State recognizes that additional customization requirements may be identified during analysis and design work sessions; however, best efforts should be made to document all potential modifications.</p>
Financial Management	Provide a description of the software proposed to provide the functionality described in Section 5.5.01.
Human Resources and Payroll	Provide a description of the software proposed to provide the functionality described in Section 5.5.02.
Student Information Systems	Provide a description of the software proposed to provide the functionality described in Section 5.5.03.
Data Warehouse and Decision Support	Provide a description of the software proposed to provide the functionality described in Section 5.5.04.
Optional Functionality	Per Section 5.5.05, Respondents are encouraged to offer additional software that may be of interest to the State. Respondents are requested to provide a detailed description of optional software offered. Optional software should be priced separately from the mandatory application software in the cost proposal. Optional software will not be a factor in evaluating bid responses; however, the State reserves the right to purchase said software as part of this procurement.

Chapter 8 – Cost Proposal

The Respondent's are being requested to provide pricing in the following areas:

- Software Licensing
- Required Databases, Tools, and Utilities
- Optional Software Licensing
- Other Licensing Costs
- Maintenance
- Implementation Services
- Infrastructure Costs

The Respondent's are expected to provide sufficient pricing details to permit the State to understand the basis for the quotation. At a minimum, the State requires an understanding of the relative cost of the various application modules and tools comprising the ERP, what discounts are applied, and all assumptions or requirements upon which prices are contingent.

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Software Licensing	<p>The Respondents are required to provide the cost of licensing the proposed software to the State using the format in the table below. Respondents are also required to provide the incremental cost for additional licenses for each module. Respondents are also encouraged to suggest alternative costing models that could result in the lowest possible licensing costs for the State.</p> <p>The State has prepared the following assumptions for numbers of potential users. These assumptions are not to be interpreted as committed purchase levels but are being used to provide an accurate comparison of the bids received.</p> <p>Assumptions for number of users:</p> <table data-bbox="673 525 1250 913"> <tr> <td>State Government:</td> <td>Financial Users</td> <td>2500</td> </tr> <tr> <td></td> <td>Purchasing Users</td> <td>5000</td> </tr> <tr> <td></td> <td>Employees</td> <td>10,000</td> </tr> <tr> <td>Higher Education</td> <td>Financial Users</td> <td>1000</td> </tr> <tr> <td></td> <td>Purchasing Users</td> <td>3000</td> </tr> <tr> <td></td> <td>Employees</td> <td>10,000</td> </tr> <tr> <td></td> <td>Students</td> <td>35,000</td> </tr> <tr> <td>Public Education</td> <td>Financial Users</td> <td>500</td> </tr> <tr> <td></td> <td>Purchasing Users</td> <td>500</td> </tr> <tr> <td></td> <td>Employees</td> <td>8,500</td> </tr> <tr> <td></td> <td>Students</td> <td>111,000</td> </tr> <tr> <td></td> <td>School Districts</td> <td>231</td> </tr> </table> <table border="1" data-bbox="690 945 1339 1795"> <thead> <tr> <th>Entity</th> <th>Software Component</th> <th>License Fees</th> </tr> </thead> <tbody> <tr> <td rowspan="9">State Government</td> <td>Financial Management</td> <td></td> </tr> <tr> <td>Customer Management</td> <td></td> </tr> <tr> <td>Purchasing</td> <td></td> </tr> <tr> <td>Budget Control</td> <td></td> </tr> <tr> <td>Human Resources and Payroll</td> <td></td> </tr> <tr> <td>Department of Transportation</td> <td></td> </tr> <tr> <td>Electronic Document Management</td> <td></td> </tr> <tr> <td>Data Warehouse and Decision Support</td> <td></td> </tr> <tr> <td>Sub-total</td> <td></td> </tr> <tr> <td rowspan="8">Higher Education</td> <td>Financial Management</td> <td></td> </tr> <tr> <td>Customer Management</td> <td></td> </tr> <tr> <td>Student Information Systems</td> <td></td> </tr> <tr> <td>Budget Development</td> <td></td> </tr> <tr> <td>Human Resources and Payroll</td> <td></td> </tr> <tr> <td>Purchasing</td> <td></td> </tr> <tr> <td>Data Warehouse and Decision Support</td> <td></td> </tr> <tr> <td>Outside Agency Reporting</td> <td></td> </tr> <tr> <td></td> <td>Electronic Document Management</td> <td></td> </tr> </tbody> </table>	State Government:	Financial Users	2500		Purchasing Users	5000		Employees	10,000	Higher Education	Financial Users	1000		Purchasing Users	3000		Employees	10,000		Students	35,000	Public Education	Financial Users	500		Purchasing Users	500		Employees	8,500		Students	111,000		School Districts	231	Entity	Software Component	License Fees	State Government	Financial Management		Customer Management		Purchasing		Budget Control		Human Resources and Payroll		Department of Transportation		Electronic Document Management		Data Warehouse and Decision Support		Sub-total		Higher Education	Financial Management		Customer Management		Student Information Systems		Budget Development		Human Resources and Payroll		Purchasing		Data Warehouse and Decision Support		Outside Agency Reporting			Electronic Document Management	
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Required Databases, Tools and Utilities	<p>In the event additional software (databases, tools, utilities) is required to achieve the Respondent's proposed solution, these additional needs must be cited and priced.</p> <table border="1"> <thead> <tr> <th>Software</th> <th>Purpose</th> <th>License Fees</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </tbody> </table>	Software	Purpose	License Fees															
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Optional Software Licensing Fees	<p>The Respondent is to provide a cost for each of the optional software applications offered that extend the overall functionality of the proposed solution. This cost information is not included in the firm fixed fee for evaluation purposes.</p> <table border="1"> <thead> <tr> <th>Entity</th> <th>Software Component</th> <th>License Fees</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </tbody> </table>	Entity	Software Component	License Fees															
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Other Licensing Costs	<p>The Respondent is to provide a cost for any other licensing costs not included elsewhere in the pricing proposal. This includes technical manuals, system documentation, and user manuals.</p> <table border="1"> <thead> <tr> <th>Entity</th> <th>Software Component</th> <th>License Fees</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </tbody> </table>	Entity	Software Component	License Fees															
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Maintenance Agreement	<p>The Respondent is required to provide the annual maintenance costs for the proposed software solution. The maintenance costs must cover all required elements of the proposed solution. This section must describe how maintenance costs are calculated. In addition, the vendor must outline the services included in the maintenance agreement and the services levels that should be expected by the State.</p> <table border="1" data-bbox="678 451 1331 556"> <thead> <tr> <th></th> <th>Year 1</th> <th>Year 2</th> <th>Year 3</th> <th>Year 4</th> <th>Year 5</th> </tr> </thead> <tbody> <tr> <td>Annual Maintenance</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		Year 1	Year 2	Year 3	Year 4	Year 5	Annual Maintenance																																																																				
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Implementation Services	<p>The Respondent is required to provide a cost estimate for each of the services outlined within the RFP. Other services required to deliver the proposed solution must also be included. As part of this section, the Respondent should outline all assumptions including hourly rates, travel, supplies, and other out-of-pocket expenses. The Respondent is expected to guarantee hourly rates for specific consulting services through the term of the resulting contract.</p> <table border="1" data-bbox="678 840 1331 1501"> <thead> <tr> <th>Implementation Services</th> <th>Year 1</th> <th>Year 2</th> <th>Year 3</th> <th>Total</th> </tr> </thead> <tbody> <tr><td>Project Management</td><td></td><td></td><td></td><td></td></tr> <tr><td>Business Process Analysis</td><td></td><td></td><td></td><td></td></tr> <tr><td>Installation, Integration and Testing</td><td></td><td></td><td></td><td></td></tr> <tr><td>Implementation support</td><td></td><td></td><td></td><td></td></tr> <tr><td>Reports Analysis and Development</td><td></td><td></td><td></td><td></td></tr> <tr><td>Customization</td><td></td><td></td><td></td><td></td></tr> <tr><td>Interface Development</td><td></td><td></td><td></td><td></td></tr> <tr><td>Data Conversion</td><td></td><td></td><td></td><td></td></tr> <tr><td>Testing</td><td></td><td></td><td></td><td></td></tr> <tr><td>Post-Implementation Support</td><td></td><td></td><td></td><td></td></tr> <tr><td>Training</td><td></td><td></td><td></td><td></td></tr> <tr><td>User Support</td><td></td><td></td><td></td><td></td></tr> <tr><td>Other (please specify)</td><td></td><td></td><td></td><td></td></tr> <tr><td>Total</td><td></td><td></td><td></td><td></td></tr> </tbody> </table>	Implementation Services	Year 1	Year 2	Year 3	Total	Project Management					Business Process Analysis					Installation, Integration and Testing					Implementation support					Reports Analysis and Development					Customization					Interface Development					Data Conversion					Testing					Post-Implementation Support					Training					User Support					Other (please specify)					Total				
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Infrastructure Costs	<p>In chapter 3 of the Cost Proposal, the Respondent is asked to provide recommended changes to the State's hardware, software and networks to provide an optimal environment for the proposed solution. The Respondent is required to provide the estimated costs (including installation costs) to implement this environment.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="width: 33%;">Component</th> <th style="width: 33%;">Purpose</th> <th style="width: 33%;">Cost</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </tbody> </table>	Component	Purpose	Cost												
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Chapter 9 – Estimated State Effort

Section	Description																				
Estimated State Effort	<p>The Respondent is required to provide an estimate of the required effort by State employees to successfully implement the proposed solution. The Respondent is asked to provide this estimate in Full-Time Equivalencies. In addition, the Respondent is asked to document the assumptions used to determine this estimate, and provide recommended skill levels and project roles for the resources identified.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="width: 20%;">State Entity</th> <th style="width: 10%;">Year 1</th> <th style="width: 10%;">Year 2</th> <th style="width: 10%;">Year 3</th> <th style="width: 10%;">Total</th> </tr> </thead> <tbody> <tr> <td>State Government</td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td>Higher Education</td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td>Public Education</td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	State Entity	Year 1	Year 2	Year 3	Total	State Government					Higher Education					Public Education				
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Higher Education																					
Public Education																					

Chapter 10 – The Future

Section	Description
The Future	<p>The State envisions the establishment of a long-term relationship with the organization that is awarded this contract. The Respondent is asked to describe how its organization views this relationship and what additional value it can provide to the State. Key statewide initiatives include job development and economic development revitalization.</p>

Section 4 - General Requirements

4.1 Solicitation Cancellation

The State reserves the right to cancel all or part of this solicitation or waive any minor variances and irregularities. In addition, the issuance of this solicitation does not imply any commitment to purchase any products or services from any vendor.

4.2 Amendments

The State reserves the right to change the schedule of this acquisition and to issue written amendments, as deemed necessary or advisable, at any time. Further, the State reserves the right to recall and/or reissue this solicitation.

4.3 Insufficient or Non-appropriation of Funds

In the event that sufficient funds for this project are not appropriated, or are unavailable from other sources, the State reserves the right to cancel, without penalty, the initial contract award resulting from this request.

4.4 Respondent Incurred Expenses

The State shall assume no responsibility for any expenses incurred by a respondent in preparing and submitting a proposal nor any obligation/liability for expenses incurred as a result of cancellation of the solicitation or rejection of all respondent proposals.

4.5 Publicity and News Releases

The respondent or its representatives shall not make any announcements or news releases pertaining to this solicitation of proposals, this project, the selection of proposal or the award of any contract without the prior written approval of the State.

4.6 Interpretation of Specifications

In case of any doubt or difference of opinion as to the true intent of the specifications and requirements contained in the solicitation for sealed proposals, and in the event of any dispute between the parties arising from the contract to be entered thereunder, the decision of the State shall be final and binding upon both parties.

4.7 Proposal Withdrawn

After formal notification by email to the State (see Section 3.5), any respondent may withdraw its proposal at any time before the scheduled closing time for the receipt of proposals.

4.8 Respondent Rights to Modify Proposals

The respondent may provide written requests for modifications or corrections of a previously submitted proposal, addressed in the same manner as the original proposal, if received by the State before the scheduled closing time for receipt of all proposals.

No oral, telephone, or tele-facsimile modifications or corrections will be accepted. Written modifications or corrections submitted after the closing deadline will be rejected. Negligence on the part of the respondent in preparing the proposal confers no right of withdrawal or modification after the proposal has been opened.

4.9 Information Confidentiality

The State reserves the right to retain copies of all respondent proposals (excluding the system and user documentation to be returned to unsuccessful respondents) submitted in response to this solicitation. All respondent proposals shall be open and available for public inspection during regular business hours after an award of contract.

4.10 Informalities

The State reserves the right to waive any informality in proposals, and to reject any or all proposals without further obligation or liability to respondents.

4.11 Time In Effect

Responses and prices quoted are to remain in effect for 180 days after the due date of the proposal and continued until written notice is received.

If deemed to be in the best interests of the parties, the period of time during which terms, conditions and prices quoted in a proposal are to remain in effect for the respondent selected may be extended upon mutual consent of such respondent and the State.

4.12 Contract Negotiations

It is the intent of the State to enter into negotiations with those firms whose proposals are deemed most advantageous. The State will award the contract to the respondent whose proposal best serves the interests of the State. The State reserves the right to award a contract to a respondent selected on a basis other than least cost.

4.13 Estimated Requirements and Installations

Respondents are requested to provide details specifying quantities, descriptions and costs of software and requested services. The State is obligated neither to purchase the full quantities proposed by the vendor nor to implement all the system components described. If provided in a separate contract, certain sub-systems, modules or functional components may be made available as options. Further, respondents should indicate any minimum standards or specific compatibility requirements associated with the proposed system.

4.14 Contract Documents

This RFP will result in negotiations for the product and designated services. Negotiation agreement documents shall include the Request for Proposal, Specifications and Addenda, Exhibits, Finalized Contract, Letter of Award, State Purchase Order and the Respondent's Proposal.

4.15 North Dakota Law Governs

Any contract awarded shall be deemed to have been made in the State of North Dakota and shall be interpreted in accordance with the laws of the State of North Dakota.

4.16 North Dakota Business Requirements

To be eligible for award of this contract, the Respondent must be licensed to do business in the State of North Dakota.

4.17 Insurance

The Successful Vendor shall secure and keep in force during the term of this agreement, from insurance companies, government self-insurance pools or government self-retention funds authorized to do business in North Dakota; (1) commercial general liability; (2) automobile liability; and (3) workers' compensation insurance all covering the Successful Vendor for any and all claims of any nature which may in any manner arise out of or result from this agreement. The minimum limits of liability required are \$250,000 per person and \$1,000,000 per occurrence for commercial general liability and automobile liability coverages, and statutory limits for workers' compensation.

The State of North Dakota and its agencies, officers, and employees (State) shall be endorsed on the commercial general liability policy as additional insured. The Successful Vendor shall furnish a certificate of insurance and a copy of the additional insured endorsement to the undersigned State representative prior to commencement of this agreement. Said endorsement shall contain a "Waiver of Subrogation" waiving any right of recovery the insurance company may have against the State as well as provisions that the policy and/or endorsement may not be canceled or modified without thirty (30) days prior written notice to the undersigned State representative, and that any attorney who represents the State under this policy must first qualify as and be appointed by the North Dakota Attorney General as a Special Assistant Attorney General as required under N.D.C.C. Section 54-12-08.

The Successful Vendor's insurance coverage shall be primary (i.e., pay first) as respects any insurance, self-insurance or self-retention maintained by the State. Any insurance, self-insurance or self-retention maintained by the State shall be excess of the Successful Vendor's insurance and shall not contribute with it.

Any deductible amount or other obligations under the policy(ies) shall be the sole responsibility of the Successful Vendor.

This insurance may be in policy or policies of insurance, primary and excess, including the so-called umbrella or catastrophe form and be placed with insurers rated "A" or better by A.M. Best Company, Inc.

The State will be indemnified, saved and held harmless to the full extent of any coverage actually secured by the Successful Vendor in excess of the minimum requirements set forth above.

4.18 Performance Bond

The Successful Vendor will be expected to provide a performance bond made payable to the State of North Dakota. The amount of the bond will be determined during contract negotiations. The form of this bond shall be cash, certified check, or a standard form bond

issued by a surety company licensed in North Dakota. The Successful Vendor shall pay the premium for this bond.

4.19 Prime Contractor Responsibilities

The respondent awarded a contract will be responsible for any delivery, installation and support services offered in the proposal, whether or not the respondent is the manufacturer or producer of the product or service. Further, the State will consider the selected respondent to be the sole point of contact with regard to all contractual matters, including payment of any and all charges resulting from the purchase of the proposed system.

4.20 Non-Assignment of Contract

The contract to be awarded and any amounts to be paid thereunder shall not be transferred, pledged or assigned without the prior written approval of the State.

4.21 Purchase Conditions

The respondent shall obtain and pay for all necessary licenses, permits and related documents that are required for the performance of this project. The respondent shall also file all notices required and comply with all laws, ordinances, rules, regulations and codes applying to the operation of the proposed system and its related equipment. The respondent shall save and hold harmless the State of North Dakota as a result of any infraction thereof.

4.22 Patent and Copyright Liability Payments

The respondent and/or its surety shall pay for all royalties, license fees, patent or invention rights or copyrights and shall defend all suits or claims for infringements of any patent or invention right or copyrights involved in the administration of this project.

The respondent and its surety shall hold and save the State of North Dakota and its officers, agents and employees harmless from liability of any nature or kind, including cost and expenses, for, or on account of, any patented invention, process, article or appliance furnished in the performance of the contract including its use.

4.23 Taxes

The respondent shall assume and pay all applicable taxes and contributions (federal, state and municipal) associated with the furnishing and delivery of the item(s) specified.

4.24 Equal Opportunity

The State of North Dakota is an equal opportunity employer. No person on the grounds of handicap, disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal and/or North Dakota State constitutional and/or statutory law shall be excluded from participation in, or be denied benefits of, or be otherwise subjected to discrimination in the performance of the Contract or in the employment practices of the Successful Vendor. The Successful Vendor shall, upon request, show proof of such nondiscrimination, and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

4.25 Database Ownership

All records or data input into the proposed system remain the property of the State, without any transfer or reservation of ownership or other rights to the respondent.

4.26 Licensing Expectations

The State has the following expectations related to the licensing of the ERP software:

- The State expects to be billed only for those ERP modules successfully installed, tested and operational and for the respective prorated portion of the annual maintenance contract.
- There will be no increase in license fees or maintenance charges, regardless of the number or extent of CPU upgrades or increases in utilization.
- The State has the right to move the software to any location at any time.
- The State has the right to install the software, at no additional license or maintenance fees, on additional systems for non-production purposes such as training and testing.
- The State will have a perpetual, non-exclusive license to the software, which will survive any sale or transfer of the Respondent's ownership rights.

4.27 Source Code Rights

The Successful Vendor shall agree to deposit one machine-readable copy of the source code for the software with an escrow agent and shall provide the State with the name, address and phone number of the escrow agent. The Successful Vendor will pay all costs of providing and maintaining the source code in escrow, including the fee of the escrow agent. Each time the licensee accepts a modification or enhancement of the software, the Successful Vendor shall add one machine-readable copy of the source code for the modification or enhancement to the source code held by the escrow agent, or shall replace the copy of the source code held by the escrow agent with a machine-readable copy of the source code containing the modification or enhancement. If the Successful Vendor, whether directly or through a successor or affiliate, ceases to maintain and service the current version of the software, the State shall have the right to obtain, for its sole use only, and for use only in maintaining the software, a single machine-readable copy of the then current version of the source code supplied by the Successful Vendor, and a single copy of the associated documentation.

4.28 Indemnification

The respondent agrees to indemnify, save, and hold harmless the State of North Dakota (and other non-State users under this contract), its agencies, officers, consultants and employees from and against any and all claims of any nature, including the costs, expenses, and attorneys' fees which may in any manner result from or arise out of this agreement, except for claims resulting from or arising out of the State's sole negligence. The respondent also agrees to indemnify, save, and hold the State harmless for all costs, expenses, and attorneys' fees incurred in establishing and litigating the indemnification coverage provided herein.

4.29 Acceptance Testing

An acceptance testing procedure and schedule will be negotiated with the Successful Vendor.

4.30 Payment

The payment schedule shall be established in contract negotiations with the Successful Vendor. It shall be tied to delivery, implementation, acceptance testing results, overall performance and final acceptance of the system by the State.

4.31 Contractor Charges

The Successful Vendor shall maintain documentation for all charges against the State under this Contract. The books, records and documents of the Successful Vendor, insofar as they relate to work performed or money received under this Contract, shall be maintained for a period of three (3) full years from the date of the final payment, and shall be subject to audit, at any reasonable time and upon reasonable notice, by the State agency or the State Auditor or their duly appointed representatives. These financial statements shall be prepared in accordance with generally accepted accounting principles.

4.32 Right to Terminate Contract

In the event any provisions of the contract are violated by the Successful Vendor, the State may serve written notice upon the Successful Vendor and, if applicable, its surety, setting forth the violations and demanding compliance with the contract. Unless such violations cease and satisfactory arrangements for correction are made within ten (10) days after serving such notice, the State may terminate the contract by serving formal written notice upon the Successful Vendor; but the liability of the Successful Vendor and its surety, if applicable, for such violation, and for any and all damages resulting therefrom, as well as from such termination, shall not be affected by any such termination.

4.33 Holidays

The following legal Holidays are generally observed by the State:

- 1) New Year's Day
- 2) Martin Luther King Jr. Day
- 3) President's Day
- 4) Good Friday
- 5) Memorial Day
- 6) Independence Day
- 7) Labor Day
- 8) Veterans' Day
- 9) Thanksgiving Day
- 10) Christmas Day

The Successful Vendor shall note that State Holiday observance dates may vary from year to year. It is the Successful Vendor's sole responsibility to obtain a calendar of State Holidays in advance of each contract year.

Section 5 - Requirements for Application Software and Implementation Services

Important Note: When responding to this section, it is critical for the respondent to clearly describe how the proposed solution meets the requirements, what value-added functionality the proposed solution provides, what features require code modifications or customization, and what requirements cannot be met.

5.1 General Requirements

5.1.01 Implementation Services

The Application Contractor must provide a wide range of services to support the successful implementation of the software proposed to meet the State's business needs. Specific implementation services to be provided include:

- Project management
- Business Process Analysis
- Installation and Integration
- Implementation Support
- Reports Analysis and Development
- Customization
- Interface Development
- Data Conversion
- Testing
- Post-Implementation support

The proposals must address the above services and describe the project management methodology that would be used by the Application Contractor in delivering implementation services to the State.

5.1.02 Training Requirements

The Application Contractor will be responsible for ensuring that all State users have the knowledge and skills necessary to effectively utilize the ERP applications and technology. The Application Contractor will also be responsible for providing Change Management leadership for this initiative.

Training requirements include:

- Development of a comprehensive training plan
- Establishing "Train the Trainer" programs

- Training documentation
- Training needs assessments
- Training evaluation processes
- Training certification processes

5.1.03 User Support Requirements

The Application Contractor will be responsible for ensuring that end users receive effective support for ERP applications. This includes:

- Developing and implementing a comprehensive help desk plan
- Identifying Help Desk software system requirements and options
- Establishing and effective transfer of help desk operations to the State

5.2 Overall Functional Requirements

5.2.01 Self Service Applications

The State desires to provide its constituencies with convenient options for access and updating information affecting them via the Internet, telephones, kiosks, etc. Information should be available 7 days per week, 24 hours per day to those authorized to use it, without requiring them to contact administrative staff. Our goal is to allow users to obtain information through self-service applications that require little or no specific training.

5.2.02 Integrated Systems

The State's new systems will be process-driven, with data located in one integrated system shared across state agencies, higher education institutions, and K-12 school districts. The software must support integrated, enterprise-wide business processes with a goal of eliminating multiple handling of data and increasing accuracy.

5.2.03 Best Business Practices

The application suite should support current trends regarding best business practices with future capabilities to implement new practices as they are identified.

5.2.04 Customization

The application suite should allow for easy customization or modification to meet those requirements which are not available in the base product. Customizations must not be lost when upgrading to new software release levels.

5.2.05 Interfaces

The application suite should provide the ability to interface with legacy applications that will not be replaced as part of this initiative.

5.2.06 System Navigation

The application suite should provide an intuitive, user-friendly, and easy-to-use interface that minimizes the need for training. Online help should be available for all applications.

5.2.07 Reporting

The application suite should provide comprehensive reporting tools and easy-to-use interfaces to commonly used office automation products (i.e. Microsoft Office).

5.3 State Government Functional Requirements

5.3.01 Financial Management

The State must have a financial system that maintains its official accounting records following Generally Accepted Accounting Principles (GAAP). The system must accurately process and account for State revenues and expenses, assets and liabilities, and cash flows on cash, accrual and modified accrual bases. The system must apply budgetary and funds availability edits consistent with North Dakota statutes. The system must support the preparation of the State's Comprehensive Annual Financial Report (CAFR), including the ability to conform with published pronouncements that define GAAP for state governments. In addition, the system must support GASB34 and GASB35 reporting requirements.

In addition to meeting the statewide processing and financial reporting requirements, the new system must meet the routine needs of the State's agencies, including the support of activity-based costing, agency management reporting, grant accounting, project accounting, cost allocation, labor distribution, fixed asset recording, investment and bond tracking, and billing.

Key Financial Management requirements include:

- Support for multiple fiscal years (Fiscal years vary for some state agencies)

5.3.01(a) Reporting

The proposed solution must provide flexible reporting capabilities to meet the State's operational and analytical requirements. This includes:

- Integrated query and reporting tools with help functionality providing assistance in constructing queries and reports
- Ability to drill down from summary balances and drill up from detail transactions
- Ability to generate financial reports based on user defined criteria
- Ability to export queries and reports
- Ability to run queries and reports "in the background"

5.3.01(b) Data Classification

The proposed solution must provide the ability for users to establish and maintain a standard chart of accounts to meet statewide and user agency accounting and financial reporting needs. Maintenance of the chart of accounts should not require programming knowledge or a re-initialization of the system.

The system must also provide the ability to record transaction by:

- Organization (agency, division, section, unit)

- Fund
- Strategic program
- Appropriation
- General Ledger Account
- Grant
- Project
- Contract
- Object Code (Activity)
- Location

Additional requirements include:

- Functionality for coding reduction techniques to reduce data entry
- Ability to establish effective start and end dates for data classification elements
- Ability to upload classification structure records from 3rd party products

5.3.01(c) General Ledger

The system must provide all procedural functions of a fund accounting system in conformity with GAAP, and GAAFR standards and guidelines, and cash basis reporting requirements.

Additional General Ledger requirements include:

- Simultaneous support of accounting for cash basis, modified accrual basis, and accrual basis
- Online validation and editing before posting occurs
- Ability to split transaction over multiple coding line distributions (fund, grant, appropriation, appropriation line, project, etc)
- Support of subsidiary ledgers
- Simultaneous support of multiple fiscal years, simultaneous processing of multiple appropriation years, and the ability to vary project year periods including spanning multiple fiscal years

5.3.01(d) Accounts Receivable / Revenue Accounting

The system must provide an Accounts Receivable and Revenue Accounting subsystem that is fully integrated with the General Ledger. The system must provide for proper recording of revenue to the revenue coding structure and monitoring against budgeted revenues to meet statewide and agency-specific reporting and control requirements.

The system must perform the usual functions of aging, collection activities, bad debt management, deferred payment arrangements, installment payment arrangements, and late payment charges.

This system must provide for the generation of summary transaction of receivable activity in the general ledger for all original entries, adjustments, penalty and interest assessments, and write-offs.

Additional Accounts Receivable and Revenue Accounting requirements include:

- Ability to process internal billings and intra-governmental transactions
- Support for agency defined and dynamically maintained charge and payment

codes

- Support agency defined sequentially numbered invoices to ensure proper accounting control
- Support automatic periodic billings to selected customers
- Provide the option of billing by type of charge and/or type of customer
- Ability to apply payments on receivables to multiple funds and accounts
- Ability to process receipts via electronic fund transfers (EFT), "lock box", credit card, and other electronic receipts for payments

5.3.01(e) Accounts Payable

The State requires an Accounts Payable system that is fully integrated with the Purchasing/Procurement and General Ledger applications.

Key functionality includes:

- Maintenance and support of a statewide vendor file that maintains payment and procurement information for each vendor.
- Management and reporting of pre-encumbrances and encumbrances
- Support for internal billings and intra-governmental transactions
- Electronic banking support
- Electronic Data Interchange (EDI) support
- Ability to accept electronic billings
- Support for split transactions into multiple account coding distributions based on user defined criteria
- Flexible hierarchical approval process
- Manual and cancelled checks
- Support and integration with Asset Management module
- Functionality to support online payment authorization processes include the ability to view the purchase order, invoice, and related document images

5.3.01(f) Payment Processing

The State requires a system that enables the efficient and effective management of Payment Processing. Key functionality includes:

- Management of vendor payments based on due date and discount date to maximize interest earned and discounts received
- Credit and debit memo management
- Support for check printing at remote agency sites
- Cash disbursement tracking

5.3.01(g) Bank Reconciliation

The State requires a system that provides for automated reconciliation of bank activity per the Financial Management modules to bank transaction received from the State's bank accounts. While the State utilizes the Bank of North Dakota as the primary bank, the system must accommodate multiple bank accounts.

5.3.01(h) Grant Accounting

The State requires a system that provides for the management and reporting of grants including the ability to establish grant budgets. The system must be fully integrated with the Contract and Project Accounting modules as well as other Financial Management modules.

The system should provide assistance in the proposal process by assisting with activities such as accessing database of available opportunities, allowing the development of various budgets and plans (including identifying sources of external funding and cost matching), and identifying personnel involvement.

Other key Grant Accounting requirements include:

- Ability to track and report grant operations over several different periods
- Ability to record and track direct and indirect costs associated with a grant
- Ability to track federal, state and special funding sources by individual cost centers for direct and indirect costs
- Ability to post to more than one federal fiscal year
- Ability to establish and manage subgrantees
- Ability to establish reimbursable and expendable budgets
- Ability to establish grant budgetary controls
- Ability track grant matching requirements
- Ability to track maintenance of effort

5.3.01(i) Cash Management

The State requires a system that complies with the Federal Cash Management Improvement Act. The system should provide for the generation of "cash profiles", calculate daily federal cash balances, calculate interest liability, and provide cash management forecasting capabilities. Cash Management functionality must be fully integrated with both the accounting and budgeting modules. In addition, must be able to create and track drawdown of federal funds for Line-of-Credit draws.

5.3.01(j) Fixed Assets

The State requires a Fixed Assets system that provides the ability to identify and track all fixed assets, including original purchase, acquisition, or construction dates and costs, improvement dates and costs, demolition or disposal dates and costs, depreciation, disposal, and other pertinent information including asset status (in use, surplus, disposed of, etc.) and current condition. The Fixed Assets system must be integrated to all other financial systems for purposes of maintaining and capturing information on acquisition and improvement transactions. Fixed Asset functionality must also include:

- Ability to tracking funding source
- Ability to track purchased and leased equipment
- GASB reporting requirements

5.3.01(k) Project Accounting

The State requires a Project Accounting system that is fully integrated with all other financial systems. The Project Accounting system will provide the ability to track project costs, timelines, and resource allocations. It will provide the ability to accumulate and

allocate costs, and if necessary to produce billings for labor and materials, either at cost or at a markup. This functionality will be used to manage grants and contracts and programs and could be used to manage other activities, such as physical plant maintenance activities. In addition, the project accounting system must include:

- DOT FHWA project reporting requirements
- Time reporting capability to feed both payroll and project accounting

5.3.01(l) Contracts

The State requires a system that provides for the management and reporting of contracts that is fully integrated with the Grant and Project Accounting modules as well as other Financial Management modules.

The system must have functionality allowing the user to maintain descriptive information on contracts, establish budgets, track expenditures, and provide budgetary control. In addition, the contract system should include:

- Approval processing
- Functionality for establishing contingency and retainage amounts
- Capability to record and withhold liquidated damages
- Functionality to track adjustment and change orders

5.3.01(m) Allocation Processing

The State requires the ability to accumulate costs in various cost centers for subsequent allocation to other cost centers. These allocations may be made on either an ad hoc or regularly scheduled basis. Some allocations may only be necessary for reporting purposes, while others may actually generate transactions that would liquidate the accumulation in one or more cost centers and allocate those costs to other cost centers. The system should provide the ability to determine an allocation formula and then repeat that allocation as required with minimal intervention from users. An example of an allocation could be year-end allocation of a percentage of institutional support costs to other functions based on total budget or total payroll.

5.3.01(n) Labor Distribution

The State requires the ability to distribute labor costs (and related fringe benefit costs) back to cost centers for which an employee works during any given pay period, including to specific grants and contracts.

5.3.01(o) Recurring Transactions

The State requires the ability for users to establish payment schedules and amounts for recurring transactions. For example, users should be able to establish a payment schedule for an operating lease that identifies the payment amount, due dates, and accounting charge information; with the system then queuing transactions each time a scheduled date occurs.

The State also requires the ability to establish "template" transactions for transactions that recur regularly, but with differing amounts. For example, the system should be able to store a "template" transaction for payment of a utility bill where the vendor, due date (i.e. 15th of month), and accounting charge information are pre-established, with the user only needing to enter invoice amounts.

In either of the scenarios above, the user should have the ability to override information

defaulted by the system.

5.3.01(p) Cash Investments

The State requires a fully integrated subsystem that accommodates the tracking of cash investments, both short- and long-term, as well as investments in securities. The system should maintain information identifying the investment, the bank or brokerage invested with, credit risking information, and histories of investment amounts, interest rates, and interest or dividend payments. The system should also maintain information as to the fund or funds that "own" the investment and the fund or funds that are entitled to income from the investments, whether or not those funds differ. The system should generate appropriate transactions when investments are purchased or sold and when interest or dividend income is received. The system should also be able properly amortize premiums or discounts, if necessary.

5.3.01(q) Bond Accounting

The State requires the ability to properly track activity for bonds that it issues. This includes the ability to track maturities of serial bond issues, coupon or interest payments and dues dates, and amortization of premiums or discounts.

5.3.02 Customer (Constituency) Management

The system must provide a central file for storing all customer-related information (name, address, etc). The customer management sub-system must be integrated with all other aspects of the enterprise solution.

Additional customer management requirements include:

- Ability to provide agency-defined and dynamically maintained structures for classifying customers
- Ability to capture and report agency specific data related to customers
- Ability for constituent registration, contact history, accounting, and tracking

5.3.03 Purchasing

Note: A separate RFP has been released on September 12, 2000 by the state for a Procurement system. This RFP is called "State Procurement Office RFP for E-Procurement System." While this is currently an independent effort, the State's intention is to integrate procurement operations with the solution describe in this RFP.

The State requires a comprehensive purchasing system that will automate the entire procurement process, thereby improving the efficiency and effectiveness of state procurement. The term "procurement" represents the entire process of obtaining goods and services. This process includes processing the requisition, preparing specifications, identifying potential suppliers, establishing evaluation criteria, drafting and issuing a bid solicitation, receiving bids, evaluating responses, awarding a contract or issuing a purchase order, administering the contract, checking status, receiving the goods or services, processing payment, managing inventory and capitalized assets, and ensuring quality control at every stage in this process. The system must address the procurement management needs of various levels of government and vendors desiring to do business with the state.

The system must provide a statewide database to collect, track, and report information on all state purchasing transactions. The system must incorporate the NIGP commodity code concept throughout and across all components and functionality.

The system must automate the vendor participation process such as vendor registration, notification of bids, receiving bid documents, submission of bids, and receipt of purchase orders. North Dakota state law requires vendors on the state bidders list to also be registered with the North Dakota Secretary of State, and the system should facilitate both registration processes.

The system must make sourcing more efficient for state agencies by recognizing products available from state contracts, state inventories, surplus property, prison industry products, and online catalogs. It must also recognize transactions with commodities or estimated dollar amounts that require bid solicitation, approval by regulatory agencies, or process by the State Purchasing Office.

The system should be fully integrated with the State's accounting functionality to edit for account coding block and available funding, and automatically generate financial transactions associated with the purchasing document being processed (i.e. pre-encumbrance for requisition, encumbrance when purchase order is issued, and voucher payable upon successful match).

The State desires a central vendor database to support purchasing and accounts payable activities. This information will be the foundation for the State's 1099 reporting. The State also desires a central statewide commodity database to support procurement activities, access to online catalogues, and electronic commerce supporting the purchase activity.

The State desires inventory processing to support central warehouse commodity management and inter- and intra-warehouse commodity transfers and commodity distributions. Warehouse functionality should be integrated with purchasing functionality to support automating stock replenishments and notify users of expiring contracts. The inventory functionality must also support the State's marketing and redistribution program.

Finally, the State desires a fixed asset system with an integrated asset management system that not only maintains pertinent information about the State's fixed assets, but automatically collects data and begins to generate a fixed asset record as the asset is purchased and/or constructed.

5.3.04 Budget Development and Control

Currently, the State uses the Statewide Integrated Budget and Reporting (SIBR) system for budget development. All state agencies and higher education are required to use SIBR. With the implementation of the new ERP system, the state intends to continue to use SIBR.

As part of the implementation effort, the State will require integration between SIBR and the new ERP system and is interested in reviewing the respondents proposed solutions. However, the State envisions an interface between SIBR and the ERP Budgetary Control modules.

Enhanced functional requirements include:

- Track user-defined budgetary controls by organization, object, appropriation, appropriation line, fund, strategic program, grant, project and allotment.
- Budgetary control options that prevent transaction processing, provide warnings or alerts, or allow transactions to process without warnings.

- Management and reporting of appropriation budget, encumbrances, expenditures, revenue, and available budget.
- Provide the ability to process transactions for a fund that are not subject to budget edits.

5.3.05 Human Resource and Payroll

The State desires human resources functionality to maintain employee-related information. The system should allow the State to maintain position control, automate notifications of pay increases/decreases, maintain tax-withholding declarations (W4-W5) and produce W-2 information, maintain group insurance enrollments, premium payments and deductions, and employment history. Additionally, the system must maintain leave awards, usage, and approvals.

Payroll functionality should record employee's time and attendance, and generate the appropriate gross pay for the time worked. Through links to the personnel functionality and the accounting functionality, payroll processing should also make the appropriate deductions from gross pay. The system should be able to support multiple pay cycles and multiple pay bases. In addition, management and decision support reporting must be available.

The system must allow proper reporting to governmental and other entities, in prescribed formats (e.g. the system must be capable of reporting to the IRS via tape and to the State via tape or electronic transfer of file).

The Human Resources system must maintain information supporting all human resources activities, including applicant intake and processing for both internal and external applicants; position definition and maintenance; maintenance of employee information including skills inventory and performance; and fringe benefit administration.

The Human Resources system must allow the maintenance of job band and family information, position descriptions, and pay grade information and tables.

The Human Resources system should allow the development of position requisitions using job family information as a basis for a job description with specific job requirements added by the requestor. Appropriate approvals of the requisition should be handled through workflow.

The system will maintain positions to which employees are assigned. Positions represent a set of duties to be performed as opposed to a person doing those duties. Positions may be defined as full-time or some percentage of full-time. Positions may be permanent, temporary or seasonal. Budgets will be established for positions and the system should be able to control payroll expenditures based on those budgets and identify re-allocation of unspent budget amounts. The position budget amounts should carry over to the financial system for overall budget control purposes.

The system should allow applicants to provide application and vitae information through self-service or administrative office processes. The system should assist in matching qualifications to requirements of the position. Potential internal applicants should be identified by the system based on skills inventory and vitae information already maintained within the system.

The Human Resources system should maintain information on all benefits programs. The system should determine eligibility for various programs based on employee information within the system. Employees should have the ability to self-enroll in benefits programs,

when eligible, through self-service. The system must allow Flexible Spending Account (Section 125) administration including withholding of salary reduction amounts and payment of reimbursements. The system will allow employees to do "what if" comparisons based on various benefit enrollments.

The system must support the ability to define multiple pay cycles. Currently, most institutions pay all employees monthly, some institutions pay all employees semi-monthly, and at least one institution pays its "time slip" employees semi-monthly while paying its regular employees monthly. In addition, the monthly pay date for the University System (last working day of current month) is different than the monthly pay date for the State (1st working day of next month).

Additional Human Resources functionality includes:

- Management Reporting including workforce analysis and historical analysis
- Employee paycheck garnishments (i.e. Child Support)
- Employee performance evaluation
- EEO and Affirmative Action reporting
- Position Vacancy Information
- Staff Turnover Statistics and Reporting
- Flexible Compensation Administration
- Flexible benefits administration (can vary by agency)
- Self-service applications
- Online applications
- Track job applicants from application through interview and hire
- Track training including the need to maintain certification or licensure
- Accommodate various full-time equivalent definitions

5.3.06 Department of Transportation

The State's Department of Transportation

- Track and maintain rental rates of the state fleet (approximately 1,500 licensed and 1,000 unlicensed vehicles)
- Track the Motor Pool including dispatching system for vehicles with interagency billing capability
- Replace or interface to an Equipment Management System that controls disposable inventory, maintains warranty records and processes electronic fuel billings
- Financial application interfaces from custom Drivers License and Motor Vehicle License applications

5.3.07 Electronic Document Management

The State has a number of Electronic Document Management (EDM) initiatives in progress. The State requests that each Respondent outline its EDM strategy and capabilities to support EDM.

5.3.08 Data Warehouse and Decision Support

The State desires data warehousing and decision support tools that are fully integrated with the ERP system and facilitate strategic planning, tactical operations, and system-wide analysis.

The data warehouse must include a comprehensive ad hoc reporting and inquiry tool that allows users to easily create custom reports from data maintained within the data warehouse. The tool should operate in a web-centric environment and allow data warehouse data to be directly imported into documents created in third party products (i.e. Microsoft Office). The tools must be user-friendly with features (i.e. wizards) to assist end users in creating reports.

The State desires the data warehouse to provide analytical applications in the areas of financial management, performance management, purchasing management, and workforce management. The applications should be easy to learn and use, completely web-enabled, be tightly integrated with the data warehouse, and have a look and feel similar to other system applications.

5.3.09 Optional Functionality

Respondents are requested to describe additional functionality (not specifically requested in the requirements attached to this RFP) but offered as part of the ERP software suite. Such functionality should be described in sufficient detail that the State can determine its usefulness. Optional software should be separately priced in the cost proposal, but will not be a factor in evaluating bid responses. The State reserves the right to purchase additional software licenses associated with optional software if specific statewide or user agency functional needs are met.

5.4 North Dakota University System Functional Requirements

5.4.01 Financial Management

The University System requires a financial management system with the same broad requirements as identified in Section 5.3.01 – State Government Functional Requirements - Financial Management. Respondents should note that the University System currently follows GAAP as defined by the AICPA Audit Guide for Colleges and Universities and will follow GAAP as defined by GASB 35 beginning with fiscal year 2002. As such, the University System has its own Comprehensive Annual Financial Report (CAFR), which becomes part of the State's CAFR. GAAP for colleges and universities includes full accrual accounting in addition to cash- and modified-accrual bases of accounting.

In general, the University System requires an integrated suite of financial management products for Accounts Payable, Accounts Receivable (including cashing and student accounts), General Ledger, Purchasing, Grant and Contract Accounting, Budgeting, Human Resources and Payroll, Fixed Assets, Inventory, Fee Billing, and Job Billing.

The following identifies the exceptions and/or additions to those requirements that are University System specific.

5.4.01(a) Reporting

Same requirements as identified for the State in 5.3.01(a).

5.4.01(b) Data Classification

Same requirements as identified for the State in 5.3.01(b).

Note: Each institution within the University System will maintain a separate chart of accounts for their own funds, cost centers, and projects. The chart of accounts structure must allow for rolling up institutional information to the University System level and must also allow for a lower level subsidiary fund / cost center structure for grants and contracts management and for unique departmental accounting needs. The chart of accounts and general ledger will also support multiple-institution transactions with proper general ledger and bank account activity.

5.4.01(c) General Ledger

Same requirements as identified for the State in 5.3.01(c).

5.4.01(d) Accounts Receivable / Revenue Accounting

Same requirements as identified for the State in 5.3.01(d) with the following additions:

The system must be fully integrated with the student information system for purposes of accumulating student charges for tuition and fees, room and board, and other charges; and for properly applying financial aid awards as credits to charges, dependent on student eligibility and rules of the aid programs.

Detailed transactions will be posted to the Accounts Receivable system from other systems, such as tuition and fee or housing systems, to maintain an audit trail of transactions.

The Accounts Receivable system will provide/accept interface files from secondary billing and invoicing systems.

The Accounts Receivable system will provide for the maintenance of different types of accounts per customer. For example, in addition to an account for charges assessed by a college or university, a student may have one or more short-term institutional student loan accounts. There should also be an ability to establish grant and contract receivables as a unique account type within the accounts receivable system.

5.4.01(e) Accounts Payable

Same requirements as identified for the State in 5.3.01(e).

5.4.01(f) Payment Processing

Same requirements as identified for the State in 5.3.01(f).

5.4.01(g) Bank Reconciliation

Same requirements as identified for the State in 5.3.01(g).

5.4.01(h) Grant Accounting

Same requirements as identified for the State in 5.3.01(h) with the following additions:

- Ability to identify the source of grant and contract funds (e.g. federal, state, private) and maintain rules and restrictions established by the grantor or contractor
- Ability to establish grant and contract receivables as a unique account type within the accounts receivable system
- Ability to work with payroll information from the human resources system to provide effort certification
- Ability to establish institutional indirect cost rates as well as grant- or contract-specific rates
- Ability to establish fringe benefit rates specific to individual grants and contracts
- Ability to calculate and track "full" fringe benefit costs for specific grants and contracts (i.e. for accruals of vacation and sick leave, apply the cost to the grant at the time of payroll, rather than at the time of use).

5.4.01(i) Cash Management

Same requirements as identified for the State in 5.3.01(i) with the following additions:

- Ability to provide for receipting/cashiering functions both at central business offices and at satellite locations on campuses
- Ability to record all receipts of moneys including cash receipts, accounts receivable receipts, and student loan receipts
- For an accounts receivable receipt, ability for a teller to see outstanding charges and "mark" the specific charges being paid, "mark" a type of charge being paid, or allow payment to allocate according to system rules
- Ability to receipt deposits (such as housing deposits) and maintain a subsidiary ledger of deposits
- Ability to create advance payment receipts that remain on deposit until applied to predetermined types of transactions. For example, funds could be deposited which would apply only to aviation charges. Once aviation charges are present on accounts receivable, the funds would be credited to the account to pay the charges. Any remaining funds would stay on deposit until additional aviation charges were posted or until the funds are identified to pay off any charges or to credit in full to the account

5.4.01(j) Fixed Assets

Same requirements as identified for the State in 5.3.01(j) with the following additions:

- Ability to record codes to indicate use of assets in conjunction with grants and contracts
- Ability to indicate whether title to assets rests with the institution or a grantor

5.4.01(k) Project Accounting

The University System requires a project accounting system that is fully integrated with all other financial systems. The project accounting system will provide the ability to track project costs, timelines, and resource allocations. It will provide the ability to

accumulate and allocate costs, and if necessary to produce billings for labor and materials, either at cost or at a markup. This functionality will be used to manage grants and contracts and programs and could be used to manage other activities, such as physical plant maintenance activities.

5.4.01(l) Contracts

Same requirements as identified for the State in 5.3.01(l).

5.4.01(m) Allocation Processing

Same requirements as identified for the State in 5.3.01(m).

5.4.01(n) Labor Distribution

Same requirements as identified for the State in 5.3.01(n).

5.4.01(o) Recurring Transactions

Same requirements as identified for the State in 5.3.01(o).

5.4.01(p) Cash Investments

Same requirements as identified for the State in 5.3.01(p).

5.4.01(q) Bond Accounting

Same requirements as identified for the State in 5.3.01(q).

5.4.02 Customer (Constituency) Management

Same basic requirements as identified for the State in 5.3.02 with additional requirements outlined below. This system must be fully integrated with the Financial Information System, Student Information System and Human Resources Information System.

The NDUS will maintain a common name and address data file for all students, customers, employees, and vendors. An entity will exist once within the system. One file will be maintained and accessed by the various systems as needed.

This file will contain data elements unique to the respective individual or organization. Examples are: date of birth, sex, race, etc. The file will also contain multiple addresses per entity (person or organization) to identify different uses such as home, local, parent, billing, remittance, or order address.

All other systems will use this file to process transactions.

All systems will interface with this file to set a series of "activity indicators" to indicate status (student, employee, customer, vendor) and "location indicator" to indicate the institution where the activity is present or active. A historical record of activity and location will be maintained.

5.4.03 Student Information Systems

5.4.03(a) Student Records

The University requires a student records system with the capability of tracking prospective students, current students and alumni. Core requirements include:

- FERPA compliance
- Self-service functionality
- Recruiting functionality including ability to track contacts, generate mailings, identify student needs, capture academic background, and track outside agents.

5.4.03(b) Admissions

The University system requires an Admissions system to manage multiple applications for multiple terms, multiple programs and multiple campuses. The system must provide an integrated and flexible system for processing admission applications for all programs, including undergraduate, graduate, professional, off-campus and continuing education students.

Other requirements include:

- Self-service functionality
- Support for collecting, updating, and analyzing test and application information including ACT, SAT, TOEFL, GRE, DAT, MCAT, PCAT, and LSAT.
- Ability to apply to multiple campuses from a single application
- Ability to support athletic tracking and reporting requirement for NCAA and NAIA
- Electronic transfer/receipt of high school transcript

5.4.03(c) Registration

The University system requires a Registration system accessible through multiple media including telephone, internet, intranet, kiosk, and operator-led transaction. The system must control the registration process by pre-requisite, major, minor, college, classification, sex, student level, special permission, time conflicts, class size limitations, and co-requisite.

The system should provide the ability to establish timeframe limits; course enrollment limits; section enrollment limits; college or major restrictions; enrollment controls (e.g. honors section, living/learning community); restrictions on graduate courses or graduate credit enrollment by undergraduate students; maximum credit enrollment; consent of instructor; ensuring compatibility of requested section with other enrolled sections for that course and complete enrollment (i.e. all required instruction types; valid combination of sections) in a course; prevention of enrollment in time conflicts, except where the course is designated as allowing time conflicts; prevention of enrollment in multiple occurrences of the same course, except where the course is designated as allowing multiple enrollment.

Additional requirements include:

- Ability to handle the unique requirements of Tri-College University. (Tri-College University is an agreement between the schools of the Fargo/Moorhead area [Moorhead State University, North Dakota State University, and Concordia College] whereby students may enroll for courses at any of the schools and obtain credit on their "primary" institutional academic record.)
- Ability to register students on more than one campus in the same term and

allow all administrative offices the ability to calculate fees, track enrollments, monitor financial aid distribution, and check satisfactory progress without manual intervention

- Handle wait listing, grade loading, and multiple grading options (S/U, audit, letter grading)
- Automatically calculate student fees and post transactions to the appropriate financial systems. Also need the ability to assess fees for specific course and vary tuition and fees based on registration level.
- Graduation Audit or Degree Audit - As part of the registration system, it is required that the system have a degree audit package or the ability to interface with degree audit software such as DARS.

5.4.03(d) Curriculum

The University requires a Curriculum development system that offers flexible support for the creation and maintenance of the program catalog, course catalog, and course offerings for varying types of terms and courses, including traditional, on-campus (undergraduate, graduate, professional/clinical), extramural/off-campus, continuing education, guided individual study, and online/distance learning communities.

Additional requirements include:

- Ability to maintain a curriculum history
- Ability to tie catalog to the accounting structure for reporting, planning and costing
- Ability to change course data elements globally
- Support for unlimited number of course-based prerequisites, restrictions and credit limitations
- Support for multiple credit formats
- Support course section development and cohort course groupings
- Support for room scheduling

5.4.03(e) Academic Record

The University requires an Academic Records system that supports the academic assessment process including grade collection, GPA calculation and transcript production. The system must support the calculation of a dynamic GPA.

Additional requirements include:

- Support for grade collection
- Electronic viewing and ordering of transcript
- Student access
- Grade change controls
- Support for Graduating/Degree Audit

5.4.03(f) Financial Aid

The University System requires a fully integrated financial aid system that meets all Federal rules and regulations, and as required, is compliant with State rules and regulations. Regulation updates must be provided on a timely basis to allow early

processing of student aid applications, packaging and delivery of aid. The system must have the ability to follow current Federal methodology and adapt quickly to changes.

The Financial Aid system selected will be required to provide the following aspects of aid processing: Auditing/tracking, award history, award notification, student correspondence, ability to calculate cost of attendance, consortium tracking, data acquisition and exporting, disbursement and crediting, distance education, funds management, Federal work study monitoring, electronic loan processing, needs analysis, professional judgment, non-standard term calculations and awarding, RFMS, statistical reporting, satisfactory academic progress, summer session awarding and distribution, allows for student access, and student status reporting.

5.4.03(g) Tuition and Fees

The University System requires a system that can assess tuition based on (but not limited to) criteria or combinations of criteria such as the following: student residency, student rank, major, program, delivery method, location, or time. The charges may be assessed on a straight per credit hour or per class basis, on a per credit hour or per class basis up to a maximum per term, or on a per credit hour or per class basis up to a flat amount with additional charges assessed again over a certain number of hours. Depending on the courses a student is enrolled in, tuition and fee charges may be assessed based on more than one institution's tuition and fee criteria. For example, if a student attends one institution, but is taking a distance education course from another System institution, all charges should show up on one student account, even though the charges could originate from more than one institution.

5.4.04 Budget Development and Control

Same requirements as identified for the State in 5.3.04 with the following additions.

The University System requires the ability to prepare formal annual budgets in addition to the biennial budgets required by the State using SIBR. With the exception of grants and contracts, budget control within the University System is based on these annual budgets rather than the biennial budget. The biennial budget provides a "hard stop" for specifically appropriated funds. However, there are additional funds that are not specifically appropriated that would be includable in annual budgets.

In addition to the "organizational level" budget controls identified under Section 5.3.04 for the State, the University System requires the ability to control budgets by object and/or groups of objects. For example, in a particular fund, the budget may be controlled by detailed object (e.g. lodging or meals), by a summary object (e.g. travel), or by a roll-up level or budget line (operating expenditures). Budgets may also be controlled by total budget, total direct costs, or cash.

The University System also requires the ability to prepare budgets for grants and contracts that adhere strictly to the requirements of those grants or contracts. For example, a specific grant may restrict buying office supplies; the budget controls set for that grant must be able to prevent encumbering or expending funds for office supplies, even though it may allow expenditures for similar objects.

5.4.05 Human Resource and Payroll

Same basic requirements as identified for the State in 5.3.05 with the following additions:

The human resources and payroll system and the financial aid system must be capable of producing information on student employment. For example, the financial aid system would record work-study award limits, while the payroll system would record pay earned toward those limits. The integrated system must be capable of producing notifications to students and others (such as supervisors and financial aid administrators) that students are approaching the earnings limits of their awards.

The human resources system must accommodate 1042S and tax treaty reporting or support interfaces to Windstar Technologies' International Tax Navigator software for 1042S and tax treaty reporting.

The system must support the ability to manage faculty tenure status and tenure eligibility. In addition, the system must support the ability to administer developmental and sabbatical leave.

The system must support the ability to identify term of contract and options for payment of contract over a different time period (i.e. 9 month contract paid over 12 months) and properly record the related accounting transactions.

5.4.06 Purchasing

Same basic requirements as identified for the State in 5.3.03.

The University System requires the ability for purchasing offices at any campus to perform the purchasing functions for any unit of the system regardless of location. For example, in buying a certain commodity, one campus purchasing office may take the lead in negotiating a contract for all System entities. When that order is placed, and when subsequent payment is made, the purchasing office should be able to encumber and authorize the expenditure of funds, regardless of campus location.

Some University System institutions have central store facilities for selected goods and services. These facilities may potentially serve any unit of the system regardless of location. These facilities require an inventory management system that will allow departments or cost centers to acquire and store inventory and provide those goods to other departments or external entities at a cost, which may or may not include a markup.

The University System is also interested in partnering with State purchasing and creating additional buying leverage for both the State and the University system.

5.4.07 Data Warehouse and Decision Support

Same basic requirements as identified for the State in 5.3.08 with the following addition:

The University System requires a strategy to populate its current data warehouse with student, employee, and financial information from the new ERP system.

5.4.08 Outside Agency Reporting

The University requires a system with the capabilities to produce inter- and intra-governmental reporting including NCAA, IPEDS, NAIA, Minnesota reciprocity, Federal Right-To-Know, National Student Loan Clearinghouse, etc. The system must be able to produce this reporting on paper or electronically.

Also, the North Dakota University System requires third week reporting to combine campus enrollment and campus sessions.

5.4.09 Electronic Document Management

Same basic requirements as identified for the State in 5.3.07.

5.4.10 Optional

Respondents are requested to describe additional functionality (not specifically requested in the requirements attached to this RFP) but offered as part of the ERP software suite. Such functionality should be described in sufficient detail that the University System can determine its usefulness. Optional software should be separately priced in the cost proposal, but will not be a factor in evaluating bid responses. The University System reserves the right to purchase additional software licenses associated with optional software if specific statewide or University functional needs are met.

5.5 Public Education Functional Requirements

5.5.01 Financial Management

The Public Schools must have a financial system that maintains their official accounting records following Generally Accepted Accounting Principles (GAAP). The system must be designed for fund accounting and accurately process and account for revenues and expenses, assets and liabilities, and cash flows on cash, accrual and modified accrual bases. The system must apply budgetary and funds availability edits consistent with school district policy.

The new system must meet the routine needs of the Public Schools, including grant accounting, labor distribution, fixed asset recording, and billing.

Key Financial Management requirements include:

5.5.01(a) Reporting

The proposed solution must provide flexible reporting capabilities to meet the Public Schools operational and analytical requirements. This includes:

- Integrated query and reporting tools with help functionality providing assistance in constructing queries and reports
- Ability to drill down from summary balances and drill up from detail transactions
- Ability to generate financial reports based on user defined criteria
- Ability to export queries and reports
- Ability to run queries and reports "in the background"

5.5.01(b) Purchasing

Same basic requirements as identified for the State in 5.3.03.

The Public Schools are also interested in partnering with State purchasing and creating additional buying leverage.

5.5.01(c) Accounts Receivable

The system must provide an Accounts Receivable subsystem that is fully integrated with the General Ledger. The system must perform the usual functions of aging, collection

activities, bad debt management, deferred payment arrangements, installment payment arrangements, and late payment charges.

5.5.01(d) Accounts Payable

Same basic requirements as identified for the State in 5.3.01(e).

5.5.01(e) General Ledger

The system must provide all procedural functions of a fund accounting system in conformity with GAAP, and GAAFR standards and guidelines, and cash basis reporting requirements.

Additional General Ledger requirements include:

- Online validation and editing before posting occurs
- Ability to split transaction over multiple coding line distributions (fund, grant, appropriation, project, etc)
- Support of subsidiary ledgers
- Simultaneous support of multiple fiscal years

5.5.01(f) Fixed Assets

Same basic requirements as identified for the State in 5.3.01(j).

5.5.01(g) Budgeting

The Public Schools require an integrating Budgeting system that supports Budget development, budgetary control, and management reporting. The Public Schools do not use the State's SIBR system for budget development.

5.5.01(h) Grant Accounting

Same basis requirements as identified for the State in 5.3.01(h).

5.5.02 Human Resource and Payroll

The Public Schools require an integrated Human Resources and Payroll system. Key Payroll functionality includes:

- Earnings Administration including pay type control and retroactive pay
- Irregular Pay Schedules
- Time and Attendance Tracking
- Multiple Jobs per Employee
- Accruals Tracking
- Electronic Banking
- Management Reporting

Key Human Resources functionality includes:

- Benefits administration including cafeteria benefits and benefits continuance
- Accrual tracking

- Applicant processing
- Certification and Professional Development tracking
- Education profile
- Employment history
- FTE control
- Seniority tracking
- Leave administration
- Staff evaluation

5.5.03 Student Information Systems

The Public Schools require an integrated Student Information System that provides the capability for definition, management, and reporting of administrative and demographic data related to teachers, classes, students, courses, campuses, class schedules, qualifications, and other related data. Key functional requirements include:

- Student and Enrollment Information
- Attendance Tracking
- Grade Book and Transcript Reporting
- Curriculum Development and Class Scheduling
- Health Information
- Special Education Tracking
- Food Services
- Transportation

The Public Schools desire a system that provides easy access to a variety of student achievement/performance information including: grades on all completed activities, attendance information, current assignments, etc. The system should enable parent/and student access to this information and facilitate communication between parents and teachers.

The system should provide easy access to a variety of campus and school district information including: school calendar, lunch menu, district/campus events, etc.

The system should facilitate visibility of key performance indicators, providing performance analysis and reporting of teacher, student, and curricula activity aggregated and disaggregated by state, district, campus, content area, course, teacher, and objective.

Data security and record confidentiality is a critical concern. Respondents are requested to describe information security solutions related to this data.

5.5.04 Data Warehouse and Decision Support

Same basic requirements as identified for the State in 5.3.08.

5.5.05 Optional

Respondents are requested to describe additional functionality (not specifically requested in the requirements attached to this RFP) but offered as part of the ERP software suite. Such functionality should be described in sufficient detail that the State and Public School Systems can determine its usefulness. Optional software should be separately priced in the cost proposal, but will not be a factor in evaluating bid responses. The State and Public School Systems reserve the right to purchase additional software licenses associated with optional software if specific statewide or user agency functional needs are met.