

PROPOSALS MUST BE SEALED AND ADDRESSED TO:

Remove from vendor list for this commodity/service. (Return this page only.)

AGENCY ADDRESS:

Department of Employee Trust Funds
801 West Badger Road
Madison, WI 53713-2526

Proposal envelope must be sealed and plainly marked in lower corner with due date and Request for Proposal **ETC0019**. Late proposals shall be rejected. The soliciting purchasing office on or before the date and time that the proposal is due **MUST** date and time stamp proposals. Proposals dated and time stamped in another office shall be rejected. Receipt of a proposal by the mail system does not constitute receipt of a proposal by the purchasing office. Any proposal that is inadvertently opened as a result of not being properly and clearly marked is subject to rejection. Proposals must be submitted separately, i.e., not included with sample packages or other proposals. Proposal openings are public unless otherwise specified. Records will be available for public inspection after issuance of the notice of intent to award or the award of the contract. Vendor should contact person named below for an appointment to view the proposal record. Proposals shall be firm for acceptance for 180 days from date of proposal opening, unless otherwise noted. The attached terms and conditions apply to any subsequent award.

REQUEST FOR PROPOSAL

THIS IS NOT AN ORDER

VENDOR (Name and Address)

Proposals MUST be in this office no later than March 15, 2013, 2:00 PM, CST	Public Opening <input type="checkbox"/> No Public Opening <input checked="" type="checkbox"/>
---------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------

Name (Contact for further information)

Mark Blank

Phone

608.266.8989

Date

February 22, 2013

Quote Price and Delivery FOB

Head Quarters – Madison WI

Description

Financial Management Information Services (FMIS) Implementation Services Request for Proposal (RFP) for the Department of Employee Trust Funds (ETF)

RFP amendments, questions and answers will be posted on the ETF Website at <http://etfextranet.it.state.wi.us> and will not be mailed.

Payment Terms:

Delivery Time:

We claim minority bidder preference s. 16.75(3m) Wis. Stats.. Under Wisconsin Statutes, a 5% preference may be granted to CERTIFIED Minority Business Enterprises. The Wisconsin Department of Commerce must certify the bidder. If you have questions concerning the certification process, contact the Wisconsin Department of Commerce, 5th Floor, 201 W. Washington Ave., Madison, Wisconsin 53702, (608) 267-9550.

Yes No Unknown

We are a work center certified under s. 16.752 Wis. Stats. employing persons with severe disabilities. Questions concerning the certification process should be addressed to the Work Center Program, State Bureau of Procurement, 6th Floor, 101 E. Wilson St., Madison, Wisconsin 53702, (608) 266-2605.

Yes No Unknown

Wis. Stats. s. 16.754 directs the State to purchase materials which are manufactured to the greatest extent in the United States when all other factors are substantially equal. Materials covered in our proposal were manufactured in whole or in substantial part within the United States, or the majority of the component parts thereof were manufactured in whole or in substantial part in the United States.

Yes No Unknown

In signing this proposal we also certify that we have not, either directly or indirectly, entered into any agreement or participated in any collusion or otherwise taken any action in restraint of free competition; that no attempt has been made to induce any other person or firm to submit or not to submit a proposal; that this proposal has been independently arrived at without collusion with any other vendor, competitor or potential competitor; that this proposal has not been knowingly disclosed prior to the opening of proposals to any other vendor or competitor; that the above statement is accurate under penalty of perjury.

We will comply with all terms, conditions and specifications required by the State in this Request for Proposal and all terms of our proposal.

Name of Authorized Company Representative (Type or Print)

Title

Phone ()

Fax ()

Signature of Above

Date

Federal Employer Identification No.

Social Security No. if Sole

Request for Proposal (RFP) ETC0019
Financial Management Information Services (FMIS)
Implementation Services for the Department of Employee
Trust Funds (ETF) Wisconsin Retirement System (WRS)



Issued by the State of Wisconsin
Department of Employee Trust Funds

Release Date: February 22, 2013

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1 BIDDING PROCEDURES AND REQUIREMENTS

1.1 RFP INFORMATION

This section of the Request for Proposal (RFP) details the procedures the proposer must follow to submit a proposal for the Financial Management Information System (FMIS) Implementation Services.

1.1.1 Introduction

The Wisconsin Retirement System (WRS) is the 9th largest public retirement and benefits system in the United States. As of February 2012, the WRS has approximately 260,700 active members, 144,200 inactive members, 166,400 active annuitants and about 1,500 employers. The transition rate to annuitant status is anticipated to continue at the record pace that was set in 2010 and 2011. For more information, please refer to ETF's Website at:

<http://etf.wi.gov>

As part of a global technology initiative that will ultimately procure and install a Benefits Administration System, ETF is seeking to identify a vendor who solely, or through the use of clearly defined and well-managed subcontractors, can provide implementation services to assist ETF in replacing ETF's current system of spreadsheets and databases by installing, configuring, and (minimally) customizing a PeopleSoft solution. The vendor will initially develop and execute a project plan which will detail the schedule and resources necessary to perform the requirements validation, implementation, data conversion, testing, training, and knowledge transfer to ETF staff. Subsequently, the vendor will execute the approved plan and any selected options with the goal that ETF will go live on the replacement FMIS by ETF's desired go-live date of 2 December 2013.

1.1.2 Procuring and Contracting Agency

This RFP is issued for the State of Wisconsin by the Department of Employee Trust Funds. The Department is the sole point of contact for the State in the selection process. The terms, ETF, Department and Board may be used interchangeably in this document and its attachments.

Prospective proposers are prohibited from contacting any person other than the individual listed here regarding this RFP. Violation of this requirement may result in the proposer being disqualified from further consideration.

ETF utilized the services and knowledge of LRWL Inc. in the development of this RFP. Certain clauses and formats and contents that pre-existed ETF's relationship with LRWL and are not already the State of Wisconsin's property are considered proprietary trade secrets by LRWL Inc., and may be protected by the copyright laws of the United States. This paragraph does not prohibit any government entity in Wisconsin from using this RFP's content.

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E-mail: ETFProcurement@etf.wi.gov

1.1.3 Definitions

The following definitions are used throughout the RFP:

Annuitant see “Retiree or Annuitant” below.

Board means the State of Wisconsin Employee Trust Funds Board.

Contractor means the proposer who is awarded the contract.

BAS means Benefits Administration System (BAS) or equivalent.

Department means the Wisconsin Department of Employee Trust Funds (ETF).

DOA means the Department of Administration.

ETF means the Wisconsin Department of Employee Trust Funds.

FMIS means Financial Management Information System; in this case, PeopleSoft.

Participant means any person included within the provisions of the Wisconsin Retirement System by virtue of being or having been a participating employee whose account has not been closed under s.40.25 (1) or (2).

Proposer see “Vendor or Proposer” below.

Retiree or Annuitant means a State or WPE member who is retired and receives an annuity or lump sum benefit from the Wisconsin Retirement System.

RFP means Request for Proposal.

SPOC means single point of contact.

SWAP means the University of Wisconsin-Madison’s Surplus With A Purpose program for disposing of surplus equipment.

Vendor or Bidder or Proposer (used interchangeably) means a firm or individual submitting a proposal in response to this RFP.

WRS means Wisconsin Retirement System.

Please see ETF’s glossary on their home page at: <http://etf.wi.gov/glossary.htm> for additional definitions.

1.1.4 Clarification of the Specifications and Requirements

Any questions concerning this RFP must be submitted via e-mail using the format specified below in Table 1 on or before the date identified in Section 1.1.7, to the individual identified in Section 1.1.2. Proposers are expected to raise any questions they have concerning the RFP at this point in the process.

Table 1 Format for Submission of Vendor Questions

No.	RFP SECTION	RFP PAGE	QUESTION
Q1			
A1			
Q2			
A2			

If a proposer discovers any significant ambiguity, error, conflict, discrepancy, omission, or other deficiency in this RFP, the proposer should immediately notify the individual identified in Section 1.1.2 of such error and request modification or clarification of this RFP document.

In the event it becomes necessary to provide additional clarifying data or information, or to revise any part of this RFP, supplements or revisions will be published on the Department’s Extranet at:

<http://etfextranet.it.state.wi.us/>

and will not be mailed. Electronic versions of the RFP and all appendices and exhibits are available on ETF’s Extranet.

1.1.5 Vendor Conference

A vendor conference may be held on the date identified in Section 1.1.7 at the address identified in Section 1.1.2. The conference is an opportunity to ask questions. The Department will not be responsible for costs incurred by vendors attending the vendor conference. Representatives will be limited to two per vendor. If the Department decides to hold the vendor conference, a notice will be posted on the Department’s Extranet referenced in Section 1.1.4.

NOTE: Unless the notice discussed above is posted, no conference will be held.

E-mailed questions are due by the date listed in Section 1.1.7 and may be addressed at the vendor conference, should one occur. Only written responses will bind ETF. ETF will prepare written responses to written questions by the date identified in Section 1.1.7.

If a vendor conference is held, responses to all questions submitted at that conference will be published on the Department’s Web site listed in Section 1.1.4.

1.1.6 Reasonable Accommodations

ETF will provide reasonable accommodations, including the provision of informational material in an alternative format, for qualified individuals with disabilities upon request. If you will need accommodations at the vendor conference, contact the individual identified in Section 1.1.2.

1.1.7 Calendar of Events

Listed below are the important dates by which actions related to this RFP must be completed. In the event that the Department finds it necessary to change any of the specific dates and times in the calendar of events listed below, it will do so by issuing a supplement to this RFP via the ETF Extranet listed in Section 1.1.4. No other formal notification will be issued for changes in the estimated dates.

Table 2: Calendar of Events

DATE	EVENT
02/22/2013	Issue RFP
03/01/2013; 2:00 P.M. CST	Letter of intent and vendor questions due
03/05/2013	Vendor conference (if necessary)
03/06/2013	Post answers to questions on ETF Extranet
*03/15/2013; 2:00 P.M. CST	RFP proposals due
04/02/2013	Notify Vendors of intent to award contract
04/03/2013	Begin contract negotiations
04/15/2013	Contract Start Date
12/02/2013	Desired go-live date
*All dates are estimated with the exception of RFP proposal due date and time.	

1.1.8 Letter of Intent

A letter of intent indicating that a proposer intends to submit a response to this RFP should be submitted to the Department by the date indicated in Section 1.1.7. In the letter, identify the proposer's organization and give the name, location, telephone number, fax number and e-mail address of one or more persons authorized to act on the proposer's behalf. Proposers should submit the letter of intent via email to the address in Section 1.1.2. The letter of intent does not obligate the proposer to submit a response.

1.1.9 Contract Term and Funding

The contract term for providing the consulting services will commence on the contract start date and shall extend through December 31, 2018. The Department retains the option by mutual agreement of the Department and the successful proposer to extend the contract for two (2) additional one (1)-year periods extending the contract through December 31, 2020.

Cost increases for any contract renewals may be capped at the rate of inflation or 3% per annum (whichever is lower) from the contract effective date to one year prior to the renewal date as measured by the National (U. S. City Average) consumer price index for all urban consumers (CPI-U) base period 1982-84=100, not seasonally adjusted, unless justified by the contractor and otherwise agreed to by the Department.

1.1.10 Criminal Background Verification

The Department follows the provisions in the *Wisconsin Human Resources Handbook Chapter 246, Securing Applicant Background Checks*:

<http://oser.state.wi.us/docview.asp?docid=6658>)

The vendor is expected to perform background checks that, at a minimum, adhere to those standards. This includes the criminal history record from the Wisconsin Department of Justice (DOJ), Wisconsin Circuit Court Automation Programs (CCAP), and other state justice departments for persons who have lived in a state(s) other than Wisconsin. More stringent background checks are permitted. Details regarding the vendor's background check procedures should be provided to ETF regarding the measures used by the vendor to protect the security and privacy of program data and participant information. A copy of the result of the criminal background check the vendor conducted must be made available to ETF upon its request. ETF reserves the right to conduct its own criminal background checks on any or all employees or contractors of and referred by the vendor for the delivery or provision of services.

1.1.11 Financial Stability Verification

High scoring vendors may be asked to substantiate their financial stability. This includes furnishing a copy of your company's audited financial statements or financial statement compilations from the last two years. The Department reserves the right to request additional information to verify your company's financial status.

1.1.12 Business Associate Agreement

A Business Associate Agreement must be agreed to and signed by the winning bidder. The intent of the Agreement is to comply with state laws and with the federal regulations implementing the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health Act of 2009 (HITECH) concerning the privacy, security and transaction standards on the confidentiality of personal information. A Business Associate Agreement is located in Appendix G.

1.2 PREPARING AND SUBMITTING A PROPOSAL

1.2.1 General Instructions

The evaluation and selection of a vendor will be based on the information submitted in the proposal, references, any required presentations, and responses to requests for additional information or clarification.

Failure to respond to each of the requirements in Sections 3 and 4 of this RFP may be the basis for rejecting a proposal.

Elaborate, unreasonably long or verbose proposals (e.g., expensive artwork), beyond that sufficient to present a complete and effective proposal, are not necessary or desired.

1.2.2 Incurring Costs

The State of Wisconsin, the Department and the Board are not liable for any costs incurred by vendors in replying to this RFP, attending the vendor conference, or making requested oral presentations.

1.2.3 Submitting the Proposal

Vendors must submit one (1) original (marked "Original") and six (6) complete paper copies of the proposal, including the transmittal letter and other related documentation as required by this RFP.

Two (2) complete un-locked and non-password protected electronic copies (i.e., MS Word) of the proposal must also be provided on CD-ROM. In addition, two electronic copies with all confidential material redacted must be provided on CD-ROM and marked as “Redacted for Confidentiality” per Appendix C.

Each paper copy of the vendor’s proposal must follow the format indicated in Section 1.2.4. Each electronic copy of the proposal and associated appendices and exhibits must be saved in the format provided.

Electronic versions of the RFP and all appendices and exhibits are available on ETF’s Extranet. Proposals submitted via fax or email will not be accepted. Receipt of a proposal by the State mail system does not constitute receipt of a proposal for purposes of this RFP.

All paper copies of a vendor’s proposal must be packaged, sealed, and show the following information on the outside of the package:

- “[Proposer’s Name and Address]”
- “TECHNICAL PROPOSAL”
- Title: ETC0019
- Proposal Due Date

One (1) original Cost Proposal (marked “Original”) and six (6) paper copies of the vendor’s Cost Proposal (Appendix F) must be sealed and submitted as a separate part of the proposal.

Two (2) complete un-locked electronic copies of the Cost Proposal (Appendix F) must also be provided on a separate CD-ROM.

All paper copies of the cost proposal must be packaged, sealed, and show the following information on the outside of the package:

- “[Proposer’s Name and Address]”
- “COST PROPOSAL”
- Title: ETC0019
- Proposal Due Date

1.2.4 Proposal Organization and Format

Proposals must be typed and submitted on 8.5 by 11-inch paper and bound securely. The response must exactly follow the same numbering system, use the same headings, and address each point given in Sections 3 and 4.

Only provide promotional materials if they are relevant to a specific requirement of this request. If provided, all materials must be included with the response to the relevant requirement and clearly identified as “promotional materials.” Electronic access to such materials is preferred.

Proposers responding to this RFP must comply with the following format requirements.

1. **PROPOSER CHECKLIST:** Complete the proposer checklist provided as Appendix A to this RFP and include it with your proposals
2. **Tab 1 – TRANSMITTAL LETTER:** A signed transmittal letter must accompany the proposal. The transmittal letter must be written on the vendor’s official business stationery and signed by an official that is authorized to legally bind the vendor. Include in the letter:
 - I. Name, signature and title of proposer’s authorized representative
 - II. Name and address of company
 - III. Telephone number, fax number, and e-mail address of representative

- IV. Title and RFP number: Financial Management Implementation Services ETC0019
 - V. Executive Summary
3. Tab 2 – REQUIRED FORMS: The vendor must complete and/or include the following required State of Wisconsin forms:
 - I. Proposer’s Checklist – Appendix A
 - II. Mandatory Requirements – Appendix B
 - III. Designation of Confidential and Proprietary Information – Appendix C
 - IV. Standard Terms and Conditions (DOA-3054) and Supplemental Standard Terms and Conditions (DOA-3681) – Appendix D and Special Terms and Conditions – Section 4.10
 - V. Vendor Information (DOA-3477) and Vendor References (DOA-3478) – Appendix E
 4. Tab 3 – RESPONSE TO SECTION 3: Minimum Vendor Requirements: Provide a point-by-point response to each and every statement in Section 3 of this RFP. Responses to statements must restate the question or statement and be in the same sequence and numbered as they appear in this RFP. Use tab separations for each section. Provide a succinct explanation of how each requirement is addressed.
 5. Tab 4 – RESPONSE TO SECTION 4: Scope Of Work: Provide a point-by-point response to each and every statement in Section 4 of this RFP. Responses to statements must restate the question or statement and be in the same sequence and numbered as they appear in this RFP. Use tab separations for each section. Provide a succinct explanation of how each requirement is addressed.
 6. Tab 5 – ASSUMPTIONS AND EXCEPTIONS: All assumptions and exceptions must be included in this tab. Provide a succinct explanation for each item as well as a reference to the section of the proposal it relates to. Any assumption or exception made but not included in this Tab 5 will be invalid. Exceptions to the Department’s contract terms and conditions may be considered during contract negotiations if it is beneficial to the Department. If exceptions to the standard contract language are not presented in this section, they may not be discussed or considered during contract negotiations. When documenting assumptions and exceptions, clearly label each exception with one of the following labels:
 - RFP Assumption
 - RFP Exception
 - Standard Term Exception
 7. **Under separate cover: Submit a Cost Proposal as described in Appendix F. No mention of the cost proposal may be made in any other part of the response to this RFP. Inclusion of cost information other than in the cost proposal may result in disqualification of the proposal. Failure to provide a cost proposal or failure to provide it under separate cover will result in disqualification.**

1.2.5 Multiple Proposals

Multiple proposals from a vendor are not permissible.

1.2.6 Contacting Vendor References and Conducting Site Visits

By submitting a proposal in response to this RFP, the vendor grants rights to the Department to contact or arrange a visit with any or all of the vendor’s clients and/or references.

1.3 PROPOSAL REVIEW AND AWARD PROCESS

1.3.1 Preliminary Evaluation

Proposals will initially be reviewed to determine if mandatory requirements are met. Failure to meet mandatory requirements as stated in Appendix B or failure to follow the required instructions for completing the proposal as specifically outlined in Section 1 may result in the rejection of the proposal. If no vendor meets one or more of the mandatory requirements, the state reserves the right to continue the evaluation and select the proposal that most closely meets the requirements.

1.3.2 Selection Process

Proposals that pass the preliminary evaluation will be reviewed by an evaluation committee and scored against stated criteria. The committee will review written proposals, references, additional clarifications, and may require oral presentations, site visits, and other information to evaluate whether the proposal fulfills all of the specifications and requirements for this RFP. The evaluation committee's scoring will be tabulated and proposals will be ranked based on the numerical scores received.

Based on the results of the evaluation and taking into account all of the evaluation factors, the proposal(s) determined to be most advantageous to the Department may be selected by the Department for further action.

1.3.3 Oral Presentations

The proposer may be required to provide a personal interview with the Department staff. Failure of a proposer to make a presentation to the Board or Department on the date scheduled or to respond to requests for additional written information may result in rejection of the submitted proposal.

1.3.4 Evaluation Criteria

Proposals must be as succinct as possible in providing an accurate picture of the vendor's ability to meet ETF's needs in a thorough, accurate, responsive and cost-effective manner. Any proposal that does not adhere to RFP requirements may be rejected as not responsive to the RFP without further consideration. ETF will evaluate proposals to determine which proposer will best satisfy all requirements set forth in this RFP. The following presents the evaluation criteria that will be used in determining the finalist(s).

Proposals will be evaluated based on the following weighted percentages:

- Project Understanding and Approach – 50%
- Experience, Qualifications and References – 30%
- Price Proposal – 20%

Proposals that do not fall within a competitive range will not be considered for the award and the proposers will be notified of such. Best and final offers may be requested.

1.3.5 Award

The contract will be awarded to the vendor whose proposal is determined to be the most advantageous and best value as determined by the Department. The agency reserves the right not to award a contract as a result of this RFP. If contract negotiations cannot be concluded

successfully with the awarded proposer(s), the State may negotiate a contract with the next highest scoring proposer(s).

1.3.6 Notice of Award

All vendors who respond to this RFP will be notified of the Department's intent to award the contract as a result of this RFP.

1.3.7 Right to Reject Proposals

The Department reserves the right to reject any and all proposals. The Department may negotiate the terms of the contract, including the award amount, with the selected vendor prior to entering into a contract.

1.3.8 Appeals Process

The appeals procedure applies only to those requests for bids/proposals for services that are over \$50,000. Notices of intent to protest and protests must be made in writing. Written protests must be as specific as possible and must identify statutes and the Wisconsin Administrative Code provisions that are alleged to have been violated.

The written notice of intent to protest the award of a contract must be filed with Robert Conlin, Secretary, Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931, and received in that office no later than five (5) working days after the notices of the intent to award are issued. A copy of the notice of intent to protest must also be sent to the purchasing officer named in Section 1.1.2.

The written protest itself must be received in the Secretary's Office at the above address no later than ten (10) working days after the notices of the intent to award are issued. A copy of the written protest must also be sent to the purchasing officer at address listed in Section 1.1.2.

The decision of the Secretary may be appealed to the Secretary of DOA within five (5) working days of issuance, with a copy of such appeal sent to the RFP manager. The appeal must allege a violation of a statute or a provision of a Wisconsin Administrative Code.

2 BACKGROUND

The section includes information provided to assist the proposer in completing the RFP response document. This section is for informational purposes; no response is required from the proposer unless elsewhere stated. For additional information on the programs, please review the following program information and related Web sites:

Table 3: Reference Materials

DOCUMENT	WEB ADDRESS
Employee Trust Funds Internet Site	http://etf.wi.gov/
Risk Remediation Roadmap for Online Self Service	http://etfextranet.it.state.wi.us/etf/internet/RFP/tim/risk-remediation-etj0038.pdf
2010 Comprehensive Annual Financial Report (CAFR)	http://etf.wi.gov/about/2010_cafir.pdf

2.1 AGENCY HISTORY

The Department of Employee Trust Funds (ETF) is the Wisconsin state agency that administers benefit programs for the State of Wisconsin and most local government employers. The Wisconsin Retirement System (WRS) is ETF's largest program, providing Defined Benefit plan retirement benefits for more than 577,000 current and former state and local government employees via more than 1,500 employers in 2013.

Federal law, state statutes, state administrative code, and the common law of fiduciaries regulate ETF's programs. The agency is overseen by five independent governing boards, and WRS trust funds are held on behalf of ETF benefit program members and employers. ETF administers the WRS according to Chapter 40 of Wisconsin State Statutes and has a fiduciary responsibility to administer the trust solely for the benefit of WRS participants.

Other ETF-administered programs include health insurance, life insurance, long-term and short-term disability, employee reimbursement accounts, commuter benefits, long-term care insurance, deferred compensation and the accumulated sick leave conversion credit program. ETF also serves as the state's designated Social Security reporting agent for Wisconsin public employers. Currently ETF administers programs for WRS members and University of Wisconsin graduate assistants (non-WRS members). Recent legislation (Act 133) requires ETF to administer health insurance for non-ETF members, specifically local government employees. Other legislation (Act 32) requires ETF to administer health insurance for a small group of members transferred to the state but who remain under the Milwaukee County Retirement System. The members affected under Act 32 will not have access to any other ETF benefits; only health insurance benefits. ETF is currently assessing the impact of these two new Acts on their current systems and planning solutions to administer them.

Participation in the WRS by eligible employees is mandatory for retirement benefits, but optional for other programs. The Department collects contributions, but does not invest assets in the trust funds created for these programs. The State of Wisconsin Investment Board (SWIB), a separate state agency, professionally manages the investments of the WRS trust funds.

2.2 GOVERNANCE AND MEMBERSHIP SIZE

There are five Boards of Trustees associated with ETF. The Boards set policy and review the overall administration of the benefit programs provided for state and local government employees. The thirteen-member ETF Board has oversight responsibility for the Department.

The five governing Boards are:

- Employee Trust Funds Board (13 members)
- Teachers Retirement Board (13 members)
- Wisconsin Retirement Board (9 members)
- Group Insurance Board (11 members)
- Deferred Compensation Board (5 members)

ETF is responsible for:

- Collecting all money due to the trust funds
- Calculating and ensuring appropriate disbursement of all benefit payments from the trust funds
- Providing information to, and answering inquiries from, participating employees and employers
- Establishing the controls, systems, and procedures necessary to ensure the appropriate administration and security of the trust

Wisconsin public employers are eligible to participate in the WRS. The system covers employees of the State of Wisconsin, employees of local government employers who elect to participate, and Milwaukee Public School District teachers. Employees of the City of Milwaukee and Milwaukee County are covered under different pension systems. Some employers are required by law to participate in the WRS (e.g. all state agencies and all Wisconsin school districts). For other public employers, participation is optional. An employer's resolution to participate in the WRS is irrevocable. As of December 2011, 27% of all employers were state government employers and 73% were local government employers. Currently there are more than 1,500 employers participating in the WRS, including 59 state agencies.

As reported in the 2010 CAFR, there were 572,219 participants in the WRS. The following table shows the breakdown of those participants.

Table 4: Participant Figures

PARTICIPANT TYPES	QUANTITY (FROM 2010 CAFR)	
	SUB-TOTAL	TOTAL BY TYPE
Retired Members (retirees, disability benefit recipients, and beneficiaries)		159,787
Active Employees		266,629
General	242,328	
Elected Officials and Appointed State Executives	1,430	
Protective with Social Security Coverage	20,110	
Protective without Social Security Coverage	2,761	
Inactive Members		145,803

General active employees include public school teachers (about 35% of total generals), university faculty (about 8%), and other general employees such as employees of state agencies (about 57%).

The ETF administered Health Insurance programs receive annual premiums of over \$1.5 billion. The premiums provide for 240,000 covered lives and include all state employees and over 380 units of local government. There are 20 health or self-insured plans, and ETF administers a \$220 million pharmacy benefit program.

ETF's life insurance administration includes over 175,000 insured lives with annual paid benefits of \$30 million. It has over \$26 billion of coverage in force and includes all state employees and over 700 units of local government.

Employee Reimbursement Accounts receive annual contributions of \$19.1 million. Currently there are 10,300 enrollees using this program.

2.3 FINANCE ORGANIZATION AND STAFF

ETF's Office of Budget and Trust Finance (OBTF) is comprised of the agency's Office of Trust Finance and Data Analysis (OTFDA) and Budget/Policy sections. The OBTF is responsible for managing the agency's operating budget, biennial budget development, fiscal estimates, and procurement. The OBTF oversees the financial management and reporting responsibilities,

including implementing and controlling ETF's accounting systems. The OTFDA also collects and posts employer monthly contribution deposits and allocates funds as a result of the employer annual reconciliation currently performed by Employer Services. Finally, OTFDA manages the contribution systems and coordination of the department's annual WRS processing activities including the generation and distribution of annual retirement account statements to active and inactive participants.

The OTFDA is responsible for the preparation of a variety of periodic financial reports to managers inside and outside the department. These reports allow users to monitor, control and understand the trust funds administered by the department. The department's primary financial report is the Comprehensive Annual Financial Report. It includes audited financial statements, statistical, actuarial and investment data, and descriptive information about the department and the programs it administers. The office also prepares financial reports for the Boards who are responsible for overseeing the department. Periodic financial status reports are prepared for select programs providing program managers with timely information on the condition of those programs. A variety of other financial and statistical reports are prepared as needed to meet the needs of management and the public. The OTFDA is comprised of the GAAP/Actuarial Team, Insurance Programs Team, and a Retirement Programs Team.

Functions performed within OTFDA include:

- Remittance processing which includes the collection, deposit and reconciliation of WRS contributions, and health, life, and income continuation insurance premiums
- Reconciliation of Employee Reimbursement Account deductions
- Employer system maintenance
- Employer invoice distribution and collection
- Reconciliation of daily system control totals
- Service purchase buyback application/remittance processing
- Qualified Domestic Relations Order (QDRO) enrollment and processing
- Post WRS reconciliation processing
- Generation and distribution of annual WRS Statements of Benefits
- Performing federal IRS testing to ensure compliance with contribution and compensation limitations
- Annual Interest crediting to open accounts
- Rate calculation for various programs (i.e. duty disability)
- Make payments to vendors and third-party providers

The Budget/Policy section of OBTF performs the budgeting, purchasing, and annual reporting duties for ETF. Functions performed by Budget/Policy include:

- Develop and administer ETF's biennial budget
- Establish the agency's detailed operating budget
- Monitor the operating budget throughout the year and provide regular reports to the Secretary's Office on the status of the budget
- Procure goods and services as needed for efficient department operation
- Make payments to department vendors
- Assure that all bills for department administration are paid timely and accurately
- Coordinate the fiscal estimate process

- Coordinate requests for proposals or bids

2.4 CURRENT SYSTEMS

2.4.1 Existing Accounting System

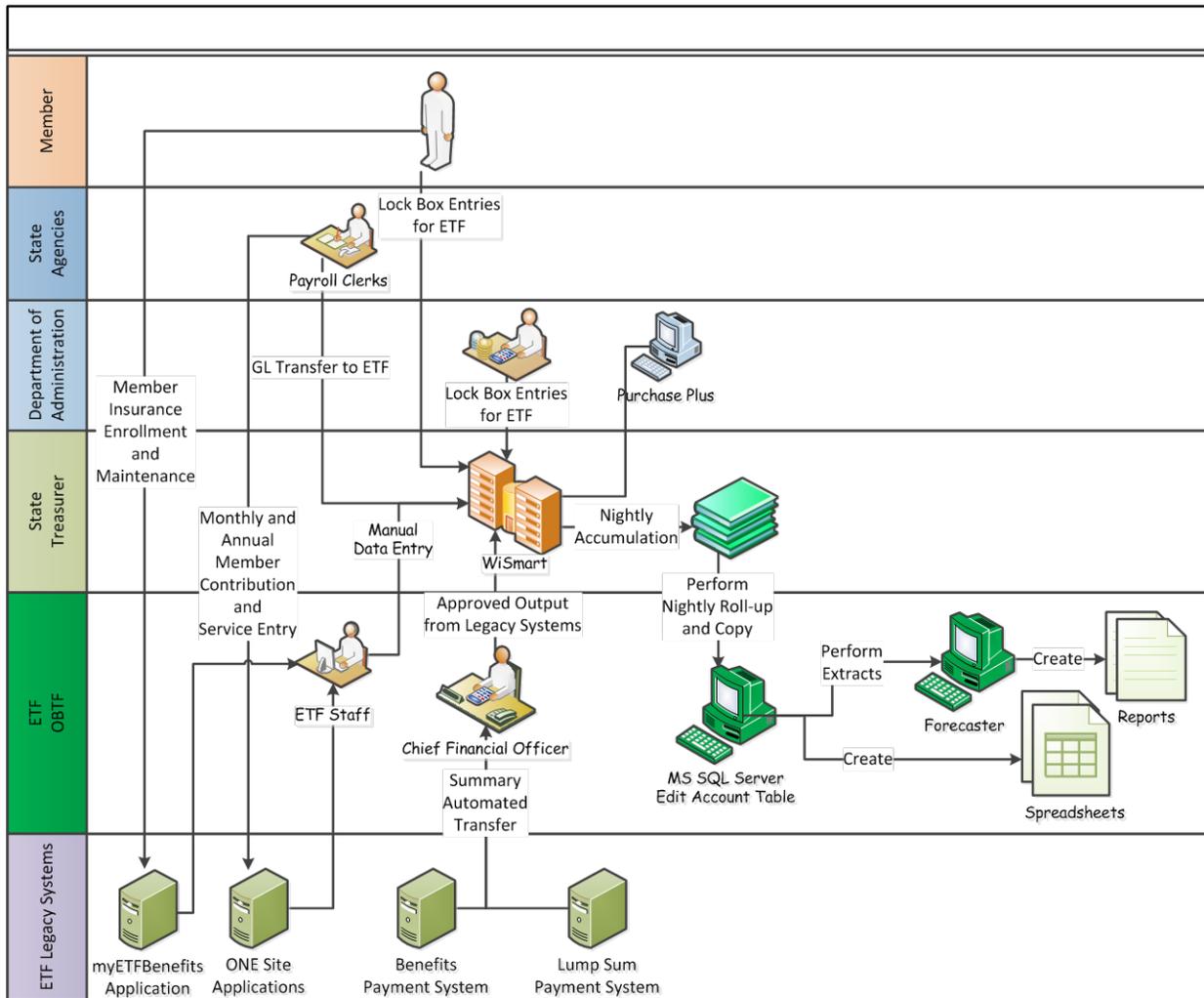
The current financial systems were developed using MS Access and Excel. Recently, the MS Access database was replaced with MS SQL Server. This database is referred to as “Edit Account Table,” and it supplies the data to the spreadsheets that are used throughout the OBTF.

The data that is used to populate the SQL Server databases comes from the state hosted WiSMART system. WiSMART is where ETF enters daily financial transaction information. WiSMART also receives data from state agencies as well as ETF’s Benefit Payment System (BPS) and Lump Sum Payment System (LSPS). WiSMART is ETF’s official book of record and maintains both summary and detail level transactional data. In turn, a daily download is made available from WiSMART. This download is used to populate ETF’s Microsoft SQL Server databases. The types of information downloaded include but are not limited to revenue, expense, balance sheet, and encumbrance transactions. This downloaded data is loaded into the Edit Account Table database through queries and is also used to populate spreadsheets for further processing. MS Forecaster is used to produce various financial reports and statements from summary information taken from the Edit Account Table database and stored in the MS Forecaster database (MS SQL Server database). Budgetary analysis is performed using an Excel add-in to Forecaster. The data stored in MS Forecaster is a summarized version of data that is stored in the above mentioned MS SQL Server database.

The Budget/Purchasing staff utilizes several systems in addition to WiSMART and MS Forecaster to perform their duties. For the purchasing activities, three separate systems are used to complete the purchasing processes. For most information technology purchases using an ETF credit card (referred to as p-card), the Simple Requisition System (SRS) is used. The SRS system is an ETF developed application. For purchases over \$5000 and/or purchases that require payment via check (not p-card), the DOA-hosted, web-based Purchase Plus (P+) purchase order system is used. The P+ system also provides automated updates into WiSMART for purchase orders and payments. Accounts Payable (AP) uses P+ to make payments tied to purchase orders and direct payments not tied to purchase orders. AP also uses Wismart to process travel vouchers and DOA general service billings.

Figure 1 provides a visual of the flow of data into WiSMART and subsequently into and through the ETF Edit Account Table database:

Figure 1: Current ETF Accounting System Data Flow



A partial example of the documentation available for the interface file that comprises the summary automated transfer between the Benefits Payment System and WiSMART appears in Appendix H of this RFP. Documentation for all of the interfaces indicated in Figure 1 is available to the selected vendor.

2.4.2 Existing Accounting-Related Processes

Below, we have arranged OBTF's processes into common accounting functions. Table 5 identifies these common processes and details what system or spreadsheet is used by OBTF to fulfill the processes.

Table 5: OBTF Processes and Systems

FIXED ASSET MGMT	GENERAL LEDGER	ACCOUNTS PAYABLE	ACCOUNTS RECEIVABLE	BUDGETING	REPORTING	INVENTORY	PURCHASING
MS Access*	WiSMART	WiSMART	WiSMART	MS Forecaster	MS Forecaster	*MS Access	WiSMART
	Edit Account Table	P+		Excel	Excel		PCards

FIXED ASSET MGMT	GENERAL LEDGER	ACCOUNTS PAYABLE	ACCOUNTS RECEIVABLE	BUDGETING	REPORTING	INVENTORY	PURCHASING
					Edit Account Table		SRS (MS Access)
					P+		P+
* The Fixed Asset Management and Inventory processes use the same MS Access database.							

2.4.3 Existing Accounting System Interfaces

The current interfaces are described below:

- BPS Daily Upload to WiSMART** – BPS provides for a daily upload file to WiSMART with data that will generate an Accounts Receivable (AR) transaction. An example of the type of transactions is the processing associated with the death of an annuitant:
 - The death notification is received after one or more monthly retiree payrolls are completed.
 - The annuitant’s estate must reimburse ETF for the monthly annuities that were incorrectly paid.
 - An accounts receivable transaction is generated in BPS and uploaded from BPS to WiSMART.
 - Once the transaction is entered into WiSMART, it then follows the standard data flow through WiSMART and is downloaded to OBTF’s Edit Account Table database.
- BPS Monthly Upload to WiSMART** – BPS provides for a monthly annuity file for processing in WiSMART. When this process is run, BPS also generates a paper voucher that is delivered to OBTF. Once the electronic records are uploaded to WiSMART, OBTF compares the WiSMART entries with the paper voucher entries. If they balance, OBTF approves the transactions and initiates the posting. The transactions are then pushed from WiSMART to OBTF’s Edit Account Table database. The BPS process also creates a check file that is sent to DOA for printing the monthly annuity checks, which must also be approved by OBTF.
- LSPS upload to WiSMART** – The LSPS upload process is a weekly process. Once a week the lump sum payments are transferred to WiSMART. Paper vouchers are created and OBTF manually checks WiSMART against the paper vouchers. Once balanced and approved in WiSMART, records are pushed down to the Edit Account Table database. The checks are printed and mailed at DOA via a check file produced out of LSPS.
- Employer Monthly Reporting to WiSMART** – During the monthly reporting cycle, all employers report total contributions to be deposited into the ETF retirement funds for that month based upon the number of employees and the employee’s salaries. The employers use the ETF hosted web based system One Site for entering the earnings, and One Site validates the employer’s calculations of the amount of contribution the employer owes ETF. One Site is an online application that the employers use to report monthly contributions. About 30-40 employers still use a paper form to report the earnings and contribution amounts. When a paper report is received, ETF staff enters the information into One Site. After using One Site to validate the contribution amount owed to ETF, the employer pays the contribution amount via an ACH transaction. The ACH transaction creates a cash receipt transaction in WiSMART. These cash receipt transactions are downloaded to the Edit Account Table database.
- Employer Annual Reporting** – This is not a direct interface to WiSMART. However, it is part of the annual reconciliation process. The annual reconciliation process is a major undertaking each year. Changes in this area open up a big opportunity for a process improvement for ETF.

Annually, employers report contribution, salary, and service information for each individual employee. The information reported is transmitted to the ETF WEBS system. Since OBTF has all the previously reported monthly employer contribution amounts in their Edit Account Table database, they balance the monthly information with the annual detail information sent to WEBS. This annual balancing process is difficult and time consuming, usually taking 2 to 3 calendar months.

6. **ETF Manual Entry** – ETF staff manually enters transactions such as annual closing entries, adjustments between ETF funds, and cash receipt transactions into WiSMART on a daily basis. The detailed transactions are electronically pushed from WiSMART into the Edit Account Table at ETF.
7. **Bank Lockbox** – Bank lockbox transactions occur when a check is written to ETF and needs to be deposited. Currently, two banks process the checks. Once the bank processes the check and sends the information to DOA, DOA in turn creates multiple cash receipts in WiSMART that credit ETF's account. The cash receivables are picked up in the nightly process and downloaded to the Edit Account Table database.
8. **Monthly Health Insurance Allocation System (EVP)** – The EVP system tracks and reports what employers owe for monthly health insurance. This information is manually entered into an Excel spreadsheet by ETF staff. The information is broken down by employer and the various organization costs such as health insurance, drug costs, and administration fees. This MS Excel spreadsheet is then uploaded into WiSMART creating AR transactions.
9. **Purchase Plus (P+)** – The P+ system processes and tracks ETF purchases over \$5000 and for purchases less than \$5000 that require payment via check. The P+ system interfaces with WiSMART by delivering accounts payable transactions for purchase orders and cash transactions for payments made.
10. **Pulls from WiSMART** – OBTF pulls data from WiSMART as part of their operations:
 - ❑ Check numbers from the DOA check writing process where a file from DOA is used to populate the check numbers on BPS and LSPS
 - ❑ An accounts receivable update file which is used to populate a WEBS table containing account receivable balances (not part of the financial interface, this will go away once the new financial management systems AR module is implemented)
 - ❑ The daily download into ETF's Editacct database
 - ❑ In the future, contribution payments (funds transfers) from State agencies as well as cash receipts created by DOA relating to lock box transactions.

2.5 STRENGTHS, SHORTCOMINGS, AND OPPORTUNITIES FOR IMPROVEMENT

As part of ETF's analysis of its accounting processes, ETF identified the following observations about processing and organizational strengths and weaknesses in the current processing and opportunities for improvement.

2.5.1 Strengths

Observed current system strengths, such as:

1. **Experienced staff** – ETF staff have considerable experience working with the current system environment which provides them with a good understanding of all the various spreadsheets and processes.
2. **Use of MS Excel** – MS Excel is widely known and used as a reporting and data manipulation tool. ETF staff is well versed in MS Excel allowing them to easily adapt to using new or shared

spreadsheets. The knowledge they have and the multiple tools and systems they have available enables the staff to accommodate most needs.

3. **Good data accuracy** – ETF staff are confident that the accuracy of the data and the results produced by the systems are of high quality.
4. **Flexible reporting** – MS Forecaster report functionality is flexible and allows ETF staff to produce reports quickly. MS Forecaster reporting makes it easy to pull in data columns and time frames during report creation. One staff person and two managers can use the system effectively. This allows for flexible reporting. If these three people were not available, the reports would be harder to produce until such point others were trained and proficient.
5. **Financial reporting** – Financial reporting is done through Forecaster and is effective. ETF is satisfied with its capabilities.
6. **IT support** – The systems used by ETF (MS Forecaster, MS SQL Server, MS Excel) require very little IT support.
7. **Low cost of ownership** – The licensing costs for the MS Forecaster, MS Access, and MS Excel are low.
8. **P+** – This state-provided and -hosted tool provides the ability to attach all related documents to a PO and payment. ETF staff believes this image functionality is a beneficial feature and allows access to all aspects of the PO or payment in a single system interface and a single *screen* within that single system.

2.5.2 Shortcomings

Identified shortcomings with the current accounting system are:

1. **Multiple database files** – Lack of a single, integrated relational database means that many data elements exist in multiple locations and are not always consistent from one location to another. Users must often make multiple queries of multiple systems to find answers to their questions and those of members.
2. **Manual data entry** – Data must often be manually transferred from one data file to another and be manually entered into multiple databases and spreadsheets.
3. **Lack of Integration** – Since the many programs do not “talk to” one another, data must often be manually entered into the system in several places. The need for multiple data re-entry has the potential for causing errors.
4. **Navigation** – The lack of integration of business applications, electronic workflow, and context-sensitive user help means that navigation among systems and the various spreadsheets is cumbersome and requires significant training of new hires before they can become proficient at their jobs.
5. **Data and calculation checking** – A large portion of the system functionality is processed via multiple spreadsheets. Editing and calculation checking have not been designed into the spreadsheets.
6. **Spreadsheets** – Business users, in their efforts to ensure consistent application of business rules to calculations, have developed spreadsheets that perform calculations for them. The spreadsheets have proliferated to the point where the many spreadsheets essentially represent the “accounting system” used at ETF. There is not a good inventory of the spreadsheets, and they are not well documented.
7. **BAS integration** – The current accounting system environment is not well suited for integration into the current ETF systems environment nor is it positioned for ready integration with a new Benefits Administration System (BAS) when such a system is procured and implemented.

8. **Training** – MS Forecaster requires training to use it effectively. Without adequate training, users cannot drill down to determine why something reports as it does. Currently, only three ETF staff are knowledgeable enough to perform the necessary functions.
9. **MS Forecaster** – ETF’s version of MS Forecaster is out of date and no longer supported by Microsoft.
10. **Complicated System** – It takes WiSMART, MS SQL Server, Forecaster, other tools, and many spreadsheets – estimated at 250 – to fulfill the daily accounting needs. The processes require “hand-offs” across systems to complete a single workflow. In some situations, significant effort is required of users to finish some activities.
11. **P+** – While the Purchase Plus system has good imaging features, it has several shortcomings that negatively affect ETF’s operations. For example, it has no ACH or EFT functionality and no support for General Service Billing, Travel reimbursement, or PCard transactions.
12. **WiSMART UI** – The user interface (UI) for WiSMART is inefficient and difficult to use.
13. **Accounts Receivable** – ETF performs their accounts receivable functions in WiSMART though the functionality provided is inadequate. Electronic communication with those who owe money is lacking. Interest calculation is complicated, and ETF cannot recreate an interest calculation if they need to re-establish a record.
14. **Debt Referral** – The entry of debt collection information must be done via manual data entry.
15. **Fiscal vs. calendar year** – Work-arounds are required to manage fiscal vs. calendar year reporting. From a budgeting perspective, working in a fiscal year basis requires manipulating the system to get around the calendar restrictions (i.e. half of one year and half of a second year).
16. **Change management** – Multiple spreadsheets require individual maintenance when changing interest rates, etc.
17. **Transaction auditing** – Current audit features are poor to non-existent. Over-reliance on spreadsheets does not lend itself to maintaining an electronic audit trail.

2.5.3 Opportunities for Improvement

Opportunities for improvement include:

1. **Data Entry** – Most data entry is performed using WiSMART or Purchase Plus. The user interface for WiSMART is not efficient. A more efficient user interface could increase productivity. There are also instances of redundant data entry. An FMIS with automated feeds into WiSMART would eliminate many instances of this. Purchase Plus automatically feeds data into WiSMART, but many other systems do not.
2. **Process** – A new system would allow ETF to review their current processes and change to take advantage of functionality incorporated in an FMIS. ETF staff felt many opportunities for improvement exist. Once a solution is identified, the process improvements will be determined based upon the software’s capabilities.
3. **Productivity** – If the FMIS is integrated with a BAS, and the BAS is used to process employer reporting on a monthly or pay-period basis, the annual reconciliation process may be eliminated thereby reducing a significant effort for ETF staff. Currently, it takes ETF two to three months each year to reconcile the annual employer reporting.
4. **System Integration with new BAS** –The lack of integration requires ETF staff to execute multiple steps across multiple systems with dual data entry points. Integration with BAS and other systems is a required feature of modern applications.

5. **Improve the interest calculation** – The interest calculations on accounts receivable balances are executed in the WiSMART system. The ETF staff does not have easy access to review the calculations which makes it difficult and time-consuming to trouble shoot issues.
6. **Communication module, particularly in the generation and use of form letters** – Many form letters are produced by ETF staff by manually re-entering the information into previously used form letters. Better integration and merging of data for letter generation would provide efficiencies and improve the timeliness and accuracy of member communications.
7. **Improve audit trail** – A new integrated FMIS would log all data changes and transactions and identify who changed what and when they did so.
8. **Provide more accurate reporting** – Currently, it is difficult for ETF staff to leverage the data they have stored in the various systems. Improved ad hoc reporting and a single FMIS database would help ETF manage information requests.
9. **Tie operating budget into expenses** – Currently, there is no electronic relationship between operating budget and expenses. The selected solution would use the operating budget and pull from HR data, capital project data, encumbrance, and expenses. The solution would also allow for projection and modeling.
10. **Data Warehouse potential** – ETF understands the benefits inherent in data warehouse. With data stored in MS Excel spreadsheets, creating a data warehouse is considered difficult to impossible. A single database with an integrated FMIS system would allow ETF to include the accounting data in a data warehouse undertaking.

3 MINIMUM VENDOR REQUIREMENTS

All proposers must respond to the following by restating each question or statement and providing a detailed written response. Instructions for formatting the written response to this section are found in Section 1.2 Preparing and Submitting a Proposal.

If there are requirements in this RFP which the proposer believes they exceed, or the proposer believes they add value that distinguishes them from other potential vendors, the proposer should note those capabilities in their response to each section as appropriate. Additionally, if there are requirements the vendor knows PeopleSoft is incapable of satisfying, the vendor should explain in detail why that is the case and how it might be worked around or otherwise satisfied – or why it need not be satisfied.

3.1 ORGANIZATIONAL CAPABILITIES

Response to the following statements or questions should demonstrate the vendor's organization's ability to address ETF's requirements as outlined in this RFP.

1. Provide your company's name, home office, address of the office providing services under the contract and the telephone number, fax number and e-mail addresses for individuals providing services under the contract.
2. Provide information about your company's principal business, information about your company's ownership, number of employees, number of offices and locations.
 - a) Include any pending plans for your company's expansion, relocation, consolidation, merger, acquisition, or sale.
 - b) Provide a review of the evolution of the growth of your organization, highlighting any acquisitions, and/or mergers over the past five years.
 - c) Provide your company's short and long-term strategic business plans.

3. Provide information about any accreditations, certifications or industry designations your company currently holds, and/or has been awarded in the past 5 years.
4. Organization Charts – Provide a proposed project organization chart.
5. Organization Narratives – To supplement the organization chart, describe the functional responsibilities, interaction and reporting relationships. Further, describe the Proposer's view of the nature of the relationship between ETF and the Proposer.
6. Staff Location Plan - The Proposer must describe its approach for creating a presence at ETF including the location of vendor staff and equipment.
7. Availability – The Proposer must provide assurance that any of its staff not physically located in Madison, Wisconsin, will be available to ensure that the project schedule is met, including a discussion of other projects to which they may be simultaneously assigned.
8. Monitoring deliverables – Identify the type and appropriate level of resources required to monitor deliverables and associated milestones for this project. Please share your methodology and approach to address this need.
9. Provide a description of any and all contracts currently held by your company with other public retirement and benefits administration systems. The response must:
 - a) Identify the entity.
 - b) Briefly describe the services provided.
 - c) Identify the length of the contract including the start date.
 - d) Identify and briefly describe the resource commitment.
10. Please outline and describe the nature of any subcontractors, business relationships, partnerships, or co-ownership partnerships currently in place. Indicate any ongoing responsibilities – financial, strategic or otherwise – in place or that result from these ties. If such relationships exist, describe these responsibilities in detail.

None of the services to be provided by the contractor shall be subcontracted or delegated to any other organization, subdivision, association, individual, corporation, partnership or group of individuals, or other such entity without the prior written consent of the Department. The determination of whether such consent will be provided shall rest solely with the Department. No subcontract or delegation shall relieve or discharge the contractor from any obligation to meet deliverables, stated time frames or from liability under the contract.

11. Provide information about contract performance. The response must include specific detailed information regarding legal action(s), including pending actions and those taken against your company in the past five (5) years, for:
 - a) Any and all situations where your company has defaulted on a contract to provide consulting and implementation services.
 - b) Any and all litigation regarding contracts to deliver services.
 - c) Any and all situations where a contract has been canceled or where a contract was not renewed due to alleged fault on the part of your company.
 - d) State whether or not your company has been subject to any sanctions or enforcement action related to privacy compliance including civil or criminal sanctions or enforcement actions.

3.2 MINIMUM QUALIFICATIONS

3.2.1 Proposer Minimum Qualifications

The successful vendor, or the vendor's key primary consultant, must have implemented those PeopleSoft modules on the Oracle database selected for use at ETF in at least three other engagements with requirements similar in complexity to those outlined herein, one such client being a public sector agency.

The proposer must submit as part of their response:

- a) A detailed description of three similar past projects, including services and dates the services were provided.
- b) Staffing on each of the above referenced projects.
- c) The fees/price of the services that were provided on each project.
- d) A reference sheet for each of the above referenced projects. Use the Reference Sheets in Appendix E to provide the information. Each reference must identify:
 - i) The company/agency for which services were provided and the type of program administered.
 - ii) A contact person whom ETF may contact.
 - iii) Details of products and services provided.

ETF reserves the right to contact references other than those provided.

3.2.2 Key Personnel, Other Vendor Staff, and Subcontractors

In this part of the proposal, the Proposer must provide resumes for all personnel assigned to the project. The Proposer must propose a team of consultants who have worked together previously in similar projects with functionality comparable to that requested herein. Potential key personnel are identified as, but not limited to:

- Project Manager/Team Lead
- Other to be identified by Proposer

Persons for whom resumes are included must be assigned to do the work on this project. The resume for each key personnel must include the following general information:

1. At least three years of experience in PeopleSoft projects, as a project lead, a DBA, and/or as a developer.
2. Reference to at least three similar successful and completed projects in the public sector.
3. Relevant education and training, including college degrees, dates, and institution name and location including any PeopleSoft and/or Oracle Certifications
4. Best practices and lessons learned that resource would use to accomplish deliverables.
5. Names, positions, titles, e-mail address and current phone numbers of a minimum of three references from prior clients who can attest to the individual's experience and ability to perform tasks in a project similar to that described herein. References may be the same as those provided for corporate references. They may not be employees of the proposer. ETF reserves the right to contact other references not listed in the proposal.
6. Type and length of professional work experience with the vendor and or subcontractor.

7. Percentage of the staff member's time to be devoted to this project, any percentage devoted to other projects occurring in the same time frame, and the projected start date for working on the project.
8. Experience in verbal and written communication with both technical and non-technical individuals.
9. Background and experience in sufficient detail to convince ETF these individuals can perform the work required under this RFP. Where reference is made to use of a specific tool, reference must include the name of the tool and where, when, and how it was used.
10. Experience with the tools vendor is proposing to use (e.g. MS Project, VISIO, custom-developed tool, etc.).

4 SCOPE OF WORK

4.1 INTRODUCTION

ETF's objective for this engagement is to replace the disparate accounting systems, databases, and spreadsheets with a comprehensive and integrated Financial Management Information System. ETF will procure the appropriate number of licenses for PeopleSoft (including multiple environments – e.g., production, test, etc.) to replace the functionality provided by the current mix of spreadsheets, databases, and reports. ETF expects the vendor to minimize the amount of customization required.

ETF expects the vendor to have knowledge of the implementation and configuration of the PeopleSoft functionality identified below. The vendor will be responsible for installing the software in the ETF-specified environments. Working with designated ETF staff members, the selected vendor will be responsible for implementing PeopleSoft in a controlled and phased manner based on a Project Management Institute Project Management Body of Knowledge (PMI PM-BOK)-compliant methodology, leading ETF staff in configuring the software to meet their business needs, training ETF staff in the use of the software, leading ETF in a comprehensive testing effort, and ensuring all interface and integration requirements are met by the system. The implementation vendor is expected to work with ETF staff to:

- Advise ETF as to best practices, appropriate configurations, etc. throughout the project.
- Conform to data governance standards as defined by ETF. This includes data classification, security, and auditing policies that are currently in place – see Appendix I for the current policies
- Install and configure the software, including the Oracle database and at least the following general functions:
 - General Ledger
 - Accounts Payable
 - Accounts Receivable
 - Budget
 - Reporting
 - Cash Management
 - Project Accounting
 - Fixed Asset Management

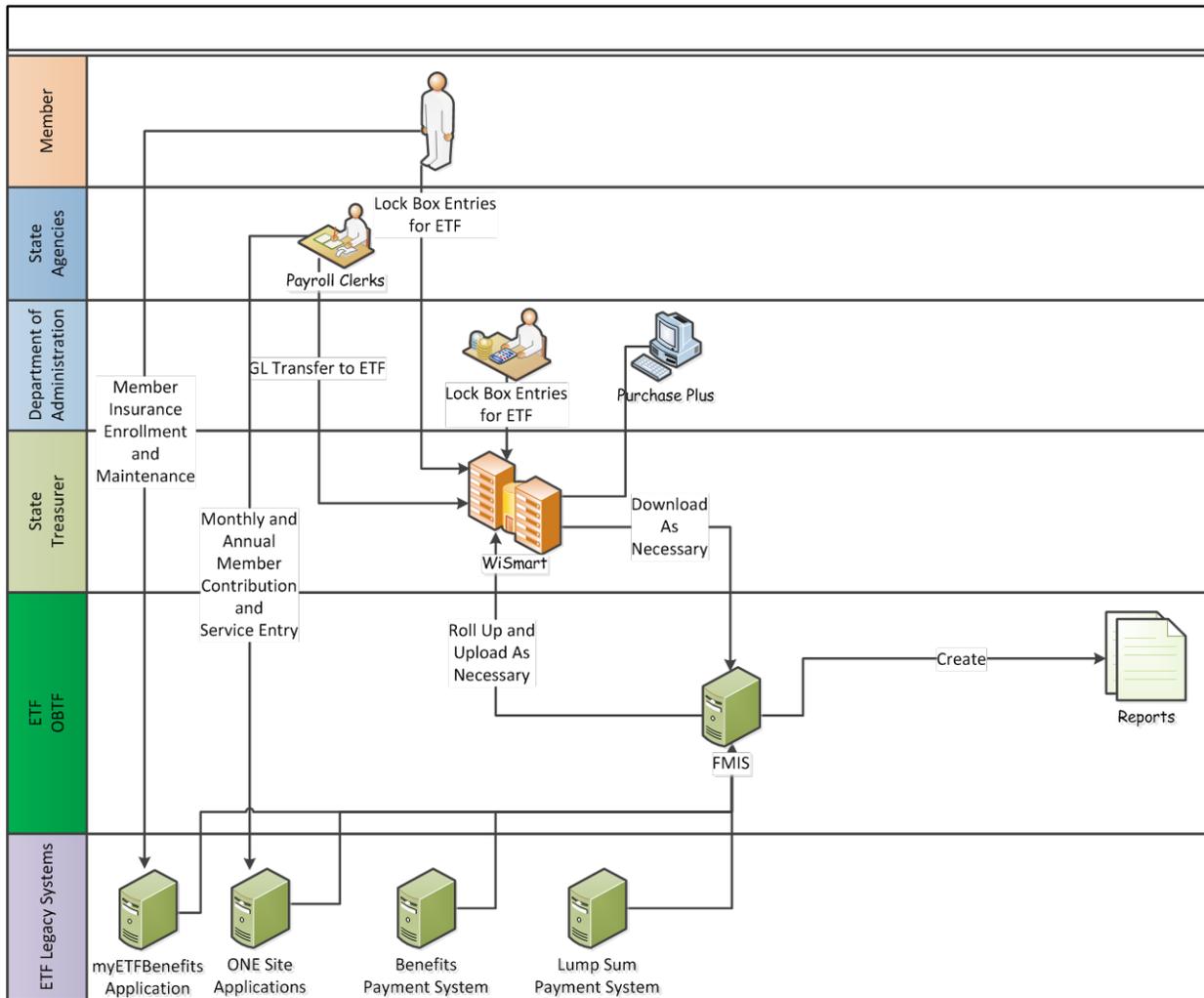
ETF believes ETF will need PeopleSoft's Financials and Project Accounting modules but looks to the vendor to either confirm or refute this while taking into consideration the business requirements identified in subsequent sections.

- Customize the software as appropriate. ETF expects to perform minimal customization of the installed system. Should a Highly Desired functional requirement listed in this RFP require significant customization, the vendor is expected to share that information with the ETF Project Manager and jointly determine an appropriate resolution.
- Perform the appropriate integration with both ETF's existing systems and the state's WiSMART system.
- Fully test the installed solution.
- Train the members of OBTF and other members of ETF staff (a total of about 60 employees) on the use of the system to accomplish ETF's current processes.
- Migrate the existing systems, including data and all work in progress, from the existing spreadsheets and database, into the new solution.
- Provide post-installation knowledge transfer and support for a period of three months, including a warranty of any customization work done on ETF's behalf.

4.2 STRATEGIC OUTCOME

ETF expects that the outcome of this project will have changed the data flow that appears in Figure 1 to that more like the architecture in Figure 2, below:

Figure 2: Expected Data Flow post FMIS Installation



Instead of having data flow directly into WiSMART from ETF's web-based and legacy systems, data in the revised system would be uploaded and posted into the FMIS system. Once in the FMIS, it would be checked and managed before being exported to WiSMART. Data may be downloaded as necessary from WiSMART into the FMIS system, but the downloaded data will not be required (as it is today) to provide ETF with their financial system numbers. In addition, OBTF reports will be generated within the FMIS system rather than spreadsheets and MS Forecaster.

4.3 PROJECT APPROACH

ETF has a knowledgeable information technology staff. IT staff has been involved in the development of systems currently used by ETF, and ETF expects the IT staff will continue to be active in all new systems efforts. ETF will have IT (.5 FTE Server and Database Support) and two-three OBTF staff available to work with the proposer's staff. ETF expects the proposer's plans to include utilizing these IT and business resources. Other staff may be made available upon request.

As part of their response to the RFP, the proposer shall:

1. Describe how they will satisfy RFP requirements through their implementation methodology and project management process.

2. Illustrate how they will use IT staff and describe their role within the project. Describe the role of any other ETF technical staff required of the project.
3. Describe when additional ETF business staff will be required, how many will be required and what skill set each must have.
4. Describe the time frame for the project and how the required tasks can be completed prior to December 2, 2013, when the implementation of the Benefits Administration System is slated to begin.

4.4 SOLUTION FUNCTIONAL REQUIREMENTS

The tables in subsequent sections describe the Highly Desired and Desired features of the PeopleSoft solution. As noted above, should any of these requirements require significant effort on the part of the implementer, ETF is open to a discussion of how that requirement may be dropped or the desired result obtained in a different way.

4.4.1 General Business Requirements

This section describes requirements that are either required or desired as it relates to General business requirements. General Business requirements are those that are shared across multiple system areas.

Table 6: Functional Requirements General Business Requirements

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
GENERAL BUSINESS REQUIREMENTS				
1.	GB1	System has the capability to track and report on transactions by fiscal year and calendar year and display data grouped into whichever year type is selected.	X	
2.	GB2	System has the ability to provide automated year end close processes by both fiscal year and calendar year. System should close to the level of detail determined by the user.	X	
3.	GB3	System has the ability to permit users to initiate year-end processing at any point in time after the end of the fiscal year and calendar year with appropriate security.	X	
4.	GB4	System has the ability to edit transactions to ensure that each is balanced and complete.	X	
5.	GB5	System has the ability to provide all procedural functions of a fund accounting system in conformity with GASB.	X	
6.	GB6	System provides the ability to make prior fiscal and calendar year adjustments in the current fiscal and calendar year based on appropriate security.	X	
7.	GB7	System provides the ability to balance inter-fund receivable, payable, and operating transfer accounts by fund and maintain the appropriate audit trail.	X	
8.	GB8	System provides the ability to record a date and time stamp, by user, on all transactions.	X	

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
9.	GB9	System provides the ability to allow transactions to be effective date driven.	X	
10.	GB10	System maintains list of commonly used payees.		X
11.	GB11	System provides the ability to comply with GAAP and GASB statements.	X	
12.	GB12	System provides the ability to track all cash disbursements by financial reporting categories (e.g. misc., expense, etc.) required by GAAP and GASB.	X	
13.	GB13	System provides the ability to automatically update the financial balances including general ledger and available budget in the appropriate budget year.	X	
14.	GB14	System has the ability to download data into other file formats (e.g., CSV, Comma-delimited, etc.).	X	
15.	GB15	System has the ability to download data into spreadsheet format.	X	
16.	GB16	System provides the ability to control user view and update ability based on role-based security.	X	
17.	GB17	System provides the ability to control user updates and view capability based on organizational span of control.	X	
18.	GB18	System provides the ability to reverse or adjust prior allocations.	X	
19.	GB19	System provides the ability to calculate and post memo costing entries to tasks.	X	
20.	GB20	System provides the ability to accommodate both fixed and variable costs.	X	
21.	GB21	System has the ability to report on the source and disposition (i.e. why it was done) information on the results of allocation processing.	X	
22.	GB22	System provides the ability to allocate costs among unlimited funds and programs.	X	
23.	GB23	System provides the ability to calculate and post within any open accounting period.	X	
24.	GB24	System provides the ability to allocate across open time periods.	X	
25.	GB25	System provides the ability to make mass corrections/updates, with appropriate role-based permissions, to groups of transactions selected by key fields while maintaining an audit trail.	X	
26.	GB26	System provides the ability for manual data entry of deposit information from hard copy reports by agency.	X	
27.	GB27	System provides the ability to calculate daily cash position by account elements.	X	
28.	GB28	System provides the ability to provide real-time processing.	X	
29.	GB29	System provides the ability to maintain petty cash balances.	X	
30.	GB30	System provides the ability to reconcile petty cash accounts.	X	
31.	GB31	System provides the ability to generate cash projections based on cash flow 'what if' analysis.	X	
32.	GB32	System provides the ability to make corrections or changes during the reconciliation process.	X	
33.	GB33	System provides the ability to bill other agencies or internal units.	X	

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
34.	GB34	System provides the ability to change allocations automatically (based on monthly, quarterly or user defined time period).	X	
35.	GB35	System provides the ability to perform user-defined time period reporting.	X	
36.	GB36	System provides the ability to review financial information online.	X	
37.	GB37	System provides the ability to automatically and electronically route transactions requiring approval to the appropriate person.	X	
38.	GB38	System provides the ability to be table driven with on-line screens to control parameters.	X	
39.	GB39	System provides the ability to integrate self-explanatory error messages with on-line help function and not just codes.	X	
40.	GB40	System provides the ability for internal review and approval prior to release, including electronic signatures.	X	
41.	GB41	System supports approval or disapproval via electronic signatures based on secure, user-specific access rights.	X	
42.	GB42	System provides the ability to base periods upon user-defined time frames including recognizing "Policy Year" designations.	X	
43.	GB43	System provides the ability for all changes to be logged.	X	
44.	GB44	System provides the ability to track costs identified in the system as billable or non-billable at the transaction level.	X	
45.	GB45	System provides the ability to make on-line correction of accounting distributions (e.g. allocations to various programs, % of claims, standard recurring entries).	X	
46.	GB46	System provides the ability to reset the system for a new fiscal and calendar year in an automated fashion.	X	
47.	GB47	System provides the ability to validate all Accounts on a real-time basis.	X	
48.	GB48	System provides the ability to maintain data files or month-to-date, quarter-to-date and year-to-date totals (e.g. Taxable Wages and Tax Withheld for Territory fiscal and calendar year) by accounts, individual employee and source of funds.	X	
49.	GB49	System provides the ability to provide extensive audit trail capability which can be queried and reported upon.	X	
50.	GB50	System provides the ability to log date, time and approver for each level of approval as it occurs.	X	
51.	GB51	System provides the ability to prevent redundant data entry by providing full integration among application components.	X	
52.	GB52	System provides the ability to report on specified data elements.	X	
53.	GB53	System provides the ability to perform wild-card searches on all pre-defined fields.	X	
54.	GB54	System provides the ability to manually override defaults with appropriate authority and rules established by ETF.	X	
55.	GB55	System provides the ability to define/maintain accounting periods within a given year (e.g. daily, weekly, monthly, and quarterly, etc.).	X	

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
56.	GB56	System has the ability to track all Account/Fund elements at the line item level.	X	
57.	GB57	System has the ability to track journal entry description at the line item level.	X	
58.	GB58	System provides the ability for multiple concurrent application sessions for selected users.	X	
59.	GB59	System provides the ability to override amounts with proper authority and established rules.	X	
60.	GB60	System supports two separate books of record: Administrative books and Program books, each having their own fiscal and calendar reporting and processing needs.	X	
61.	GB61	System provides the ability to manually enter item information.	X	
62.	GB62	System provides reports, through its report generator, of usage statistics by user.	X	
63.	GB63	System validates all input edited via defined parameters prior to processing.	X	
64.	GB64	System provides the ability to track data at the detail level.	X	
65.	GB65	System provides the ability to track data at the summary level.	X	
66.	GB66	System provides the ability to override system or user-defined defaults with proper authority and established rules.	X	
67.	GB67	System provides the ability to have notes on all transactions.	X	
68.	GB68	System provides the ability to copy a document in order to create a new document of the same type.		X
69.	GB69	System provides the ability to process mass changes and deletions with proper authority and established rules.	X	
70.	GB70	System provides mass change functionality for defined groups of transactions or data applied only to un-posted transactions.	X	
71.	GB71	System supports up to 99 account periods.		X
72.	GB72	System supports the use of unique identifiers or reference numbers per journal entry.	X	
73.	GB73	System supports recurring journal entries and templates.	X	
74.	GB74	System supports automatic reversal of accrual transactions.	X	
75.	GB75	System supports both hard and soft close (both Fiscal and calendar year).	X	
76.	GB76	System allows two or more accounting periods to be open at one time.	X	
77.	GB77	System supports automatic close of income and expense accounts to retained earnings.	X	
78.	GB78	System supports automatic year end processing.	X	
79.	GB79	System allows the user to run year end more than once.	X	
80.	GB80	System allows the user to open next year prior to closing current year.	X	
81.	GB81	System allows the user to reopen closed periods.	X	
82.	GB82	System allows prior period adjustments.	X	

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
83.	GB83	System decodes form names and transaction names into words.	X	
84.	GB84	System supports closing and reporting on individual expense and revenue accounts to defined reserve accounts.	X	
85.	GB85	System supports the ability to inquire and report using wild cards.	X	
86.	GB86	System allows user to edit, update or correct records in the originating system or module that have not been posted due to errors or for other reasons.	X	
87.	GB87	System provides the ability to edit transactions to ensure budget limits are not exceeded and alerts users to the fact that a budget limit has been exceeded.	X	
88.	GB88	System provides the ability to select available field values (e.g. from drop down or pick list) when available rather than require data entry.	X	
89.	GB89	System provides validation throughout the system in both real-time edits (while typing) and when submitting a record to ensure data integrity.	X	
90.	GB90	System provides approval re-route flexibility including for delegation, parked alerts, exceeded approval time frames, etc.	X	

4.4.2 General Ledger

This section of the requirements describes what is either required or desired as it relates to General Ledger functionality.

Table 7: Functional Requirements for General Ledger

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
GENERAL LEDGER				
1.	GL1	System provides the ability to produce a Trial Balance.	X	
2.	GL2	System provides the ability to produce a Statement of Changes of Net Assets.	X	
3.	GL3	System provides the ability to produce a Statement of Net Assets.	X	
4.	GL4	System will allow up to 10,000 GL accounts.		X
5.	GL5	System will allow GL accounts to accommodate up to 20 levels down.		X
6.	GL6	System provides the ability to report on different levels of consolidation or de-consolidation (e.g. Roll-ups and Roll-downs).	X	
7.	GL7	System enforces balance among accounts (i.e. debits must balance with credits).	X	

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
8.	GL8	System provides the ability to track and report on cash flow.	X	
9.	GL9	System provides the ability to track and balance Contract Accounts (e.g. RFP's and project accounts, etc.).		X
10.	GL10	System provides for a Chart of Accounts with sufficient length to accommodate WiSMART and other regulatory agency reporting.	X	
11.	GL11	The system provides financial reporting that supports both GASB and GAAP.	X	
12.	GL12	System provides the ability to interface cash receipts and disbursements on GL side posted to the employer's account (Current WEBS, future BAS).	X	
13.	GL13	System provides the ability to interface cash receipts and disbursements on GL side posted to the member's account (i.e. Current WEBS, future BAS).	X	
14.	GL14	System provides the ability to handle and identify multiple dates such as posting period and actual period posted.	X	
15.	GL15	System allows for developing standard, recurring journal entries.	X	
16.	GL16	System supports GL account masking (wild cards).	X	
17.	GL17	System allows for Year End accrual entries.	X	
18.	GL18	System allows for automated reversing of entries based upon business rules.	X	
19.	GL19	System supports a user defined general ledger account structure with the ability to add and define multiple account segments.	X	
20.	GL20	System provides that General Ledger control must be fully integrated with all relevant modules.	X	
21.	GL21	System ensures that all transactions using or affecting an account are validated online, real-time against up-to-date totals based on established controls.	X	
22.	GL22	System provides the ability to report on any Chart of Account elements for any user-defined time period.	X	
23.	GL23	System provides ability to create Changes in Reserve balance statement.	X	
24.	GL24	System provides the ability to identify and track user defined periods such as Policy Year in addition to calendar and fiscal year.	X	
25.	GL25	System provides on-line validation and editing for error identification and correction before actual posting occurs.	X	
26.	GL26	System allows identification of transactions and reports for Minority Business Enterprise, Disabled Veteran Businesses, sales tax delinquent, contract compliance, and Contract Sunshine systems.		X

4.4.3 Accounts Receivable

This section of the requirements describes what is either required or desired as it relates to Accounts Receivable functionality.

Table 8: Functional Requirements for Accounts Receivable

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
ACCOUNTS RECEIVABLE				
1.	AR1	System has the ability to produce a consolidated bill with information from all Programs within an agency.	X	
2.	AR2	System has the ability to bill by type of Customer Program.	X	
3.	AR3	System has the ability to process uncollectible accounts.	X	
4.	AR4	System has the ability to track and report on uncollectible accounts.	X	
5.	AR5	System has the ability to obtain proper approvals on a transaction to write-off account balance.	X	
6.	AR6	System has the ability to print comments on both an individual and group basis on the billing documents.	X	
7.	AR7	System has the ability to automatically calculate interest and fees on an individual account and bill the Customer/Provider for the interest and principal, regardless of the number of Customer/Provider receivable accounts.	X	
8.	AR8	System has the ability to calculate interest-free periods.	X	
9.	AR9	System has the ability to calculate, track and report on installment payments.	X	
10.	AR10	System has the ability to create a new invoice by copying and modifying existing invoices.		X
11.	AR11	System has the ability to create ad-hoc invoice templates.		X
12.	AR12	System has the ability to apply an overpayment to an account balance, or create a refund transaction, or maintain a credit to be applied to a future balance.	X	
13.	AR13	System has the ability to generate user-defined delinquency notices based upon aging brackets (e.g. 30, 60, 90, 120, and greater than 120 days) using the original invoice or transaction date, current system date, and receivable type.	X	
14.	AR14	System has the ability to age and report on accounts at user defined intervals.	X	
15.	AR15	System has the ability to automatically or manually calculate and record late charges (e.g., penalties, interest, etc.) based upon user-defined criteria and the unpaid balance on selected accounts.	X	
16.	AR16	System supports varying penalty amounts and interest by program.	X	
17.	AR17	System has the ability to calculate various types of interest/payment schedules including a percentage fee with a minimum fixed fee.	X	
18.	AR18	System has the ability to calculate Interest deferrals or suspensions of interest payments.	X	
19.	AR19	System has the ability to override standard terms.	X	
20.	AR20	System has the ability to enter miscellaneous invoices on-line.	X	
21.	AR21	System has the ability to automatically produce collection letters based on a user-defined threshold.	X	

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
22.	AR22	System has the ability to define the frequency of invoices and/or statements and provide interim and final billings.	X	
23.	AR23	System provides entry of manual billing transactions.	X	
24.	AR24	System produces reconciliation statements showing beginning balance, charges, credits and payments, and a new balance.	X	
25.	AR25	System supports preparation and generation of a Final Invoice.	X	
26.	AR26	System supports the billing and payment by multiple entities.	X	
27.	AR27	System has the ability to add bad check fees to receivables accounts.	X	
28.	AR28	System supports electronic billing.	X	
29.	AR29	System has the ability to process multiple and/or partial invoice payments on the same receipt.	X	
30.	AR30	System has the ability to record the receipt amount to the correct account upon entry of the receipt transaction.	X	
31.	AR31	System has the ability to create hard-copy and/or softcopy (e.g. PDF) receipts.	X	
32.	AR32	System has the ability to enter cash.	X	
33.	AR33	System has the ability to enter Check number and bank account for inbound checks.	X	
34.	AR34	System has the ability to enter reason codes or reason information for returned funds.	X	
35.	AR35	System has the ability to enter EFT/ACH transactions.	X	
36.	AR36	System has the ability to enter detailed receipt transactions for cash collected.	X	
37.	AR37	System has the ability to reconcile between deposit and receipt.	X	
38.	AR38	System has the ability to match invoices with payments and/or partial payments.	X	
39.	AR39	System has the ability to optionally post partial payments by invoice line item.	X	
40.	AR40	System has the ability to correct misapplied payments.	X	
41.	AR41	System has the ability to flag an account as having been written off so other processes can reference the flagged information.	X	
42.	AR42	System provides the ability to un-mark a "written off" flag allowing the account to be re-established.	X	
43.	AR43	System has the ability to process miscellaneous cash receipts without creating a billing record.	X	
44.	AR44	System has the ability to accept cash receipts applied against multiple invoices.	X	
45.	AR45	System has the ability to update status of receipts when payments are received.	X	
46.	AR46	System has the ability to process, record, and track collections.	X	
47.	AR47	System has the ability to identify the bank account where money can be deposited.		X

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
48.	AR48	System has the ability to generate various user-defined reports, based on any accounts receivable data field.	X	
49.	AR49	System has the ability to produce a Billing Status Report.	X	
50.	AR50	System has the ability to produce a report of Billed and Unbilled Charges.	X	
51.	AR51	System has the ability to produce a report of Delinquent Accounts and Referrals of Delinquent Accounts and Bankruptcy.	X	
52.	AR52	System has the ability to produce a Receivables Tracking report.	X	
53.	AR53	System has the ability to generate Invoice Numbers.	X	
54.	AR54	System has the ability to generate a detailed history of all transactions processed through the AR module.	X	
55.	AR55	System has the ability to query all invoice/adjustments for a single Customer/Provider online and print the information queried.	X	
56.	AR56	System has the ability to generate a report of all outstanding invoices on a given date by account element.	X	
57.	AR57	System has the ability to account for cash receipts.	X	
58.	AR58	System has the ability to summarize open invoices by line item classification.	X	
59.	AR59	System has the ability to handle overpayments and underpayments and process accordingly and to set up a receivable, a payable, or to carry a positive/negative balance on the account.	X	
60.	AR60	System has the ability to produce monthly interest statements on accounts receivable accounts.	X	
61.	AR61	System has the ability to produce form letters such as monthly balance statements, collection letters, and deaths in the family.	X	
62.	AR62	System has the ability to produce an export to Dept. of Revenue (and other outside collection agencies) of all records to be turned over to collections.		X
63.	AR63	System has the ability to track records turned over to outside collections.	X	
64.	AR64	System provides a mechanism to reverse a previous recorded payment based upon a file received from a bank (e.g. an ACH reversal).	X	
65.	AR65	System provides the ability to attach electronic documentation to invoices and/or integrate with imaging system.		X

4.4.4 Accounts Payable

This section of the requirements describes what is either required or desired as it relates to Accounts Payable system functionality.

Table 9: Functional Requirements for Accounts Payable

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
		ACCOUNTS PAYABLE		
1.	AP1	System has the ability to generate an outstanding payable for over-payments and notify the collecting unit of the outstanding payable.	X	
2.	AP2	System has the ability to identify the type of payment made to a vendor or member (i.e., printed check, manual check or wire transfer).	X	
3.	AP3	System provides the ability to put a payment on hold.	X	
4.	AP4	System provides the ability to issue EFT payments.	X	
5.	AP5	System provides the ability to produce payment registers.	X	
6.	AP6	System provides the ability to integrate with all relevant modules.	X	
7.	AP7	System provides the ability to automatically update liability account and accounts payable balances in the general ledger for payment processes.	X	
8.	AP8	System must be able to handle overpayments and underpayments and process accordingly; either set up an account receivable or account payable or carry a positive/negative balance on the employer's account.	X	
9.	AP9	System provides the ability to automate monthly fixed cost tracking.	X	
10.	AP10	System allows for multiple approval levels based upon user defined criteria.	X	
11.	AP11	System allows for on-line approval requests.	X	
12.	AP12	System tracks expenses by user defined criteria and/or account codes.	X	
13.	AP13	System allows for entry, tracking, and reporting of capital expenses.	X	
14.	AP14	System provides ability to handle credit card payments.	X	
15.	AP15	System provides the ability to use account status to prevent payment when status is "written-off" on the receivables side.	X	
16.	AP16	System provides the ability to attach electronic documentation to invoices and/or integrate with imaging system.		X
17.	AP17	System has the ability to copy previous information to create a new payable.		X
18.	AP18	System has the ability to create a recurring payment that can be modified.	X	
19.	AP19	System provides the ability to associate a purchase order with an accounts payable item.		X
20.	AP20	System provides the ability to select a payment date or to automatically pay ACH transactions within 27-28 days and checks within 20-24 days with an override available for either.	X	
21.	AP21	System provides the ability to add payment details/comments to payments.	X	
22.	AP22	System provides the ability to tie a payment to a Chart of Accounts' account via either a drop down list or manual entry.	X	
23.	AP23	System provides ability for accounting string to be entered displaying appropriate error code if invalid account is entered.	X	

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
24.	AP24	System provides the ability to tie object codes to class code (defined by SCO).	X	
25.	AP25	System provides the ability to add several invoices to one payment and reference several purchase orders on one payment.	X	
26.	AP26	System provides the ability to print invoice received date and not invoice date on payments.	X	
27.	AP27	System provides the ability to have payment identified as "final."		X
28.	AP28	System provides the ability to have payment voucher accept check number, dates, and payment number.	X	
29.	AP29	System provides the ability to have payment voucher automatically print after all information is available.	X	
30.	AP30	System provides the ability to tie payment to a contract.		X
31.	AP31	System provides the ability to tie payments back to operating budget by user defined criteria.	X	
32.	AP32	System provides the ability to select whether a payment is to be mailed from DOA central or to come back to ETF offices for mailing.	X	
33.	AP33	System provides the ability to add commodity code.	X	
34.	AP34	System provides the ability to age payables to assist in ensuring that they are paid on the latest possible date	X	
35.	AP35	System provides the ability to select an existing address from multiple addresses or to enter an address for the check.	X	

4.4.5 Operating Budget

This section of the requirements describes what is either required or desired as it relates to creating and maintaining an Operating Budget.

Table 10 Functional Requirements for Operating Budget

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
(OPERATING) BUDGET				
36.	B1	System has the ability to identify the budget fiscal year and calendar year.	X	

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
37.	B2	System has the ability to track and report by GL account and budget unit.	X	
38.	B3	System has the ability to track and report differences and changes between budget versions (e.g. version control).	X	
39.	B4	System has the ability to copy one budget to another.		X
40.	B5	System has the ability to update previously submitted budgets, in error, and re-submit them to comply with budget instructions.		X
41.	B6	System has the ability to inquire against budget data.	X	
42.	B7	System has the ability to budget expenditure types and report them at different levels.	X	
43.	B8	System has the ability to calculate and report comparisons between different versions of the budget, and provide a report of differences.	X	
44.	B9	System has the ability to generate a report that documents new codes added to the budget system during the budget cycle.		X
45.	B10	System provides the ability to budget and report by department.	X	
46.	B11	System provides the ability to calculate spending forecasts applied to actual or budgeted expenditures in prior or current years.	X	
47.	B12	System provides the ability to calculate spending forecasts based on defined calculations.	X	
48.	B13	System provides the ability to calculate core budget levels based on revenue estimates or spending forecasts.	X	
49.	B14	System provides the ability to develop both summary budgets and detail budgets at any level.	X	
50.	B15	System provides the ability to report project budget variances by dollar amount and percentage.	X	
51.	B16	System provides the ability to report project expenditures by all budgetary levels.	X	
52.	B17	System provides the ability for the development of detailed single and/or multi-year period budget (e.g. multi-year calendar and/or multi-year fiscal).	X	
53.	B18	System provides the ability to create and calculate fully-loaded budgets.		X
54.	B20	System has the ability to produce system edits or warnings for budgeting.	X	
55.	B21	System has the ability to maintain budgets for multiple years.	X	
56.	B22	System has the ability to spread budget amounts based on monthly percentage amount.	X	
57.	B23	System has the ability to update the budget when budget amendments are approved.	X	
58.	B25	System has the ability to compare current year with prior year (both dollar differences and percentage differences).	X	
59.	B26	System has the ability to integrate budget processes with accounting functionality.	X	

4.4.6 Reporting

This section of the requirements describes what is either required or desired as it relates to the reporting needs of an FMIS system. We anticipate that NVision may need to be installed to achieve the level of ad hoc reporting required by ETF as identified below. However, we look to the vendor to confirm or refute this assumption.

Table 11: Functional Requirements for Reporting

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
REPORTING				
1.	R1	System provides the ability to meet all of the agency's financial reporting needs.	X	
2.	R2	System has the ability to provide access to historical financial information in detail and on-line with the ability to print and extract file.	X	
3.	R3	System is able to produce ad-hoc reports using any field in the General Ledger.	X	
4.	R4	System provides the ability to produce a trial balance by fund, or other user defined Accounts segments.	X	
5.	R5	System provides the ability to produce a Statement of Net Assets.	X	
6.	R6	System provides the ability to produce a Statement of Changes in Net Assets.	X	
7.	R7	System provides the ability to produce financial statements on an accrual, modified accrual, and cash basis.	X	
8.	R8	System provides the ability to produce Trial Balance.	X	
9.	R9	System provides the ability to produce Cash Flow statements.	X	
10.	R10	System provides the ability to produce Reserve Fund Balance Reports.	X	
11.	R11	System provides the ability to produce a Cash Balance Report.	X	
12.	R12	System provides the ability to display appropriate account names on reports.	X	
13.	R13	System produces ad hoc and standard reports.	X	
14.	R14	System provides the ability to produce a report that provides cash views of the ledger.	X	
15.	R15	System provides the ability to run a trial balance at any time.	X	
16.	R16	System provides the ability to produce a report supporting periodic forecasting.	X	
17.	R17	System provides the ability to produce reports supporting budget preparation/creation.	X	
18.	R18	System provides the ability to view daily balances on-line.	X	
19.	R19	System produces a report providing the beginning and ending account balances for the year.	X	
20.	R20	System has the ability to report on the transactions audit trail, based upon criteria such as transaction type, etc.	X	
21.	R21	System provides ability to report on metrics such as number of transactions within time frame by user defined criteria.	X	

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
22.	R22	System provides the ability to inquire and report vendor history based on user defined criteria.	X	
23.	R23	System provides the ability to track aging of accounts payable.	x	
24.	R24	System provides the ability to inquire and report on-line to obtain current accounts payable status on a voucher or invoice, i.e., a report of outstanding payables.	X	
25.	R25	System has the ability to generate charts and graphs for analysis.		X
26.	R26	System has the ability to create ad hoc queries and reports.	X	
27.	R27	System has the ability to print reports at all reporting levels.	X	
28.	R28	System provides the ability to generate reports with drill-down capabilities from summary categories to line item detail.	X	
29.	R29	System provides the ability to display information graphically.		X
30.	R30	System provides the ability to produce Financial Summary Reports.	X	
31.	R31	System provides the ability to generate and print invoices.	X	
32.	R32	System provides the ability to generate late payment notices.	X	
33.	R33	System provides the ability to generate financial reports and invoices on schedule or on demand.	X	
34.	R34	System provides the ability to create customized non-standard invoice formats and forms.		x
35.	R35	System provides the ability for final financial reports to be viewed online.	X	
36.	R36	System provides the ability to provide exception reports.	X	
37.	R37	System provides the ability to automate the scheduling, generation and distribution of reports.	X	
38.	R38	System provides the ability to produce and generate a report for direct deposit records.	X	
39.	R39	System provides the ability to maintain a complete history associated with all audit activity and report on it.	X	
40.	R40	System provides the ability to maintain an audit trail of all entries and updates.	X	
41.	R41	System provides the ability to save ad-hoc report templates.	X	
42.	R42	System supports an automated online report delivery and tracking solution to manage and reduce the cost of report distribution.	X	
43.	R43	System provides budget versus actual reporting.	X	
44.	R44	System provides detailed and summary ledgers with on-line review.	X	
45.	R45	System provides user defined financial reports.	X	
46.	R46	System provides user defined totals and sub-totals.	X	
47.	R47	System provides standard report for Chart of Accounts.	X	
48.	R48	System provides standard report for comparative net assets for individual period review.	X	

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
49.	R49	System provides standard report for comparative changes in net assets.	X	
50.	R50	System provides standard report for account roll-up for financial statements.	X	
51.	R51	System provides a standard report for GL transaction register.	X	
52.	R52	System provides standard report for detailed trial balance by program.	X	
53.	R53	System provides standard report for cash flow.	X	
54.	R54	System provides the ability to produce fiscal year property value inventory reports for Risk Management.	X	
55.	R55	System provides the ability to produce ad hoc and standard reports for department inventory.	X	
56.	R56	System provides the ability to produce surplus reports for SWAP (Surplus With A Purpose) by date.	X	

4.4.7 Integration

This section of the requirements describes what is either required or desired as it relates to Interfacing with other ETF systems, third party systems, or other agencies.

Table 12: Functional Requirements for Integration

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
		INTEGRATION		
1.	I1	System should be able to interact with information from other systems via various electronic file formats such as comma delimited, XML, etc.	X	
2.	I2	System has the ability to interface with the Contract Sunshine system.		X
3.	I3	System has the ability to interface with the Sales Tax Delinquency and list of non-contract compliant vendors.		X
4.	I4	System has the ability to interface with the Tax Intercept system (accounts receivables).		X
5.	I5	System has the ability to provide an automatic data exchange to MBE and DVB reporting system (DOA maintains).		X
6.	I6	System has the ability to interface with the Learning Management system.		x

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
7.	I7	System has the ability to interface with the Sick Leave System		X
8.	I8	Interface the data from the ETF employee payroll into the GL.		x
9.	I9	System has the ability to interface with the ETF BPS system.	X	
10.	I10	System has the ability to interface with the ETF LSPS system.	X	
11.	I11	System will interface bi-directional with the state WiSMART system (and have capability to interface with a future replacement for WiSMART). Some transactions will continue to originate in WiSMART and be passed to the new FMIS system.	X	
12.	I12	System has the ability to interface with MyETF Benefits.	X	
13.	I13	System has the ability to interface with WEBS.	X	
14.	I14	System has the ability to interface with the ETF One Site system.	X	
15.	I15	System has the ability to interface with WiSMART specifically for receiving transactions that originate in WiSMART such as GSB and P-card transactions. These transactions need to be received into Accounts Payable.	X	
16.	I16	System has the ability to interface with the future BAS system.	X	
17.	I17	System has the ability to interface with Surplus with a Purpose (SWAP).		X
18.	I18	System has the ability to interface with state wide purchasing system (Purchase Plus).		X
19.	I19	System has the ability to interface with state-wide time reporting system (Currently PTA Web) for items related to project position reporting.		X
20.	I20	System has the ability to accept PMIS file from DOA related to authorized positions and salary information for project accounting and budget purposes.		X

4.4.8 System Requirements

This section of the requirements describes what is either required or desired as it relates to system functionality.

Table 13: Functional Requirements for System Requirements

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
SYSTEM REQUIREMENTS				
1.	S1	System provides the ability for on-line approval.	X	
2.	S2	System provides the ability to configure account element field lengths during installation.	X	
3.	S3	System provides the ability to copy accounts.		X
4.	S4	System has the ability to record and maintain a long description for account element names.	X	
5.	S5	System has the ability to record and maintain a short description for account element names.	X	
6.	S6	System provides the ability to record Fund Type.	X	
7.	S7	System provides the ability to record Fund Group.	X	
8.	S8	System provides the ability to record Fund Description.	X	
9.	S9	System provides the ability to group or un-group Account elements for reporting purposes.	X	
10.	S10	System provides the ability to distribute reports electronically as well as retain them on-line.	X	
11.	S11	System has the ability to store Vendor Code.	X	
12.	S12	System has the ability to store parent/child vendor record relationships.	X	
13.	S13	System has the ability to store Vendor contact First Name.	X	
14.	S14	System has the ability to store Vendor contact Last Name.	X	
15.	S15	System has the ability to store Vendor Company Name.	X	
16.	S16	System has the ability to store Vendor Description.	X	
17.	S17	System has the ability to enter and maintain multiple vendor addresses for a single vendor (e.g. remittance address, physical location, etc.).	X	
18.	S18	System has the ability to store Address Line 1.	X	
19.	S19	System has the ability to store Address Line 2.	X	
20.	S20	System has the ability to store City.	X	
21.	S21	System has the ability to store 1099 Vendor Indicator.	X	
22.	S22	System has the ability to store vendor tax id.	X	
23.	S23	System needs the ability to store multiple vendor commodity service codes from National Institute of Governmental Purchasing by transaction.	X	
24.	S24	System has the ability to store Action Date.	X	
25.	S25	System has the ability to store Phone Number.	X	
26.	S26	System has the ability to store Comments.	X	

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
27.	S27	System has the ability to store Territory or State.	X	
28.	S28	System has the ability to store County.	X	
29.	S29	System has the ability to store Country.	X	
30.	S30	System has the ability to store Business Type (e.g. Proprietorship, Partnership, Corporation, Small Business Corporation and LLC).	X	
31.	S31	System provides for password expiration.	X	
32.	S32	System provides security integrated throughout the proposed solution modules.	X	
33.	S33	System uses a single password and logon for all system functions enabled in the user's security profile and supports Single Sign-on integrated with ETF's sign-on security.	X	
34.	S34	System provides for role-based security.	X	
35.	S35	System provides for near 24-hour access to all modules, 7 days a week.		X
36.	S36	System provides real-time update of tables from end-user input screens without the use of batch processes.	X	
37.	S37	System allows simultaneous access of the application by all main office location users.	X	
38.	S38	System supports "cut and paste" for copying data and file-types like a Word file or a PDF between windows.	X	
39.	S39	System supports the ability to provide GUI/windows functionality.	X	
40.	S40	System provides error messages that appear in a consistent format across all proposed system modules for both batch and on-line processing.	X	
41.	S41	System provides consistent formatting on all data entry fields.	X	
42.	S42	System supports marking records for deletion but not removing from the database until archived.	X	
43.	S43	System lists all archived records.	X	
44.	S44	System archives and restores inactive records based on user-defined criteria.	X	

4.4.9 Fixed Asset Management

For the purpose of these requirements, fixed assets are all assets within ETF, including Capital and non-Capital assets and/or intangibles. Requirements for inventory tracking are also captured in this section.

Table 14: Functional Requirements for Fixed Assets

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
FIXED ASSET MANAGEMENT				
1.	FA1	System provides the ability to integrate with Fixed Asset property assets for recording of property claims against specific state assets.	X	
2.	FA2	System provides the ability to manually create and assign a unique asset number and correlate it with other asset numbers.	X	
3.	FA3	System provides the ability to assign one or more category (types) to an asset and report and query on the categories.	X	
4.	FA4	System provides the ability to make mass adjustments to update all assets in a category.	X	
5.	FA5	System provides the ability to record replacement costs.	X	
6.	FA6	System provides the ability to perform straight line depreciation.	X	
7.	FA7	System provides the ability to automatically edit useful life values based upon valid ranges.	X	
8.	FA8	System provides the ability to prevent depreciating an asset's value below zero.	X	
9.	FA9	System provides for user defined conventions for depreciation.	X	
10.	FA10	For disposal of fixed assets, the system shall provide a method of categorizing type of disposal based on value or category.	X	
11.	FA11	System provides the ability to record and report on corrections to the previous accounting year and retroactively adjust the beginning balance of accumulated depreciation or original cost of an asset.	X	
12.	FA12	System provides the ability to record and report accumulated depreciation.	X	
13.	FA13	System provides the ability to record and report on both transfers that involve an exchange of funds and those that are non-monetary transfers.	X	
14.	FA14	System provides the ability to audit all changes made to asset records.	X	
15.	FA15	System provides the ability to report on assets for financial reporting purposes.	X	
16.	FA16	System provides the ability to report asset transfers.	X	
17.	FA17	System provides the ability to report a total amount of fixed asset purchases by their funding source.	X	
18.	FA18	System provides the ability to report all fixed asset balances.	X	
19.	FA19	System provides the ability to report asset activity on pre-defined basis.	X	
20.	FA20	System provides the ability to report on assets at multiple user defined levels.	X	
21.	FA21	System provides the ability to record acquisitions.	X	
22.	FA22	System provides the ability to record changes to all asset information.	X	
23.	FA23	System provides the ability to record decreases.	X	
24.	FA24	System provides the ability to record disposals, allowing for multiple types of disposals.	X	

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
25.	FA25	System provides the ability to reverse previous transactions, including depreciation.	X	
26.	FA26	System provides the ability to record the following Asset Management functions: Transfers.	X	
27.	FA27	System provides the ability to record the following Asset Management functions: Depreciation, Amortization of Intangibles, Trade-In credit.	X	
28.	FA28	System provides the capability to record and track maintenance costs and due dates to one or multiple assets.	X	
29.	FA29	System provides the ability to track and report on warranty and maintenance dates on a per asset basis.	x	
30.	FA30	System provides the ability to track and register equipment location moves.	X	
31.	FA31	System provides the ability to dispose a per-item from a group asset and adjust total dollar accordingly.	X	
32.	FA32	System provides the ability to enter a non-tangible item within a group of assets.	X	
33.	FA33	System provides the ability to associate an asset with user defined attributes (i.e. PO or invoice, etc.).	X	
34.	FA34	System provides the ability to record an asset item regardless of payment type (P-Card, PO, etc.).	X	
35.	FA35	System provides the ability to assign a group of assets to a person and/or to a location.	X	
36.	FA36	System provides the ability to reassign a group of assets assigned to a person or a location to a new/different person or location in a simple automated method.	X	
37.	FA37	System will provide the ability to enter or search for a fixed asset using a bar code scanner to enter the fixed assets identifier.	X	

4.4.10 Cash Management

This section of the requirements describes what is either required or desired as it relates to Cash Management. ETF does not currently perform cash management functions and is not expected to perform them in the future. However, to prepare for the possibility that responsibilities will arise in the future, certain requirements are included in the grid and are identified as “Desired” instead of “Highly Desired”.

Table 15: Functional Requirements for Cash Management

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
CASH MANAGEMENT				
1.	CM01	System provides up-to-date cash balance report.		X
2.	CM02	System projects cash resources from AR and miscellaneous cash.		X
3.	CM03	System projects cash utilization from AP and miscellaneous cash.		X
4.	CM04	System checks committed funds against cash reserves or availability.		X
5.	CM05	System updates and maintains pay date schedule.		X
6.	CM06	System reports cash projections.	X	
7.	CM07	System creates cash projections.		X
8.	CM08	System provides views of inflows and outflows from cash book.		X
9.	CM09	System records cash payments and receipts via electronic banking functions.		X
10.	CM10	System notifies and reports on statement discrepancies.		X
11.	CM11	System allows for "Miscellaneous" category for charges and deposits.		X
12.	CM12	System processes cancelled AP checks.		X
13.	CM13	System records journal entries to the GL cash accounts.		X
14.	CM14	System prints account statements.		X
15.	CM15	System automatically records bank cash receipts based on bank interfaces.		X

4.4.11 Project Accounting

This section of the requirements describes what is either required or desired as it relates to Project Accounting.

Table 16: Functional Requirements for Project Accounting

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
PROJECT ACCOUNTING				
1.	PA1	System provides for definition of a project, phase, activity, or task level.	X	

REQUIREMENT ID	SPREADSHEET ID	DESCRIPTION	HIGHLY DESIRED	DESIRED
2.	PA2	System provides for reporting time and costs against all levels of project definition.	X	
3.	PA3	System provides for associating a project with a cost code string.	X	
4.	PA4	System provides user-defined number of actual, commitment, budget, and statistical accounts for each level of the account structure. System allows for reconciling against the budget down to each level of the account structure.	X	
5.	PA5	System allows the use of the project and cost coding structures for selection required in reporting.	X	
6.	PA6	System uses date specificity in a structure, such as particular roll-up of tasks, which will take effect within a certain period of time.	X	
7.	PA7	System allows for free-form notes or text comments to be posted at any level of the structure, with optional notes history, notes notification, and notes display at summary details.		X
8.	PA8	System provides cut, copy, and paste of coding structure elements between projects.		X
9.	PA9	System provides an option to budget or commit project expenditures by periods.	X	
10.	PA10	System provides the ability to perform future allocation to projects in order to estimate and perform forward projections.		X
11.	PA11	System allows for contract reporting to be separate from the coding structure and supports rollups by contract of all the related project activities	X	
12.	PA12	System interacts with the Time Reporting Module or state wide time reporting system (currently PTA Web) in order to account for actual time and costs (time and materials) spent against projects.	X	
13.	PA13	System provides the ability for a management override and also captures the changes in the audit trail	X	
14.	PA14	System provides the ability to track multi-year project (e.g., insurance policy year) costs.	X	

4.4.12 Other

The Department of Employee Trust Funds (ETF) is an agency of the State of Wisconsin. The state operates on a July 1 – June 30 fiscal year. All state agencies use the July-June fiscal year for budgeting and financial reporting. ETF prepares financial statements for all of its funds and accounts using the June 30 fiscal year for inclusion in the state's Comprehensive Annual Financial Report (CAFR). ETF's financial management system must provide budget control and financial reporting based on the July-June fiscal year for compatibility with the state's central accounting system.

ETF administers a number of employee benefit plans for state and local government employees, including the Wisconsin Retirement System, Group Health, Life and Disability programs. All of these benefit plans operate on a calendar year, including actuarial valuations and premium/rate setting. In

order to support benefit plan administration, financial statements for all benefit plans are prepared on the calendar year. These are ETF's official financial statements, audited by the Legislative Audit Bureau and published in the ETF CAFR. Budgets are not established or controlled on the calendar year.

Currently, every receipt, disbursement and journal entry recorded in the general ledger is identified by both the fiscal year and calendar year to which it should be posted; i.e. FY 2013 / CY 2012. For most transactions, both FY and CY can be inferred from the transaction date. A transaction dated December 26, 2012 would post to the 6th month of fiscal 2013 but also be recognized as the 12th month of calendar 2012.

During the month of July, transactions can post to either the first month of the new fiscal year or a 13th month adjustment period of the prior fiscal year. Because both posting periods are open and valid, the proper fiscal year cannot be inferred and must be identified in the transaction. For example, a transaction posted on July 15, 2012 would default to the first month of Fiscal 2013, but would require an override to allow it to post to the 13th month of Fiscal 2012.

Similarly, following the end of the calendar year, the books are kept open for adjusting entries and audit corrections. This adjustment period can last as long as a year before the audit is complete and closed for entries. Therefore, for every month in which the calendar year adjustment period is open, there must be a mechanism for identifying that entries apply to the prior calendar year rather than the current posting period. For example, a transaction posted on January 15, 2013 would default to the seventh month of Fiscal 2013, which would be recognized as the first month of Calendar 2013. There needs to be an override which would not change posting to the seventh month of Fiscal 2013, but would indicate the transaction should be recognized in the 13th month of Calendar 2012. This same calendar year override would be needed in each month of calendar 2013 to indicate transactions which are part of calendar year 2012.

Uncertainty occurs in July, when a transaction could apply to either the current or prior fiscal year as well as either the current or prior calendar year. A transaction posted on July 15, 2012 would default to the first month of Fiscal 2013 and be included in calendar year 2012. It must be possible to override the posting month to the 13th month of Fiscal 2012, as well as to indicate the transaction should be treated as part of Calendar 2011.

It is also required that ETF be able to post GAAP only transactions to a calendar year without being included in any fiscal year. This occurs when adjustments are needed for calendar year GAAP reporting which would distort the State's cash / budgetary reporting.

The table below illustrates how accounting periods are assigned and combined for fiscal and calendar reporting. Fiscal year 2013 would be made up of periods 2013-1 through 2013-12 plus any transactions manually put into 2013-13. Calendar year 2013 would be made up of periods 2013-7 through 2014-6 plus any transactions manually put into 2014-7A through 2015-6A.

Table 17: Example Assignment of Accounting Periods

TIME PERIOD	DEFAULT ACCOUNTING PERIOD	MANUAL OVERRIDE FOR:	
		Fiscal Year Adjustment Period	Calendar Year Adjustment Period
July 1 - July 31, 2012	2013-1		
August 1 - August 31, 2012	2013-2		
September 1 - September 30, 2012	2013-3		
October 1 - October 31, 2012	2013-4		

TIME PERIOD	DEFAULT	MANUAL OVERRIDE FOR:	
November 1 - November 30, 2012	2013-5		
December 1 - December 31, 2012	2013-6		
January 1 - January 31, 2013	2013-7		
February 1 - February 28, 2013	2013-8		
March 1 - March 31, 2013	2013-9		
April 1 - April 30, 2013	2013-10		
May 1 - May 31, 2013	2013-11		
June 1 - June 30, 2013	2013-12		
July 1 - July 31, 2013	2014-1	2013-13	
August 1 - August 31, 2013	2014-2		
September 1 - September 30, 2013	2014-3		
October 1 - October 31, 2013	2014-4		
November 1 - November 30, 2013	2014-5		
December 1 - December 31, 2013	2014-6		
January 1 - January 31, 2014	2014-7		2014-7A
February 1 - February 28, 2014	2014-8		2014-8A
March 1 - March 31, 2014	2014-9		2014-9A
April 1 - April 30, 2014	2014-10		2014-10A
May 1 - May 31, 2014	2014-11		2014-11A
June 1 - June 30, 2014	2014-12		2014-12A
July 1 - July 31, 2014	2015-1	2014-13	2015-1A
August 1 - August 31, 2014	2015-2		2015-2A
September 1 - September 30, 2014	2015-3		2015-3A
October 1 - October 31, 2014	2015-4		2015-4A
November 1 - November 30, 2014	2015-5		2015-5A
December 1 - December 31, 2014	2015-6		2015-6A

ETF requires that the implemented solution support the scenario described above. In its proposal, the bidder must describe how they will make PeopleSoft provide this capability.

4.5 CONDUCT OF THE PROJECT

Below we provide information on the conduct of the project, including responsibilities we expect the selected vendor to fulfill.

4.5.1 Project Management

The selected vendor will designate a lead to coordinate project management activities with the ETF Project Manager, ETF assigned subject matter experts (SME), and the ETF designated Oversight Project Manager (OPM).

As part of the project management function, the selected vendor will perform the following activities and submit the stated deliverables:

1. **Project Planning** – Working with ETF staff, the selected vendor will confirm what type of project phasing is most appropriate for ETF and when the activities and phasing should occur. The information will be used to create a Microsoft Project plan. The project plan will be delivered to ETF for review, approval, and sign-off. The project plan will provide, at a minimum, the following information:

- Detailed and accurate task scheduling that describes the work effort for the first three months of the project.
- Identification and estimate of which subject area will be delivered in each project phase.
- Estimated schedules for any activities beyond the first three months of the project.

The project plan will be updated no less frequently than monthly. More frequent updates may be requested by ETF throughout the project.

2. **Project Coordination** – The lead will coordinate all project activities, meetings, and deliverables with the ETF Project Manager and OPM.
3. **Resource Scheduling** – The lead will be responsible for planning and scheduling vendor staff so that the project goals and schedules are achieved. The lead will also work with the ETF Project Manager to ensure that ETF staff is identified at least two weeks prior to the time they are needed and are subsequently scheduled and directed appropriately to fulfill ETF assigned work on the project.
4. **Status Reporting** – The lead will provide semi-monthly status reports to the ETF Project Manager and OPM. Status reports are due the first and fifteenth of each month. The format of the initial status report will be approved by ETF and will be used for the remainder of the project. At a minimum, the report must contain achievements since the previous report, activities expected in the next period, and any issues having arisen and their possible resolution.

4.5.2 Requirements Confirmation and Mapping

ETF has spent a great deal of time identifying functional requirements. Early in the project, working with identified ETF staff members, the selected vendor will confirm their understanding of each requirement and map each requirement to the specific module. This mapping will further validate ETF's needs and will clarify which modules must be installed.

As noted above, ETF currently understands that PeopleSoft's Financials and Project Accounting modules are required for the core functionality and NVision to satisfy ETF's needs for ad hoc reporting. Since ETF desires to minimize the Total Cost of Ownership, we would prefer to perform no customization of the installed PeopleSoft software. In their response to this RFP, the vendor must confirm their understanding of these requirements and discuss ETF's options.

As part of the requirements confirmation, the selected vendor will:

1. Provide a complete mapping of requirements to software modules.
2. Identify and document any configuration necessary to meet the requirements.
3. Identify any requirement that cannot be met and document any work-around to potentially satisfy the requirement.

4. Identify and document any customization and/or additional programming required to fulfill a requirement.
5. Identify and design a proposed solution to all integration and/or interface needs.

4.5.3 Requirements Traceability

To assist ETF in tracking all project requirements and deliverables, a Requirements Traceability Matrix (RTM) will be prepared and regularly maintained by the selected vendor.

The RTM prepared by the selected vendor will be a Microsoft Excel workbook. The basis of the RTM will be the ETF-created Functional Requirements. The RTM will contain one line item for each identified and confirmed requirement. The matrix will include eight (8) columns, the content of which is described below:

1. **Requirement Number** – Sequential unique number, identifying the requirement and aggregated by subject area (e.g., GL requirements may be numbered GL1, GL2, etc.). The unique identifier will persist through the project.
2. **Requirement (Description)** – A summarized description of the requirement.
3. **Software Module** – The selected vendor will be responsible for mapping each requirement to a module. This column will represent the result of the mapping effort.
4. **Phase** – The phase of the project in which the requirement will be delivered per the project plan.
5. **Received Date / Who** – The date that the requirement was delivered to ETF and to whom it was delivered.
6. **Accepted Date / Who** – The date that the requirement delivery was accepted by ETF and by whom it was accepted.
7. **Comments** – Relevant comments must explain what caused a requirement to be removed or added. Each comment must cite specific conversations between ETF and the selected vendor, the date and attendees, and the document which transmitted this information to ETF including but not limited to meeting minutes, status report, and specific correspondence. Comments will also describe a manual work around if a requirement cannot be met by the purchased software.
8. **Test Case** – The test case confirming the requirement has been satisfied.

The format of the matrix and additional columns may be determined as necessary by ETF over the course of the implementation.

The selected vendor will be responsible for maintaining the RTM throughout the project. The RTM helps ETF ensure that all requirements are addressed during the project and are tested and approved by ETF. A sample RTM is included in the table below:

Table 18: Sample Requirements Traceability Matrix (RTM)

REQ #	DESCRIPTION	SOFTWARE MODULE	PHASE	DELIVERED/ BY WHO	ACCEPTED/ BY WHO	COMMENTS	TEST CASE
G1	System has the capability to track transactions by fiscal year and calendar year and display data grouped into whichever year type is selected.	Financials	1	12/3/2012 - PCC	12/15/2012 - TMC	Both calendars were configured per the specs.	Test case if applicable.
G2	System has the ability to provide automated year end close processes. System should close to the level of detail determined by the user.	N/A	1	12/3/2012	12/23/2012 - TMC	The software doesn't fully support this requirement. The work around is to process the close manually as described in...	Test case if applicable.

4.5.4 Module Selection and Installation

ETF has selected PeopleSoft as the solution that best meets their needs. ETF expects the selected vendor to assist with selecting the specific modules required to meet the identified requirements. Once the selected vendor completes the Requirements Confirmation, the vendor will:

1. Recommend what modules need to be installed.
2. Identify within which project phase each module will be implemented.
3. Work with ETF IT staff to install and configure the modules at the appropriate phase.

4.5.5 System Configuration

Although ETF's goal is to minimize customizations and use as much "out of the box" functionality as possible, ETF understands that some unique needs will require system configurations and customizations. The selected vendor will be responsible for identifying, performing, and coordinating all configuration activities including assisting ETF in defining and creating a Chart of Accounts. As part of this project, the selected vendor will:

1. Assist ETF staff in defining the Chart of Accounts.
2. Configure and define the general ledger.
3. Identify all system customization and/or required new program creation.
4. Work with the ETF Project Manager to identify what resources (e.g. the selected vendor, ETF, or other) will perform system customization or programming and assist the ETF Project Manager in scheduling those resources.

4.5.6 Data Migration

The legacy data must be converted into the new system in a way that ensures data integrity. The data will need to be analyzed, mapped, cleansed, and converted into the new system. This effort will require planning to determine how much historical data needs to be converted, how best to test both the data and system with ETF data, and how best to roll out the system without adversely affecting the data. With this in mind, the selected vendor will perform the following activities as they relate to data migration:

1. Working with ETF, develop a strategy for migrating pertinent data, including which data elements and the extent of historical data.
2. Map the data into the new system.
3. Develop a data cleansing strategy; participate in cleansing efforts; and direct ETF staff as appropriate.
4. Develop an implementation schedule that allows for thorough system testing with ETF data, parallel testing, and final migration activities. The schedule should ensure that both the legacy data and the new system's data are kept current during the parallel testing.

4.5.7 Integration and Interfaces

ETF has identified several sources of integration and interfaces that will be required as part of this effort. ETF will be replacing their current line of business applications in the near future, which likely will change most of these interfaces. Although the new FMIS system must work with the legacy interfaces, ETF desires to minimize customization to them. ETF expects the selected vendor to use its expertise to develop the least intrusive way to interface the new FMIS system with the legacy applications.

The selected vendor will be responsible for verifying the currently known interfaces and identifying any others that are discovered based upon the selected vendor's expertise and information gathered from the Requirements Confirmation. The selected vendor will be expected to:

1. Validate and verify currently known integrations and interfaces.
2. Identify additional integrations and interfaces, if any.
3. Provide detail specifications for, and changes to, the integration and interfaces.
4. As appropriate, develop the solution.
5. As appropriate, coordinate the development of the solution with ETF or other resources.

4.5.8 System Testing

The selected vendor will be responsible for identifying, planning, performing, and coordinating all testing activities throughout the project. Thorough testing is critical to the success of this project. The selected vendor should have the experience and knowledge to understand what testing needs to take place and how best to carry out the testing. As part of this project, the selected vendor will provide the following testing services:

1. Work with ETF staff to determine how best to carry out testing to ensure all system functionality and all system interfaces work appropriately.
2. Working with the ETF Project Manager and OPM, the selected vendor will develop a Detailed Test Plan that identifies what tests will take place, when they will take place, who will perform the tests, and what outcomes will be expected from the tests.
3. Perform tests where appropriate.

4. Coordinate, with ETF Project Manager, all testing by ETF staff and/or other testers.
5. Validate the completion of testing and provide test results to ETF.

4.5.9 Application Training

The selected vendor will be responsible for training ETF staff in the use of the software. This includes any technical training of IT staff in the maintenance of the software. At a minimum, training will include:

1. A high level training plan.
2. System end-user training.
3. System configuration training, including how to maintain system parameters.
4. Technical system training, including how to maintain software versions and hardware configurations.

4.6 SCHEDULE

To prepare for the start of the Benefits Administration System (BAS) project, ETF would prefer the FMIS implementation be substantially complete by 2 December 2013. ETF recognizes that this may be considered an aggressive schedule and does not want to sacrifice quality to meet this timeline. As part of their proposal, the vendor is encouraged to discuss the required timeframe and ways of meeting it.

The selected vendor is responsible for developing a detailed project schedule in collaboration with the ETF Project Manager. The first project deliverable will identify an initial description of the planned phasing of the project. It will also include a detailed plan for the first three months of the project, as described in Section 4.5.1 Project Management.

4.7 APPROVALS

All vendor deliverables will be submitted to ETF for formal review and approval. The process for submitting deliverables is as follows:

1. All written deliverables are first to be submitted as Draft so that ETF can review and provide appropriate feedback.
2. ETF will review and provide feedback.
3. Once ETF provides feedback, the selected vendor will update the deliverable, resubmit for final review and approval, and will include a sign-off form in the final delivery.
4. If the deliverable is an MS Word document, the final deliverable will include: 1) a final document with all changes accepted, and 2) a final document with all changes identified with change tracking turned on.

4.8 WARRANTY

Notwithstanding any other term in this RFP or the Proposer's proposal, the following warranties shall apply to the contract. Proposer represents and warrants that:

- Any software provided shall (to the extent possible, recognizing that some of that software may be third party products) be free from defects for a minimum period of 365 days from the date of acceptance by ETF.
- Any software and all components of the software contain no viruses, moles, worms, bombs, or disabling devices. If this occurs, the vendor will reimburse ETF for all costs associated with the cure.
- Proposer has the full power and authority to grant ETF any license(s) offered in the Proposal and their use for five years at no additional cost.
- Proposer shall repair, reconfigure, redesign or replace, within a commercially reasonable time unless otherwise specified in this RFP and at its sole cost and expense, any portion of the software or any services failing to comply with the warranties granted in this section during the warranty period offered by proposer. If proposer fails to remedy such portion of the software or any services within the required time, ETF may, in its sole discretion, act to repair or replace all or a portion of the software or re-perform the services and the proposer shall reimburse ETF for all costs incurred by ETF to repair or replace the software or to re-perform the services.

4.9 DEPARTMENT'S RESPONSIBILITIES

1. Provide the successful proposer with a single point of contact (SPOC) for all contract related communications, day-to-day guidance, direction, and payment approvals.
2. Provide review and/or approval of all vendor-generated deliverables.
3. Assign a project manager(s) to assist the proposer who will be responsible for the identification, coordination and acquisition of ETF resources and other resources, as needed to ensure overall success.
4. Hold status meetings as determined by ETF's SPOC, throughout the term of this engagement. These meetings will involve all appropriate resources for the specific phase of the project.

4.10 SPECIAL TERMS AND CONDITIONS

1. Fifteen percent (15%) will be withheld from the payment due upon acceptance of each milestone pending ETF's acceptance of the deliverables. Withheld amounts will be released upon a mutually agreed upon schedule of payments during contract negotiations.
2. For all deadlines stated in this RFP, or that may be negotiated in future, time is of the essence. ETF may cancel the contract upon 14 calendar days' notice to the vendor for any missed deadline that ETF determines to be due to the vendor's action or inaction. ETF's failure to exercise this option for any particular missed deadline does not constitute waiver of the cancellation grounds for any other missed deadline.
3. Key Personnel and Personnel Changes:
 - a) Proposer shall furnish ETF with names of all key personnel assigned to perform work under the contract and furnish ETF with security credentials on these personnel, if requested.
 - b) Proposer may not divert key personnel for any period of time except in accordance with the procedure identified in this section. The proposer shall provide a notice of proposed diversion or replacement to the SPOC at least sixty (60) days in advance, together with the name and qualifications of the person(s) who will take the place of the diverted or replaced staff. At least thirty (30) days before the proposed diversion or replacement, the SPOC shall notify the proposer whether the proposed diversion or replacement is approved or rejected,

and if rejected shall provide reasons for the rejection. Such approval by ETF shall not be unreasonably withheld or delayed.

- c) Replacement staff shall be on-site within two (2) weeks of the departure date of the person being replaced. The proposer shall provide ETF with reasonable access to any staff diverted by the proposer.
 - d) Replacement of key personnel who terminate employment with the proposer shall be with persons of equal ability and qualifications. ETF shall have the right to conduct separate interviews of proposed replacements for key personnel. ETF shall have the right to approve, in writing, the replacement of key personnel. Such approval shall not be unreasonably withheld. Failure of proposer to promptly replace key personnel within 30 calendar days after departure from proposer shall entitle ETF to terminate the agreement.
 - e) Any of the proposer's staff that ETF deems unacceptable shall be promptly and without delay removed by the proposer from the project and replaced by the proposer within thirty (30) calendar days by another employee with acceptable experience and skills subject to the prior approval of ETF. Such approval by ETF will not be unreasonably withheld or delayed.
4. The proposer shall furnish ETF with semi-monthly status reports. These reports must be provided in writing to the SPOC. In addition to the semi-monthly written reports, it is anticipated there will be at least, bi-weekly face-to-face meetings to provide all interested ETF parties with updates. Additionally, from time-to-time, special reports (status, presentations, package vendor RFP related reports, etc.) will be required.

The Department wishes to make clear its intent to grant prospective vendors wide latitude in designing innovative and informative management reports, subject to ETF approval. Vendors should submit, in as complete a form as possible, examples of management reports which it has found to be of value to clients like ETF.

Management reports should address all areas typically of interest to vendor's clients such as ETF contracting for third-party services, including financial reporting, status on deliverables, issues, timeliness, staffing needs, identification of resources needed, etc.

APPENDICES

- APPENDIX A Proposer's Checklist
- APPENDIX B Mandatory Requirements
- APPENDIX C Designation of Confidential and Proprietary Information (DOA-3027)
- APPENDIX D Standard Terms and Conditions (DOA-3054) and Supplemental Standard Terms and Conditions (DOA-3681)
- APPENDIX E Vendor Information (DOA-3477) and References (DOA-3478)
- APPENDIX F Cost Proposal
- APPENDIX G Business Associate Agreement
- APPENDIX H Sample Partial Interface Documentation
- APPENDIX I Data Governance and Policy Information

**APPENDIX A
PROPOSER'S CHECKLIST**

RFP ETC0019

Mandatory

This appendix must be completed with proposal.

- () 1. PROPOSAL COVER PAGE SIGNED (DOA-3261)
- () 2. TRANSMITTAL LETTER (Section 1.2.4)
- () 3. AGREEMENTS
 - Appendix A – Proposer's Checklist
 - Appendix B – Mandatory Requirements and Mandatory Deliverables
 - Appendix C – Designation of Confidential and Proprietary Information
 - Appendix D – Standard Terms and Condition and Supplemental Standard Terms and conditions for Procurements for Services
 - Section 4.10 – Special Terms and Conditions
 - Appendix E – Vendor Information and Reference Sheets
- () 4. RESPONSE TO SECTION 3 (Minimum Vendor Requirements)
- () 5. RESPONSE TO SECTION 4 (Scope Of Work)
- () 6. ASSUMPTIONS AND EXCEPTIONS
- () 7. COST PROPOSAL

PROPOSING VENDOR NAME:

DATE:

AUTHORIZED REPRESENTATIVE:

APPENDIX B MANDATORY REQUIREMENTS

RFP ETC0019

Mandatory

This appendix must be completed with proposal.

The following requirements are mandatory and must be met by all vendors submitting proposals. Failure to comply with one or more of the mandatory requirements may disqualify the proposal. However, if you disagree with any of the statements below, ETF may consider your proposal only if the issue is addressed in Proposal Tab 5 – Assumptions and Exceptions.

MANDATORY REQUIREMENTS	Check One	
	Agree	Disagree
1. The Proposer must meet the minimum requirements as described in Section 3 of this RFP.		
2. The Proposer agrees to adhere to all ETF Department standards, policies and procedures while on-site at ETF and in all work performed with and for ETF. Any exceptions to this statement must be cleared, in writing, by ETF.		
3. The Proposer has no conflict of interest with regard to any other work performed for the State of Wisconsin.		
4. The Proposer must propose a team of consultants who have worked previously in public sector projects for comparable clients while in the vendor's employment and comply with the requirement(s) in Section 3.2 Minimum Qualifications		
5. The Proposer agrees to comply with Section 4.10 Special Terms and Conditions, 4.4.12, 4.5, 4.7, and 4.8		

**APPENDIX C
DESIGNATION OF CONFIDENTIAL AND PROPRIETARY
INFORMATION**

RFP ETC0019

Mandatory

This appendix must be completed with proposal.

The proposer must supply 2 electronic copies with all confidential material redacted on CD-ROM and marked as “Redacted for Confidentiality”.

DESIGNATION OF CONFIDENTIAL AND PROPRIETARY INFORMATION

The attached material submitted in response to Bid/Proposal # _____ includes proprietary and confidential information which qualifies as a trade secret, as provided in s. 19.36(5), Wis. Stats., or is otherwise material that can be kept confidential under the Wisconsin Open Records Law. As such, we ask that certain pages, as indicated below, of this bid/proposal response be treated as confidential material and not be released without our written approval.

Prices always become public information when bids/proposals are opened, and therefore cannot be kept confidential.

Other information cannot be kept confidential unless it is a trade secret. Trade secret is defined in s. 134.90(1)(c), Wis. Stats. as follows: "Trade secret" means information, including a formula, pattern, compilation, program, device, method, technique or process to which all of the following apply:

1. The information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.
2. The information is the subject of efforts to maintain its secrecy that are reasonable under the circumstances.

We request that the following pages not be released

Section	Page #	Topic

IN THE EVENT THE DESIGNATION OF CONFIDENTIALITY OF THIS INFORMATION IS CHALLENGED, THE UNDERSIGNED HEREBY AGREES TO PROVIDE LEGAL COUNSEL OR OTHER NECESSARY ASSISTANCE TO DEFEND THE DESIGNATION OF CONFIDENTIALITY AND AGREES TO HOLD THE STATE HARMLESS FOR ANY COSTS OR DAMAGES ARISING OUT OF THE STATE'S AGREEING TO WITHHOLD THE MATERIALS.

Failure to include this form in the bid/proposal response may mean that all information provided as part of the bid/proposal response will be open to examination and copying. The state considers other markings of confidential in the bid/proposal document to be insufficient. The undersigned agrees to hold the state harmless for any damages arising out of the release of any materials unless they are specifically identified above.

Company Name _____

Authorized Representative _____
Signature

Authorized Representative _____
Type or Print

Date _____

This document can be made available in accessible formats to qualified individuals with disabilities.

**APPENDIX D
STANDARD TERMS AND CONDITIONS**

RFP ETC0019

**Standard Terms and Conditions and Supplemental Standard Terms and Conditions for
Procurements for Services**

Vendor agrees to the Terms and Conditions as stated in this Appendix D.

**Exceptions must be addressed in Proposal
Tab 5 – Assumptions and Exceptions**

Standard Terms and Conditions (Request for Bids / Proposals)

Wisconsin Department of Administration
Chs. 16, 19, 51
DOA-3054 (R10/2005)

- 1.0 SPECIFICATIONS:** The specifications in this request are the minimum acceptable. When specific manufacturer and model numbers are used, they are to establish a design, type of construction, quality, functional capability and/or performance level desired. When alternates are bid or proposed, they must be identified by manufacturer, stock number, and such other information necessary to establish equivalency. The State of Wisconsin shall be the sole judge of equivalency. Proposers/proposers are cautioned to avoid bidding alternates to the specifications which may result in rejection of their bid/proposal.
- 2.0 DEVIATIONS AND EXCEPTIONS:** Deviations and exceptions from original text, terms, conditions, or specifications shall be described fully, on the proposer's/proposer's letterhead, signed, and attached to the request. In the absence of such statement, the bid/proposal shall be accepted as in strict compliance with all terms, conditions, and specifications and the proposers/proposers shall be held liable.
- 3.0 QUALITY:** Unless otherwise indicated in the request, all material shall be first quality. Items which are used, demonstrators, obsolete, seconds, or which have been discontinued are unacceptable without prior written approval by the State of Wisconsin.
- 4.0 QUANTITIES:** The quantities shown on this request are based on estimated needs. The state reserves the right to increase or decrease quantities to meet actual needs.
- 5.0 DELIVERY:** Deliveries shall be F.O.B. destination freight prepaid and included unless otherwise specified.
- 6.0 PRICING AND DISCOUNT:** The State of Wisconsin qualifies for governmental discounts and its educational institutions also qualify for educational discounts. Unit prices shall reflect these discounts.
 - 6.1** Unit prices shown on the bid/proposal or contract shall be the price per unit of sale (e.g., gal., cs., doz., ea.) as stated on the request or contract. For any given item, the quantity multiplied by the unit price shall establish the extended price. The unit price shall govern in the bid/proposal evaluation and contract administration.
 - 6.2** Prices established in continuing agreements and term contracts may be lowered due to general market conditions, but prices shall not be subject to increase for ninety (90) calendar days from the date of award. Any increase proposed shall be submitted to the contracting agency thirty (30) calendar days before the proposed effective date of the price increase, and shall be limited to fully documented cost increases to the contractor which are demonstrated to be industry wide. The conditions under which price increases may be granted shall be expressed in bid/proposal documents and contracts or agreements.
 - 6.3** In determination of award, discounts for early payment will only be considered when all other conditions are equal and when payment terms allow at least fifteen (15) days, providing the discount terms are deemed favorable. All payment terms must allow the option of net thirty (30).
- 7.0 UNFAIR SALES ACT:** Prices quoted to the State of Wisconsin are not governed by the Unfair Sales Act.
- 8.0 ACCEPTANCE-REJECTION:** The State of Wisconsin reserves the right to accept or reject any or all bids/proposals, to waive any technicality in any bid/proposal submitted, and to accept any part of a bid/proposal as deemed to be in the best interests of the State of Wisconsin.

Bids/proposals MUST be date and time stamped by the soliciting purchasing office on or before the date and time that the bid/proposal is due. Bids/proposals date and time stamped in another office will be rejected. Receipt of a bid/proposal by the mail system does not constitute receipt of a bid/proposal by the purchasing office.
- 9.0 METHOD OF AWARD:** Award shall be made to the lowest responsible, responsive proposer unless otherwise specified.
- 10.0 ORDERING:** Purchase orders or releases via purchasing cards shall be placed directly to the contractor by an authorized agency. No other purchase orders are authorized.
- 11.0 PAYMENT TERMS AND INVOICING:** The State of Wisconsin normally will pay properly submitted vendor invoices within thirty (30) days of receipt providing goods and/or services have been delivered, installed (if required), and accepted as specified.

Invoices presented for payment must be submitted in accordance with instructions contained on the purchase order including reference to purchase order number and submittal to the correct address for processing.

A good faith dispute creates an exception to prompt payment.

Standard Terms and Conditions (Request for Bids / Proposals)

- 12.0 TAXES:** The State of Wisconsin and its agencies are exempt from payment of all federal tax and Wisconsin state and local taxes on its purchases except Wisconsin excise taxes as described below.
- The State of Wisconsin, including all its agencies, is required to pay the Wisconsin excise or occupation tax on its purchase of beer, liquor, wine, cigarettes, tobacco products, motor vehicle fuel and general aviation fuel. However, it is exempt from payment of Wisconsin sales or use tax on its purchases. The State of Wisconsin may be subject to other states' taxes on its purchases in that state depending on the laws of that state. Contractors performing construction activities are required to pay state use tax on the cost of materials.
- 13.0 GUARANTEED DELIVERY:** Failure of the contractor to adhere to delivery schedules as specified or to promptly replace rejected materials shall render the contractor liable for all costs in excess of the contract price when alternate procurement is necessary. Excess costs shall include the administrative costs.
- 14.0 ENTIRE AGREEMENT:** These Standard Terms and Conditions shall apply to any contract or order awarded as a result of this request except where special requirements are stated elsewhere in the request; in such cases, the special requirements shall apply. Further, the written contract and/or order with referenced parts and attachments shall constitute the entire agreement and no other terms and conditions in any document, acceptance, or acknowledgment shall be effective or binding unless expressly agreed to in writing by the contracting authority.
- 15.0 APPLICABLE LAW AND COMPLIANCE:** This contract shall be governed under the laws of the State of Wisconsin. The contractor shall at all times comply with and observe all federal and state laws, local laws, ordinances, and regulations which are in effect during the period of this contract and which in any manner affect the work or its conduct. The State of Wisconsin reserves the right to cancel this contract if the contractor fails to follow the requirements of s. 77.66, Wis. Stats., and related statutes regarding certification for collection of sales and use tax. The State of Wisconsin also reserves the right to cancel this contract with any federally debarred contractor or a contractor that is presently identified on the list of parties excluded from federal procurement and non-procurement contracts.
- 16.0 ANTITRUST ASSIGNMENT:** The contractor and the State of Wisconsin recognize that in actual economic practice, overcharges resulting from antitrust violations are in fact usually borne by the State of Wisconsin (purchaser). Therefore, the contractor hereby assigns to the State of Wisconsin any and all claims for such overcharges as to goods, materials or services purchased in connection with this contract.
- 17.0 ASSIGNMENT:** No right or duty in whole or in part of the contractor under this contract may be assigned or delegated without the prior written consent of the State of Wisconsin.
- 18.0 WORK CENTER CRITERIA:** A work center must be certified under s. 16.752, Wis. Stats., and must ensure that when engaged in the production of materials, supplies or equipment or the performance of contractual services, not less than seventy-five percent (75%) of the total hours of direct labor are performed by severely handicapped individuals.
- 19.0 NONDISCRIMINATION / AFFIRMATIVE ACTION:** In connection with the performance of work under this contract, the contractor agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in s. 51.01(5), Wis. Stats., sexual orientation as defined in s. 111.32(13m), Wis. Stats., or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Except with respect to sexual orientation, the contractor further agrees to take affirmative action to ensure equal employment opportunities.
- 19.1** Contracts estimated to be over twenty-five thousand dollars (\$25,000) require the submission of a written affirmative action plan by the contractor. An exemption occurs from this requirement if the contractor has a workforce of less than twenty-five (25) employees. Within fifteen (15) working days after the contract is awarded, the contractor must submit the plan to the contracting state agency for approval. Instructions on preparing the plan and technical assistance regarding this clause are available from the contracting state agency.
- 19.2** The contractor agrees to post in conspicuous places, available for employees and applicants for employment, a notice to be provided by the contracting state agency that sets forth the provisions of the State of Wisconsin's nondiscrimination law.
- 19.3** Failure to comply with the conditions of this clause may result in the contractor's becoming declared an "ineligible" contractor, termination of the contract, or withholding of payment.

Standard Terms and Conditions (Request for Bids / Proposals)

- 20.0 PATENT INFRINGEMENT:** The contractor selling to the State of Wisconsin the articles described herein guarantees the articles were manufactured or produced in accordance with applicable federal labor laws. Further, that the sale or use of the articles described herein will not infringe any United States patent. The contractor covenants that it will at its own expense defend every suit which shall be brought against the State of Wisconsin (provided that such contractor is promptly notified of such suit, and all papers therein are delivered to it) for any alleged infringement of any patent by reason of the sale or use of such articles, and agrees that it will pay all costs, damages, and profits recoverable in any such suit.
- 21.0 SAFETY REQUIREMENTS:** All materials, equipment, and supplies provided to the State of Wisconsin must comply fully with all safety requirements as set forth by the Wisconsin Administrative Code and all applicable OSHA Standards.
- 22.0 WARRANTY:** Unless otherwise specifically stated by the Proposer, equipment purchased as a result of this request shall be warranted against defects by the Proposer for one (1) year from date of receipt. The equipment manufacturer's standard warranty shall apply as a minimum and must be honored by the contractor.
- 23.0 INSURANCE RESPONSIBILITY:** The contractor performing services for the State of Wisconsin shall:
- 23.1** Maintain worker's compensation insurance as required by Wisconsin Statutes, for all employees engaged in the work.
 - 23.2** Maintain commercial liability, bodily injury and property damage insurance against any claim(s) which might occur in carrying out this agreement/contract. Minimum coverage shall be one million dollars (\$1,000,000) liability for bodily injury and property damage including products liability and completed operations. Provide motor vehicle insurance for all owned, non-owned and hired vehicles that are used in carrying out this contract. Minimum coverage shall be one million dollars (\$1,000,000) per occurrence combined single limit for automobile liability and property damage.
 - 23.3** The state reserves the right to require higher or lower limits where warranted.
- 24.0 CANCELLATION:** The State of Wisconsin reserves the right to cancel any contract in whole or in part without penalty due to non-appropriation of funds or for failure of the contractor to comply with terms, conditions, and specifications of this contract.
- 25.0 VENDOR TAX DELINQUENCY:** Vendors who have a delinquent Wisconsin tax liability may have their payments offset by the State of Wisconsin.
- 26.0 PUBLIC RECORDS ACCESS:** It is the intention of the state to maintain an open and public process in the solicitation, submission, review, and approval of procurement activities.
- Bid/proposal openings are public unless otherwise specified. Records may not be available for public inspection prior to issuance of the notice of intent to award or the award of the contract.
- 27.0 PROPRIETARY INFORMATION:** Any restrictions on the use of data contained within a request, must be clearly stated in the bid/proposal itself. Proprietary information submitted in response to a request will be handled in accordance with applicable State of Wisconsin procurement regulations and the Wisconsin public records law. Proprietary restrictions normally are not accepted. However, when accepted, it is the vendor's responsibility to defend the determination in the event of an appeal or litigation.
- 27.1** Data contained in a bid/proposal, all documentation provided therein, and innovations developed as a result of the contracted commodities or services cannot be copyrighted or patented. All data, documentation, and innovations become the property of the State of Wisconsin.
 - 27.2** Any material submitted by the vendor in response to this request that the vendor considers confidential and proprietary information and which qualifies as a trade secret, as provided in s. 19.36(5), Wis. Stats., or material which can be kept confidential under the Wisconsin public records law, must be identified on a Designation of Confidential and Proprietary Information form (DOA-3027). Proposers/proposers may request the form if it is not part of the Request for Bid/Request for Proposal package. Bid/proposal prices cannot be held confidential.

Standard Terms and Conditions (Request for Bids / Proposals)

- 28.0 DISCLOSURE:** If a state public official (s. 19.42, Wis. Stats.), a member of a state public official's immediate family, or any organization in which a state public official or a member of the official's immediate family owns or controls a ten percent (10%) interest, is a party to this agreement, and if this agreement involves payment of more than three thousand dollars (\$3,000) within a twelve (12) month period, this contract is voidable by the state unless appropriate disclosure is made according to s. 19.45(6), Wis. Stats., before signing the contract. Disclosure must be made to the State of Wisconsin Ethics Board, 44 East Mifflin Street, Suite 601, Madison, Wisconsin 53703 (Telephone 608-266-8123).
- State classified and former employees and certain University of Wisconsin faculty/staff are subject to separate disclosure requirements, s. 16.417, Wis. Stats.
- 29.0 RECYCLED MATERIALS:** The State of Wisconsin is required to purchase products incorporating recycled materials whenever technically and economically feasible. Proposers are encouraged to bid products with recycled content which meet specifications.
- 30.0 MATERIAL SAFETY DATA SHEET:** If any item(s) on an order(s) resulting from this award(s) is a hazardous chemical, as defined under 29CFR 1910.1200, provide one (1) copy of a Material Safety Data Sheet for each item with the shipped container(s) and one (1) copy with the invoice(s).
- 31.0 PROMOTIONAL ADVERTISING / NEWS RELEASES:** Reference to or use of the State of Wisconsin, any of its departments, agencies or other subunits, or any state official or employee for commercial promotion is prohibited. News releases pertaining to this procurement shall not be made without prior approval of the State of Wisconsin. Release of broadcast e-mails pertaining to this procurement shall not be made without prior written authorization of the contracting agency.
- 32.0 HOLD HARMLESS:** The contractor will indemnify and save harmless the State of Wisconsin and all of its officers, agents and employees from all suits, actions, or claims of any character brought for or on account of any injuries or damages received by any persons or property resulting from the operations of the contractor, or of any of its contractors, in prosecuting work under this agreement.
- 33.0 FOREIGN CORPORATION:** A foreign corporation (any corporation other than a Wisconsin corporation) which becomes a party to this Agreement is required to conform to all the requirements of Chapter 180, Wis. Stats., relating to a foreign corporation and must possess a certificate of authority from the Wisconsin Department of Financial Institutions, unless the corporation is transacting business in interstate commerce or is otherwise exempt from the requirement of obtaining a certificate of authority. Any foreign corporation which desires to apply for a certificate of authority should contact the Department of Financial Institutions, Division of Corporation, P. O. Box 7846, Madison, WI 53707-7846; telephone (608) 261-7577.
- 34.0 WORK CENTER PROGRAM:** The successful Proposer shall agree to implement processes that allow the State agencies, including the University of Wisconsin System, to satisfy the State's obligation to purchase goods and services produced by work centers certified under the State Use Law, s.16.752, Wis. Stat. This shall result in requiring the successful Proposer to include products provided by work centers in its catalog for State agencies and campuses or to block the sale of comparable items to State agencies and campuses.
- 35.0 FORCE MAJEURE:** Neither party shall be in default by reason of any failure in performance of this Agreement in accordance with reasonable control and without fault or negligence on their part. Such causes may include, but are not restricted to, acts of nature or the public enemy, acts of the government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, but in every case the failure to perform such must be beyond the reasonable control and without the fault or negligence of the party.

Supplemental Standard Terms and Conditions for Procurements for Services

- 1.0 ACCEPTANCE OF BID/PROPOSAL CONTENT:** The contents of the bid/proposal of the successful contractor will become contractual obligations if procurement action ensues.
- 2.0 CERTIFICATION OF INDEPENDENT PRICE DETERMINATION:** By signing this bid/proposal, the Proposer certifies, and in the case of a joint bid/proposal, each party thereto certifies as to its own organization, that in connection with this procurement:
- 2.1** The prices in this bid/proposal have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other Proposer or with any competitor;
 - 2.2** Unless otherwise required by law, the prices which have been quoted in this bid/proposal have not been knowingly disclosed by the Proposer and will not knowingly be disclosed by the Proposer prior to opening in the case of an advertised procurement or prior to award in the case of a negotiated procurement, directly or indirectly to any other Proposer or to any competitor; and
 - 2.3** No attempt has been made or will be made by the Proposer to induce any other person or firm to submit or not to submit a bid/proposal for the purpose of restricting competition.
 - 2.4** Each person signing this bid/proposal certifies that: He/she is the person in the proposer's/proposer's organization responsible within that organization for the decision as to the prices being offered herein and that he/she has not participated, and will not participate, in any action contrary to 2.1 through 2.3 above; (or)
He/she is not the person in the proposer's/proposer's organization responsible within that organization for the decision as to the prices being offered herein, but that he/she has been authorized in writing to act as agent for the persons responsible for such decisions in certifying that such persons have not participated, and will not participate in any action contrary to 2.1 through 2.3 above, and as their agent does hereby so certify; and he/she has not participated, and will not participate, in any action contrary to 2.1 through 2.3 above.
- 3.0 DISCLOSURE OF INDEPENDENCE AND RELATIONSHIP:**
- 3.1** Prior to award of any contract, a potential contractor shall certify in writing to the procuring agency that no relationship exists between the potential contractor and the procuring or contracting agency that interferes with fair competition or is a conflict of interest, and no relationship exists between the contractor and another person or organization that constitutes a conflict of interest with respect to a state contract. The Department of Administration may waive this provision, in writing, if those activities of the potential contractor will not be adverse to the interests of the state.
 - 3.2** Contractors shall agree as part of the contract for services that during performance of the contract, the contractor will neither provide contractual services nor enter into any agreement to provide services to a person or organization that is regulated or funded by the contracting agency or has interests that are adverse to the contracting agency. The Department of Administration may waive this provision, in writing, if those activities of the contractor will not be adverse to the interests of the state.
- 4.0 DUAL EMPLOYMENT:** Section 16.417, Wis. Stats., prohibits an individual who is a State of Wisconsin employee or who is retained as a contractor full-time by a State of Wisconsin agency from being retained as a contractor by the same or another State of Wisconsin agency where the individual receives more than \$12,000 as compensation for the individual's services during the same year. This prohibition does not apply to individuals who have full-time appointments for less than twelve (12) months during any period of time that is not included in the appointment. It does not include corporations or partnerships.
- 5.0 EMPLOYMENT:** The contractor will not engage the services of any person or persons now employed by the State of Wisconsin, including any department, commission or board thereof, to provide services relating to this agreement without the written consent of the employing agency of such person or persons and of the contracting agency.

Supplemental Standard Terms and Conditions for Procurements for Services

6.0 CONFLICT OF INTEREST: Private and non-profit corporations are bound by ss. 180.0831, 180.1911(1), and 181.0831 Wis. Stats., regarding conflicts of interests by directors in the conduct of state contracts.

7.0 RECORDKEEPING AND RECORD RETENTION: The contractor shall establish and maintain adequate records of all expenditures incurred under the contract. All records must be kept in accordance with generally accepted accounting procedures. All procedures must be in accordance with federal, state and local ordinances.

The contracting agency shall have the right to audit, review, examine, copy, and transcribe any pertinent records or documents relating to any contract resulting from this bid/proposal held by the contractor. The contractor will retain all documents applicable to the contract for a period of not less than three (3) years after final payment is made.

8.0 INDEPENDENT CAPACITY OF CONTRACTOR: The parties hereto agree that the contractor, its officers, agents, and employees, in the performance of this agreement shall act in the capacity of an independent contractor and not as an officer, employee, or agent of the state. The contractor agrees to take such steps as may be necessary to ensure that each subcontractor of the contractor will be deemed to be an independent contractor and will not be considered or permitted to be an agent, servant, joint venturer, or partner of the state.

**APPENDIX E
VENDOR INFORMATION
AND REFERENCE SHEETS**

RFP ETC0019

Mandatory

This appendix must be completed with proposal.

**STATE OF WISCONSIN
DOA-3477 (R05/98)**

VENDOR INFORMATION

1. BIDDING / PROPOSING COMPANY NAME _____

FEIN _____

Phone () _____ Toll Free Phone () _____

FAX () _____ Email Address _____

Address _____

City _____ State _____ Zip + 4 _____

2. Name the person to contact for questions concerning this bid / proposal.

Name _____ Title _____

Phone () _____ Toll Free Phone () _____

FAX () _____ Email Address _____

Address _____

City _____ State _____ Zip + 4 _____

3. Any vendor awarded over \$25,000 on this contract must submit affirmative action information to the department. Please name the Personnel / Human Resource and Development or other person responsible for affirmative action in the company to contact about this plan.

Name _____ Title _____

Phone () _____ Toll Free Phone () _____

FAX () _____ Email Address _____

Address _____

City _____ State _____ Zip + 4 _____

4. Mailing address to which state purchase orders are mailed and person the department may contact concerning orders and billings.

Name _____ Title _____

Phone () _____ Toll Free Phone () _____

FAX () _____ Email Address _____

Address _____

City _____ State _____ Zip + 4 _____

5. CEO / President Name _____

This document can be made available in accessible formats to qualified individuals with disabilities.

VENDOR REFERENCES

FOR VENDOR:

Company Name

Address (include Zip + 4)

Contact Person

Phone No.

Product(s) and/or Service(s) Used

Company Name

Address (include Zip + 4)

Contact Person

Phone No.

Product(s) and/or Service(s) Used

Company Name

Address (include Zip + 4)

Contact Person

Phone No.

Product(s) and/or Service(s) Used

Company Name

Address (include Zip + 4)

Contact Person

Phone No.

Product(s) and/or Service(s) Used

This document can be made available in accessible formats to qualified individuals with disabilities.

APPENDIX F COST PROPOSAL

Company Name _____

Date: _____

Authorized Person _____
(Print or type)

Phone: _____

(Signature of Authorized Person)

The Proposer must adhere to the format set forth below. Failure to do so may result in disqualification. Proposers must provide an **overall not-to-exceed price** covering all services and deliverables identified in each of the sections below and further defined in this RFP. The hourly rate quoted below (upon which the price is based) must be all inclusive of expenses including travel.

Proposers shall also provide a blended hourly rate for unanticipated tasks. All prices given must be complete and inclusive.

Table 19: Mandatory Cost Table

DELIVERABLE	VENDOR HOURS	ETF HOURS	COST
Project Plan	-	-	\$
Solution Module Implementation	-	-	\$
Integration with ETF Applications	-	-	\$
Integration with WiSMART	-	-	\$
Data Migration	-	-	\$
Other ¹	-	-	\$
Hourly rate applied to Vendor Hours to obtain cost of Other: \$ _____			
Overall Not-to-Exceed Total	-	-	\$

Provide a blended hourly rate for additional, unanticipated services not included above, but proposed by the vendor and subsequently approved by the ETF Project Manager.
Rate for unanticipated and authorized work: \$ _____.

ETF will only pay proposer upon completion and acceptance of each deliverable identified in Table 19: Mandatory Cost Table.

¹ Vendor's response must include an itemization of the deliverables cited on this line of the cost table as described in the introduction to Section 3 Minimum Vendor Requirements

**APPENDIX G
BUSINESS ASSOCIATE AGREEMENT**

Vendor agrees to the Terms and Conditions as stated in this Appendix G.

The winning Vendor will be required to complete this form.

This form is not required for inclusion in the Proposal.

**Exceptions must be addressed in Proposal
Tab 5 – Assumptions and Exceptions**

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (“Agreement”) is by and between VENDOR Inc. and the Wisconsin Department of Employee Trust Funds (“ETF”), and acting on behalf of the State of Wisconsin.

RECITALS:

WHEREAS, ETF and VENDOR INC. have executed a contract, pursuant to which VENDOR INC. provides certain Financial Management Information Services (“FMIS”) Implementation Services as set forth in ETC0019 (“Underlying Contract”), and in connection with those services ETF discloses or allows the disclosure to VENDOR INC. of certain information that is subject to protection by the Health Insurance Portability and Accountability Act of 1996, (“HIPAA”) and the Health Information Technology for Economic and Clinical Health Act of 2009 as passed as part of ARRA (“HITECH”) and their implementing regulations, Title 45, Parts 160 through 164 of the Code of Federal Regulations, as well as by laws and administrative rules of the State of Wisconsin; and

WHEREAS, with respect to its activities pursuant to the Underlying Contract, VENDOR INC. is ETF’s Business Associate as that term is defined by HIPAA; and

WHEREAS, it is the intent of this Agreement to comply with state law and with the federal regulations implementing HIPAA and HITECH concerning the privacy, security and transaction standards in 45 C.F.R. Parts 160 to 164, inclusive,

WHEREAS, ETF and VENDOR INC. agree to incorporate the terms of this Agreement into the Underlying Contract and agree to incorporate this Agreement into any associated addenda and contract extensions, in order to comply with HIPAA, HITECH and state law.

NOW, THEREFORE, in consideration of these premises and the mutual promises and agreements hereinafter set forth, ETF and VENDOR INC. hereby agree as follows:

DEFINITIONS:

It is the intent of this Agreement to comply with the federal regulations implementing HIPAA and HITECH concerning the privacy, security and transaction standards, including the definitions in 45 C.F.R. Parts 160 to 164, inclusive, as applicable. This Agreement also addresses compliance with Wisconsin laws on confidentiality of personal information. In particular, the following words and phrases in this Agreement have the meanings set forth below, unless the context clearly requires otherwise:

“ARRA” means the American Recovery and Reinvestment Act of 2009.

“Individual Personal Information” has the meaning set forth in Wis. Admin. Code § ETF 10.70 (1).

“Medical Record” has the meaning set forth in Wis. Admin. Code § ETF 10.01 (3m).

“Personal Information” is information that can be used to identify a person and includes, without limitation, **Individually Identifiable Health Information, Individual Personal Information, Medical Records and Protected Health Information**. These terms incorporate payments and other financial information that can be used to identify a person.

“Third Party” means a party other than a subcontractor or agent that ETF has approved.

PART I – OBLIGATIONS OF VENDOR INC.

A. Uses and Disclosures. VENDOR INC. may use or disclose Personal Information it creates for or receives from ETF or any other VENDOR Inc. of ETF for only the following, limited purposes:

1. Permitted Uses and Disclosures of Personal Information. VENDOR INC. is permitted to use and disclose Personal Information:

- (a) To conduct FMIS Implementation Services in accordance with the Underlying Contract.
 - (b) Subject to the limitations on Uses and Disclosures outlined in this Business Associate Agreement, specifically including the State Law Restrictions in Part I, Section B, VENDOR INC. is authorized to use and disclose Personal Information as necessary for VENDOR INC.'s proper management and administration, to carry out VENDOR INC.'s legal responsibilities, and as otherwise Required by Law.
2. Prohibition on Unauthorized Use or Disclosure. VENDOR INC. will not use or disclose Personal Information it creates for or receives from ETF or from another VENDOR Inc. of ETF, except as authorized or required by this Agreement or as Required by Law or as otherwise authorized in writing by ETF, including, without limitation, marketing and solicitation of business outside the Underlying Contract and disclosure of such information to third-parties.
3. Compliance with Regulations. VENDOR INC. will comply with:
- (a) 45 C.F.R. Parts 160 to 164, inclusive, as applicable to a "Business Associate" of a "Covered Entity" and any other regulations adopted pursuant to HIPAA and HITECH; and
 - (b) Applicable State Law not preempted by 45 C.F.R §§ 160.201 to 160.203, inclusive, or any other federal law.
4. State Law Restrictions. VENDOR INC. shall comply with Wis. Stat. §§ 40.07 and 134.98 with respect to information VENDOR INC. creates for or receives from ETF or from any other Business Associate of ETF. In particular:
- (a) Any Third Party request, including a subpoena, for disclosure of Personal Information, including, without limitation, Medical Records or Individually Identifiable Health Information, shall be referred to ETF in a timely manner; and
 - (b) VENDOR INC. shall not disclose to any Third Party Individual Personal Information which ETF itself may not disclose pursuant to Wis. Stat. § 40.07(1), or of Medical Records that ETF itself may not disclose pursuant to Wis. Stat § 40.07(2).

B. Compliance with Standard Transactions.

1. Standard Transactions Conducted By VENDOR INC. If VENDOR INC. conducts, in whole or in part, transactions, for or on behalf of ETF that are covered by 45 C.F.R Part 162, VENDOR INC. will comply with the applicable HIPAA transactions standards, and will require any subcontractor or agent involved with the conduct of such transactions to provide reasonable assurances, evidenced by written contract, that it will comply with each applicable requirement of 45 CFR Part 162. Further, VENDOR INC. will require that each of its subcontractors or agents provide assurances, by written contract, that it will not enter into a Trading Partner Agreement, in connection with its conduct of Standard Transactions for and on behalf of ETF that:
- (a) Changes the definition, data condition, or use of a data element or segment in a Standard Transaction;
 - (b) Adds any data element or segment to the maximum data set;
 - (c) Uses any code or data element that either is not in the Standard Transaction's implementation specification or is marked "not used" by the Standard Transaction's implementation specifications;
 - (d) Changes the meaning or intent of the Standard Transaction's implementation specifications; or
 - (e) Otherwise violates 45 CFR §162.915.

2. Communications Between the Parties. Communications between ETF and VENDOR INC. that are required to meet HIPAA transactions standards will meet the standards set by 45 CFR Part 162. For all other communications, the forms, tape formats or electronic formats used shall be those mutually agreed upon by ETF and VENDOR INC...

C. **Information Safeguards.** VENDOR INC. will develop, implement, maintain and use reasonable and appropriate administrative, technical and physical safeguards to preserve the integrity and confidentiality of Personal Information under the control of VENDOR INC., and to prevent intentional or unintentional non-permitted or violating use or disclosure of Protected Health Information. VENDOR INC. will document and keep these safeguards current and furnish documentation of the safeguards to ETF upon request. These safeguards will comply with HIPAA, HITECH and their implementing regulations.

D. **Reporting of Breach, Improper Use or Disclosure and Security Incidents.**

Reporting of Breach, Improper Use or Disclosure. VENDOR INC. will report to ETF the discovery of any breach, use or disclosure of Personal Information, not allowed by this Agreement or in violation of 45 C.F.R. Part 164 or HITECH. An occurrence of a breach, improper use or disclosure or security incident is considered to be discovered as of the first day on which such occurrence is known to VENDOR INC., or, by exercising reasonable diligence, would have been known to VENDOR INC..

1. VENDOR INC. shall provide notice to ETF of the occurrence. The notice shall include the identification of each individual whose unsecured Personal Information has been, or is reasonably believed by the Business Associate to have been accessed, acquired, or disclosed during such occurrence.
2. Within one business day of the discovery, VENDOR INC. shall notify ETF's Privacy Officer. VENDOR INC. shall immediately conduct an investigation and report in writing within four business days the following information:
 - (a) The name and contact information of each individual whose Personal Information has been or is reasonably believed to have been accessed, acquired or disclosed during the occurrence.
 - (b) A brief description of what happened, including the date of the occurrence and the date of the discovery of the occurrence, if known.
 - (c) A description of the types of Personal Information that were involved in the occurrence (e.g., full name, date of birth, Social Security number, account number).
 - (d) A brief description of what VENDOR INC. is doing to investigate the occurrence, to mitigate losses and to protect against further occurrences.
 - (e) The actions VENDOR INC. has undertaken or will undertake to mitigate any harmful effect of the occurrence.
 - (f) A corrective action plan that includes the steps VENDOR INC. has taken or will take to prevent similar occurrences.
3. At ETF's option, VENDOR INC. will be responsible for notifying individuals of the occurrence when ETF requires notification and to pay any cost of such notifications, as well as any costs associated with the breach, improper use or disclosure, including, without limitation, credit monitoring services. VENDOR INC. must obtain ETF's approval of the time, manner and content of any such notifications, provide ETF with copies of the notifications, and provide the notifications within sixty (60) days after discovery of the breach, improper use or disclosure. VENDOR INC. shall have the burden of demonstrating to ETF that all notifications were made as required, including any evidence demonstrating the necessity of any delay beyond the 60 day calendar notification to affected individuals after the discovery of the breach by ETF or VENDOR INC..

E. Duty to Mitigate Effect of Misuse or Unauthorized Disclosure and Notify Members of Unauthorized Acquisition:

1. VENDOR INC. will mitigate, as required by HIPAA, HITECH, state law and this agreement, to the extent practicable, any harmful effect that is known to VENDOR INC. of a breach, improper use or unauthorized disclosure reported pursuant to subsection D of this section, including, without limitation, paying for the costs of mitigation and credit monitoring services.
2. VENDOR INC. will comply with the provisions of Wis. Stat. §134.98 and any subsequently adopted state law regarding mitigation of privacy breaches, and shall ensure by written contract that any subcontractor or agent with whom it contracts to carry out the provisions of the Underlying Contract also complies with the provisions of Wis. Stat. §134.98 and any subsequently adopted law regarding mitigation of privacy breaches.

F. Minimum Necessary. VENDOR INC. will make reasonable efforts to use, disclose, or request only the minimum amount of Personal Information necessary to accomplish the intended purpose and shall comply with regulations issued pursuant to HIPAA and HITECH. Internal disclosure of such information to employees of VENDOR INC. shall be limited only to those employees who need the information and only to the extent necessary to perform their responsibilities according to the Underlying Contract and this Agreement.

G. Disclosure to VENDOR INC.'s Subcontractors and Agents. VENDOR INC. shall require any of its agents or subcontractors to provide reasonable assurance, evidenced by written contract, that the agent or subcontractor will comply with the same privacy and security obligations as VENDOR INC. with respect to such Personal Information. Before entering into such a contract with an agent or subcontractor, VENDOR INC. shall obtain from ETF approval of the contract.

H. Access, Amendment and Disclosure Accounting.

1. Access. At the direction of ETF, VENDOR INC. agrees to provide access to any Protected Health Information held by VENDOR INC. which ETF has determined to be part of ETF's Designated Record Set, in the time and manner designated by ETF, so that ETF may meet its access obligations under HIPAA and HITECH. All fees related to this access, as determined by VENDOR INC., are the responsibility of the individual requesting the access.
2. Amendment. At the direction of ETF, VENDOR INC. agrees to amend or correct Protected Health Information held by VENDOR INC. and which ETF has determined to be part of ETF's Designated Record Set, in the time and manner designated by ETF, so that ETF may meet its amendment obligations pursuant to HIPAA and HITECH. All fees related to this amendment, as determined by VENDOR INC., are the responsibility of the individual requesting the access.
3. Documentation of Disclosures. VENDOR INC. agrees to document such disclosures of Protected Health Information and information related to such disclosures so that ETF may meet its obligations under HIPAA and HITECH.
4. Accounting of Disclosures.
 - (a) VENDOR INC. shall maintain a process to provide ETF an accounting of disclosures of Protected Health Information for as long as VENDOR INC. maintains Protected Health Information received from or on behalf of ETF. VENDOR INC. agrees to provide to ETF or to an individual, in a time and manner designated by ETF, information collected in accordance with Subsection 3 above, to permit ETF to properly respond to a request by an individual for an accounting of disclosures pursuant to HIPAA and HITECH.

(b) Each accounting will provide:

- (i) The date of each disclosure;
 - (ii) The name and address of the organization or person who received the Protected Health Information;
 - (iii) A brief description of the Protected Health Information disclosed; and
 - (iv) For disclosures other than those made at the request of the subject, the purpose for which the Protected Health Information was disclosed and a copy of the request or authorization for disclosure.
- (c) For repetitive disclosures which VENDOR INC. makes to the same person or entity, including ETF, for a single purpose, VENDOR INC. may provide:
- (i) The disclosure information for the first of these repetitive disclosures;
 - (ii) The frequency or number of these repetitive disclosures; and
 - (iii) The date of the last of these repetitive disclosures,
- VENDOR INC. will make a log of this disclosure information available to ETF within five (5) business days of ETF's request.
- (d) VENDOR INC. need not record disclosure information or otherwise account for disclosures of Protected Health Information if:
- (i) The disclosures are allowed under this Agreement or are expressly authorized by ETF in another written document; and
 - (ii) The disclosures are for one of the following purposes:
 - i. Treatment, Payment or Health Care Operations that are not made through an Electronic Health Record;
 - ii. In response to a request from the Individual who is the subject of the disclosed Protected Health Information, or to that Individual's Personal Representative;
 - iii. Made to persons involved in the health care or payment for the health care of the Individual who is the subject of the disclosed Protected Health Information;
 - iv. For notification for disaster relief purposes;
 - v. For national security or intelligence purposes;
 - vi. As part of a Limited Data Set; or
 - vii. To law enforcement officials or correctional institutions regarding inmates.
5. Disclosure Tracking Time Periods. Except as otherwise provided in this paragraph, VENDOR INC. must have available to ETF the disclosure information required by this section, but in no case will VENDOR INC. be required to have available information from:
- (a) More than six (6) years before ETF's request for the disclosure information; or
 - (b) Any period during which VENDOR INC. did not provide services to ETF.
6. Disclosure Tracking for Disclosures made through Electronic Health Records: VENDOR INC. only needs to provide disclosures for Treatment, Payment or Health Care Operations made through an Electronic Health Record for three years prior to the date on which the accounting is requested. VENDOR INC. shall provide all information necessary for ETF to provide an accounting that includes all information required by regulations issued pursuant to HIPAA and HITECH.
7. Effective Date: The effective date for accounting required under subsection 6 depends on the date ETF acquires an Electronic Health Record. If ETF had an electronic Health Record as of January 1, 2009, subsection 6 will apply to Protected Health Information disclosures made by ETF on or after January 1, 2014. If ETF does not have an Electronic Health Record as of January 1, 2009, subsection 6 will apply to Protected Health Information disclosures made by ETF after the later of January 1, 2011 or the date ETF acquires an Electronic Health Record.
- I. Accounting to ETF and Government Agencies. VENDOR INC. will make its internal practices, books, and records relating to its use and disclosure of Protected Health Information available to

ETF to provide to the U.S. Department of Health and Human Services (HHS) in a time and manner designated by HHS for the purpose of determining ETF's compliance with HIPAA and HITECH. VENDOR INC. shall promptly notify ETF of any inquiries made to it by HHS concerning ETF's compliance with HIPAA.

- J. **Red Flag Rules.** If applicable to VENDOR INC., VENDOR INC. shall be responsible for implementation of an Identity Theft Monitoring Policy and procedure to protect Personal Information under the Federal Trade Commission regulations known as the "Red Flag Rules."

PART II – ETF OBLIGATIONS

- A. **Changes in Permissions to Use and Disclose Protected Health Information.** ETF shall promptly notify VENDOR INC. of any change in, or revocation of, permission by an individual to use or disclose Protected Health Information, to the extent that such change may affect VENDOR INC.'s use or disclosure of such Protected Health Information.
- B. **Changes in ETF's Notice of Privacy Practices.** ETF shall provide VENDOR INC. with a copy of ETF's Notice of Privacy Practices and shall notify VENDOR INC. of any change made to the Notice of Privacy Practices, to the extent that such change may affect VENDOR INC.'s efforts to comply with this Agreement.
- C. **Changes in State Law.** ETF shall notify VENDOR INC. of any relevant change in Wisconsin law, to the extent that such change may affect VENDOR INC.'s efforts to comply with this Agreement.

PART III – TERM, TERMINATION AND AMENDMENT

- A. **Term.** This Agreement becomes effective on the effective date of the Underlying Contract. The Agreement is co-extensive with the term of the Underlying Contract, including any extensions made to the original Underlying Contract.
- B. **Termination for Breach.** ETF shall have the right to terminate the Underlying Contract and this Agreement if VENDOR INC., by pattern or practice, materially breaches any provision of this Agreement.
- C. **Reasonable Steps to Cure Breach.** In addition to the right to terminate this Agreement and Underlying Contract pursuant to section B, above, ETF may provide VENDOR INC. with an opportunity to cure the material breach. If these efforts to cure the material breach are unsuccessful, as determined by ETF in its sole discretion, ETF may terminate the Underlying Contract and this Agreement, as soon as administratively feasible.
- D. **Effect of Termination: Return or Destruction of Protected Health Information.**

Upon termination, cancellation, expiration, or other conclusion of the Agreement, VENDOR INC. shall:

1. Return to ETF or, if return is not feasible, destroy all Personal Information in whatever form or medium that VENDOR INC. received from or created on behalf of ETF. This provision shall also apply to all Personal Information that is in the possession of subcontractors or agents of VENDOR INC... In such case, VENDOR INC. shall retain no copies of such information, including any compilations derived from and allowing identification of Personal Information. VENDOR INC. shall complete such return or destruction as promptly as possible, but not more than thirty (30) days after the effective date of the conclusion of this Agreement. Within such thirty (30) day period, VENDOR INC. shall provide written documentation that such return or destruction has been completed, including such return or destruction by any subcontractors or agents of VENDOR INC.

2. If VENDOR INC. destroys Personal Information, it shall be done with the use of technology or methodology that renders the Personal Information unusable, unreadable, or undecipherable to unauthorized individuals as specified by HHS in HHS guidance for the destruction of Protected Health Information. Acceptable methods for destroying Personal Information include: (i) paper, film, or other hard copy media shredded or destroyed in order that Personal Information cannot be read or reconstructed; and (ii) electronic media cleared, purged or destroyed consistent with the standards of the National Institute of Standards and Technology (NIST). HHS specifically excluded redaction as a method of destruction of Protected Health Information, unless the information is properly redacted so as to be fully de-identified.
3. If VENDOR INC. believes that the return or destruction of Personal Information is not feasible, VENDOR INC. shall provide written notification of the conditions that make return or destruction infeasible. Upon mutual agreement of the Parties that return or destruction is not feasible, VENDOR INC. shall extend the protections of this Agreement to Personal Information received from or created on behalf of ETF, and limit further uses and disclosures of such Personal Information, for so long as VENDOR INC. maintains the Personal Information.

E. Agreement to Amend Agreement. The parties to this contract acknowledge that federal laws relating to transactions, security and privacy are rapidly evolving and that amendment to this Agreement may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, HITECH and their implementing regulations. Upon the request of either party, the other party agrees to promptly enter into negotiations concerning the terms of an amendment to this Agreement embodying written assurances consistent with the standards and requirements of HIPAA, HITECH and applicable federal regulations. If this Agreement is not amended by the effective date of any final regulation or amendment to final regulations with respect to HIPAA and HITECH, this Agreement will automatically be amended on such effective date such that the obligations they impose on VENDOR INC. remain in compliance with the regulations then in effect.

PART IV – GENERAL PROVISIONS

- A. Conflict.** The provisions of this Agreement override and control any conflicting provision of the Underlying Contract. All non-conflicting provisions of the Underlying Contract remain in full force and effect.
- B. Election to Not Treat As Representative.** Nothing in this Agreement shall be construed to limit the discretion of ETF, under 45 C.F.R. § 164.502 (g) (5), to elect not to treat a person as the representative of an individual.
- C. No Third Party Beneficiaries.** Nothing expressed or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any entity other than ETF and VENDOR INC., any rights, remedies, obligations or liabilities whatsoever.
- D. Documentation.** All documentation that is required by this Agreement or by 45 C.F.R. Part 164 will be retained by VENDOR INC. for six (6) years from the date of creation or when it was last in effect, whichever is longer.
- E. Survival.** The parties' obligations and rights, with respect to VENDOR INC.'s engagement to provide services, will be unaffected by the termination of the Underlying Contract and this Agreement. In particular, the provisions of Part III, Sections D and E, and this section, shall survive termination of the Underlying Contract and this Agreement.

Company Name _____

Date: _____

Authorized Person _____
(Print or type)

Phone: _____

(Signature of authorized person)

APPENDIX H
SAMPLE PARTIAL INTERFACE DOCUMENTATION

State of Wisconsin - Dept. of Employee Trust Funds

Benefits Payment System
External Interface Definition -
WiSMART – Cash Receipt (CR)

Version 1.5

Employee Trust Funds 2005 - Benefits Payment System	Version: 1.5
External Interface Definition – WiSMART – Cash Receipt (CR)	Date: 05/31/2007

Revision History

Date	Version	Description	Author
9/30/2005	1.1	Initial draft	Ron Kolwitz
10/3/2005	1.2	Fixed typos in doc header & doc detail format	Naveen Mohammed
	1.3	To match CVS version	
05/30/2007	1.4	Added Org/SubOrg/ApprUnit/Fund/Agency etc. codes for last D line in detail	Naveen Mohammed
05/31/2007	1.5	Removed Obj/SubObj codes for last D line in detail	Naveen Mohammed

Employee Trust Funds 2005 - Benefits Payment System	Version: 1.5
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Employee Trust Funds 2005 - Benefits Payment System	Version: 1.5
External Interface Definition – WiSMART – Cash Receipt (CR)	Date: 05/31/2007

EID – WiSMART – Cash Receipt (CR)

General Information	
Description	The CR batch file is used for sending information to WiSMART about cash receipts towards receivables. At 1pm daily, the WiSMART system uploads this. That evening the WiSMART system processes the file and adds the receivables to it's system.
Complexity	High
IT Contact	Ron Kolwitz
External System Contact	Kathy Skiera
Technical Aspects	
Filename	WiSMART-CR-Extract.dat
Timing Requirements	Must be created by 1pm daily
Frequency	Uploaded to WiSMART daily
Transport	Ftp to mainframe
Format	Flat file

1. Message Format

The Wismart CR Extract contains 3 unique record formats: the batch header, the document headers, and the detail records. The extract contains one batch header that uniquely identifies the batch. The batch can contain as many documents as needed, and each document is identified with a document header. Each document contains one or more detail records. The format then for this extract is

```

<Batch Header Record>
<Document Header Record 1>
<Document Header Record 1 Detail Record 1>
<Document Header Record 1 Detail Record 2>
<Document Header Record 1 Detail Record 3>
<Document Header Record 1 Detail Record n>
<Document Header Record 2>
<Document Header Record 2 Detail Record 1>
<Document Header Record 2 Detail Record 2>
<Document Header Record 2 Detail Record 3>
<Document Header Record 2 Detail Record n>
etc.

```

Employee Trust Funds 2005 - Benefits Payment System	Version: 1.5
External Interface Definition – WiSMART – Cash Receipt (CR)	Date: 05/31/2007

1.1 Formatting Keys/Assumptions

Data Type	Description	Valid Format	Default Justification (unless otherwise specified)
N	Numeric	Integers from 0-9	Right justified zero filled
A	Alpha	Letters from a-z and A-Z	Left justified blank filled. Assumes no trailing blanks
A/N	Alpha Numeric	Includes alpha and numeric	Left justified blank filled. Assumes no trailing blanks
FCS	Full Character set	Includes alphanumeric and special characters	Left justified blank filled. Assumes no trailing blanks.
D	Date	Numeric(8)	YYYYMMDD
F	Flag	0 (off/false/no) or 1 (on/true/yes)	
M	Money	Integers from 0-9	“integer number of pennies”, “decimal implied”

Employee Trust Funds 2005 - Benefits Payment System	Version: 1.5
External Interface Definition – WiSMART – Cash Receipt (CR)	Date: 05/31/2007

1.2 Wismart CR Batch Header Format

Record Location	Field Description	Data Type	Max Field Size	Start Pos	End Pos	M /O /C *	Valid Range	Business Rule
01	Record Type	A/N	1	1	1	M	'B'	'B' for Batch
02	Filler	A/N	1	2	2	M		Spaces
03	Batch Type	A/N	2	3	4	M	'CR'	'CR' for Cash Receipt
05	Filler	A/N	2	5	6	M		Spaces
07	Batch Organization	A/N	3	7	9	M	'515'	'515' is ETF Agency Identifier
10	Filler	A/N	1	10	10	M		Spaces
11	Interface Assigned Identifier	A/N	2	11	12	M		Check
13	Month Identifier	A/N	1	13	13	M		See Appendix A
14	Day Identifier	A/N	1	14	14	M		See Appendix A
15	Sequential Identifier	A/N	2	15	16	M		Generated by batch system
17	Filler	A/N	22	17	38	M		Spaces
39	Net amount	A/N	14	39	52	M		Total dollar amount of all docs within batch. Zero padded with no commas, decimals, or signs.
53	Interface Assigned Identifier	A/N	2	53	54	M		Same as that used in position 11
55	Month Identifier	A/N	1	55	55	M		Same as that used in position 13
56	Day Identifier	A/N	1	56	56	M		Same as that used in position 14
57	Sequential Identifier	A/N	2	57	58	M		Same as that used in position 15
59	Batch Month	A/N	2	59	60	M		Calendar Month
61	Batch Day	A/N	2	61	62	M		Calendar Day
63	Batch Year	A/N	2	63	64	M		Calendar Year
65	Number of Documents	A/N	4	65	68	M		Number of documents within batch
69	Filler	A/N	432	69	500	M		Spaces

** Key – M/O/C – Mandatory/Optional/Conditional

Employee Trust Funds 2005 - Benefits Payment System	Version: 1.5
External Interface Definition – WiSMART – Cash Receipt (CR)	Date: 05/31/2007

1.3 Wismart CR Document Header Format

Record Location	Field Description	Data Type	Max Field Size	Start Pos	End Pos	M /O /C *	Valid Range	Business Rule
01	Record Type	A/N	1	1	1	M	'D'	'D' for Document Header
02	Filler	A/N	1	2	2	M		Spaces
03	Batch Type	A/N	2	3	4	M	'CR'	'CR' for Cash Receipt
05	Filler	A/N	2	5	6	M		Spaces
07	Batch Organization	A/N	3	7	9	M	'515'	'515' is ETF Agency Identifier
10	Filler	A/N	1	10	10	M		Spaces
11	Interface Assigned Identifier	A/N	2	11	12	M		Same as Batch Header Interface Assigned Identifier
13	Month Identifier	A/N	1	13	13	M		Same as Batch Header Month Identifier
14	Day Identifier	A/N	1	14	14	M		Same as Batch Header Day Identifier
15	Sequential Identifier	A/N	2	15	16	M		Same as Batch Header Sequential Identifier
17	Document Type	A/N	2	17	18	M	'CR'	'CR' for Cash Receipt
19	Filler	A/N	2	19	20	M		Spaces
21	Organization	A/N	3	21	23	M	'515'	'515' is ETF Agency Identifier
24	Filler	A/N	1	24	24	M		Spaces
25	Organization	A/N	4	25	28	M	?	Is this the same as 21?
29	Constant	A/N	1	29	29	M	'I'	Must be 'I'
30	Document number	A/N	6	30	35	M	'CKBPS'	Prefixed with 'CKBPS'
36	Filler	A/N	1	36	36	M		Spaces
37	Transaction Code	A/N	2	37	38	M	'CR'	'CR' for Cash Receipt
39	Agency	A/N	3	39	41	M	'515'	'515' is ETF Agency Identifier
42	Organization	A/N	4	42	45	M	?	Same as 25?
46	Constant	A/N	1	46	46	M	'I'	Must be 'I'
47	Transaction Number	A/N	6	47	52	M		Same as Document Number
53	Filler	A/N	12	53	64	M		Spaces
65	Action	A/N	1	65	65	M	'E'	'E' for Original Entry
66	Bank Account Code	A/N	2	66	67	M	'01'	'01'
68	Filler	A/N	4	68	71	M		Spaces
72	Comment	A/N	12	72	83	M		"A/R Deduction "+ mm-dd-yyyy
84	Document Total	M	14	84	97	M		Document total based on line amounts
98	Filler	A/N	403	98	500	M		Spaces

** Key – M/O/C – Mandatory/Optional/Conditional

APPENDIX I
DATA GOVERNANCE AND POLICY INFORMATION

DATA CLASSIFICATION POLICY

Statement of Policy

Department of Employee Trust Funds (ETF) data must be regularly reviewed and classified as outlined in this policy according to use, sensitivity, importance to ETF, and compliance with state and federal laws.

Rationale

Classification of data according to sensitivity is essential for ensuring that ETF applies the appropriate degree of protection to the data ETF maintains. Data used by ETF often contains detailed information about ETF participants. The protection of such information is driven by a variety of considerations, including legal, financial, and business requirements. This policy provides a framework for the classification of agency data to ensure its privacy and security.

Scope

This policy applies to all data produced and maintained by ETF. The policy applies regardless of the form the data takes or the medium in which the data is stored. Some examples of items covered under this policy are:

- Electronic records stored in ETF systems and in portable media;
- Information maintained by ETF in paper forms, reports, and other documents.

Examples of items not covered by this policy, but covered under other security policies regarding assets, are:

- ETF's facilities and telecommunications equipment;
- Server/network hardware, workstations.

Specifications

ETF will use the following classifications:

Public – Information that is not protected or private. Information classified as public has no state, federal, or international legal restrictions on access. Additionally, risk of unintended disclosure would be of low to no risk to ETF. There may occasionally be a policy reason to restrict certain access.

Examples: effective interest rates, insurance premiums, mortality rates, unfunded liability balances, benefit estimate wait times

Protected – Information that can be viewed and used by ETF employees and authorized third parties for official business purposes. Disclosure of this information to unauthorized parties carries some risk to participants and ETF, both financial and reputational.

Examples: member address, annual earnings, creditable service, benefit rights codes, employment information, controlled correspondence

Private - Information restricted to a specific subset of ETF employees and authorized third parties based on policies, statutes or state or federal regulations. This includes information that may be provided to the subject of the information or an authorized third party. Information for which an Information Owner has determined access will be classified as private. Unintended disclosure could require mitigation, reporting, possible fines, harm to the agency, participants and other third-parties. Information that is classified as private if unintentionally disclosed would carry significant risk to ETF. Examples: medical record documents, social security number, financial account numbers, any information or data that is unique to, assigned to, or belongs to an individual and that is intended to be used to access services, funds, or benefits of any kind to which the individual is entitled. Any information that can be associated with a particular individual through one or more identifiers.

Note: The definitions provided for the classifications listed above do not supersede the Wisconsin Public Records law, ss. 19.21 through 19.39, Wis. Stats., or any other state or federal authority regarding open or closed records such as s. 230.13, Wis. Stats., however the definitions may include information protected by Wis. Stats. s. 40.07.

Roles & Responsibilities

Data Custodian - Individuals who need and use agency data on a daily basis as part of their assigned employment duties or functions:

- Must be familiar with the agency's data governance and classification structure.
- Must comply with this policy and related standards, guidelines, and procedures issued by ETF in support of this policy.

Data Steward - An individual or entity assigned by an Information Owner to facilitate the interpretation and implementation of Data policies and guidelines. These individuals are responsible for ensuring these policies are being met.

Data stewards participate with Information Owners, business staff, IT data administration staff, application development teams, and knowledgeable departmental staff on projects creating, maintaining, and using agency data.

Information Owner – Individual or entity who provides assurance (for the ETF data for which they are responsible) that the data complies with Data Quality and Security & Privacy Policies as well as providing final authority and decision making with respect to the data.

In addition, these owners are responsible for mitigating risks and issues associated with this data and addressing remediation plans to minimize impact and exposure for ETF and any third parties who may be impacted. This responsibility may be delegated to Data Stewards.

The agency's data should be organized by the area responsible for it. Every piece of data owned, used, or maintained by the agency must have one or more Information Owners identified in the event that questions concerning access and availability arise. Information Owners must designate a Data Steward for their administrative unit.

Information Owners must implement appropriate managerial, operational, physical, and technical safeguards for access to, use of, transmission of, and disposal of ETF data. Private data are considered the most sensitive and require the highest level of protection. This policy provides examples of safeguards. However, Information Owners may implement procedures more restrictive than the ones identified in this policy. Owners may delegate enforcement of these procedures to Data Stewards.

Data Handling

General Safeguards for All Data

1. Using the categories Public, Protected and Private, Information Owners must classify all ETF data as soon as possible after the creation or acceptance of ownership by ETF.
2. Following initial classification, ETF data must remain classified at the initial level or reclassified as needed due to changes in usage, sensitivities, law or other relevant circumstances.
3. Classifications assigned to ETF data must be reviewed at least once every three (3) years by the Information Owner and reclassified based on changing usage, sensitivities, law, or other relevant circumstances.
4. Data must be protected in accordance with the security controls specified for the classification level that it is assigned.
5. The classification level and associated protection of replicated data must remain consistent with the original data [e.g. (i) confidential HR data copied to a CD-ROM, or other removable-media (e.g. flash drive), or from one server to another, retains its confidential classification; (ii) printed copies of Private Data is also classified Private].
6. Any physical or logical collection of data, stored, in transit, or during electronic transfer (e.g. file, database, emails and attachments, filing cabinet, backup media, electronic memory devices, sensitive operation logs or configuration files) containing differing classification levels must be classified as a whole at the highest data classification level within the collection. Any data subset that has been separated from any such collection must be protected in accordance with the protection specified for the classification level of the data subset if assigned; otherwise the data subset retains the classification level of the original collection and requires the same degree of protection.
7. Destruction of data (electronic or physical) or systems storing data must be done in accordance with ETF's Records Management Program.
8. Before systems or media are reused they should be erased according to ETF guidelines to ensure no residual data remains on the systems or media.

DATA LOGGING POLICY

Statement of Policy

Log files that are required by the Department of Employee Trust Funds (ETF) will adhere to standard practices defined in the procedures below. At a minimum, logging will be required for data classified as protected or private.

Rationale

ETF benefits data are important agency resources and assets. Log data will assist with problem resolution efforts, auditing work, and system restore operations. It will also be invaluable to system penetration attack investigations and fraud investigations. By standardizing minimum logging requirements, ETF can be better equipped to make decisions on how to configure systems. This policy will help with multi-operating system intrusion detection and prevention systems. Note that the logging approach specified in this policy can be captured by nearly any generally available operating system and application.

Definitions

Log – A computer record that maintains information defined for that particular system.

Roles & Responsibilities

Information Owner – Individual or entity who:

9. Assures that the systems and data they are responsible for comply with Data Quality and Security & Privacy Policies; and
10. Provides final authority and decision making with respect to the systems and data for which they are responsible.

General Logging Procedure Guidelines

Information owners assigned to draft written procedures should be subject-matter experts for the specific system requiring logging.

The Office of Internal Audit will provide a non-audit service of reviewing draft procedures and providing feedback on known best practices. Also, the Office makes no recommendation, nor accepts responsibility for management policies or procedures, because management is responsible for its policies and procedures.

Information owners will be responsible for drafting written procedures for logging based on these Procedure Guidelines:

- The log contains sufficient information to establish what events occurred, the sources of the events, and the outcomes of the events.
- ETF allocates sufficient storage capacity and configures logging to prevent such capacity being exceeded.
- In the event the log cannot be written or storage capacity has been reached, the information system alerts appropriate personnel and takes one of the following additional actions: shutdown information system, overwrite oldest log, or stop generating logs.

- The information system provides a report generation capability.
- The information system provides the capability to automatically process log records for events of interest based upon selectable event criteria.
- The information system protects log information and analysis tools from unauthorized access, modification, and deletion.
- The information system provides timestamps for use in log generation.
- ETF retains logs for a minimum of 6 years, or as defined by Retention/Disposition Authorization (RDA) requirements, to provide support for after-the-fact investigations of security incidents and to meet regulatory and agency information retention requirements.
- Validate log settings for each system, ensuring that logs include a date, timestamp, user ID if available, source addresses, destination addresses, and various other useful elements of each packet or transaction. Systems will record logs in a standardized format. If systems cannot generate logs in a standardized format, deploy log normalization tools to convert logs into a standardized format.
- Operating systems will be configured to log access control events associated with a user attempting to access a resource without the appropriate permissions.
- Security personnel and system administrators will run routine reports that identify anomalies in logs. They will actively review the anomalies, documenting their findings.
- Each agency network will include at least two synchronized time sources, from which all servers and network equipment retrieve time information on a regular basis, so that timestamps in logs are consistent.
- Network boundary devices, including firewalls, network-based intrusion protection systems (IPS), and inbound and outbound proxies will be configured to record detailed information (that is, use the option to log verbosely) all traffic (both allowed and blocked) arriving at the device.
- All remote access to an internal network, whether through virtual private network (VPN), dial-up, or other mechanism, will be logged verbosely.

Data Auditing Policy

Statement of Policy

All production application systems that handle protected and private data of the Department of Employee Trust Funds (ETF) must, at a minimum, generate logs that capture every inquiry, addition, modification, and deletion to such information. The log events need to be audited and acted upon according to system specifications, regulations, and applicable statutes.

Rationale

Auditing capabilities are required under HIPAA and will also be very helpful when attempting to investigate and correct problems like errors and potential misappropriation of funds. Auditing capabilities will also assist staff doing routine and benign investigations of the use of resources. Use of risk management frameworks such as the Committee of Sponsoring Organizations (COSO), model best practices and can assist in determining appropriate audit scope and depth.

Definitions

Information Security –Protecting and preserving the confidentiality, integrity, authenticity, availability, and reliability of information.

Security Event – The security of an information system, service, or network may have been breached or compromised and an information security policy may have been violated or a safeguard may have failed.

Security Audit – Checking the efficiency of methods used to secure information systems and data, including whether the information security is adequate and whether there have been any security events.

Roles & Responsibilities

Information Owner – Individual or entity who:

11. Assures that the systems and data they are responsible for comply with Data Quality and Security & Privacy Policies; and
12. Provides final authority and decision making with respect to the systems and data for which they are responsible.

Scope

This policy requires the ability to account for all access to protected and private information like insurance data, retirement enrollment and eligibility data, personnel records, and other benefit data. For example, the insurance database must have an associated log that shows who accessed or updated the enrollment data and when. At a minimum, this policy applies to all protected and private data produced and maintained by ETF. The policy applies regardless of the form the data takes or the medium in which the data is stored. Because specific application systems are subject to change, this policy indicates the types of applications that should have associated logs or audit trails and does not name them. The log data elements will need to be determined on a case-by-case basis, and are not mentioned in the policy. See related Logging and Data Classification policies.

General Audit Procedure Guidelines

Information owners assigned to draft written procedures should be subject-matter experts.

The Office of Internal Audit will provide a non-audit service of reviewing draft procedures and providing feedback on known best practices. Also, the Office makes no recommendation, nor accepts responsibility for management policies or procedures, because management is responsible for its policies and procedures.

Information owners will be responsible for drafting written procedures for audit logging based on these Procedure Guidelines:

- ETF will regularly review and analyze logs for indications of inappropriate or unusual activity, investigate suspicious activity or suspected violations of ETF work rules and state and federal law, report findings to appropriate officials, and take necessary actions.
- ETF will periodically test the audit analysis process by creating controlled, benign events in logs and monitoring devices and measuring the amount of time that passes before the events are discovered and action is taken. ETF will ensure that a trusted person is in place to coordinate activities between the incident response team and the personnel conducting such tests.
- ETF will deploy a Security Event and Information Management (SEIM) system tool for log aggregation and consolidation from multiple machines and for log correlation and analysis. ETF will deploy and monitor standard scripts for analysis of the logs, as well as using customized local scripts.
- ETF will establish and follow a process for revoking system access by disabling accounts immediately upon termination of an employee or contractor.
- ETF will monitor network and mainframe login account usage to determine dormant accounts that have not been used for 30 days, notifying the user or user's manager of the dormancy. If the user is on temporary leave, ETF will temporarily disable the account. If the user is not expected to return to ETF, the account will be disabled.
- On a periodic basis, ETF will require that managers match active employees and contractors with each account belonging to their managed staff. If a manager discovers an account that is not assigned to an active employee or contractor, that manager will report the account to security or system administrators who will disable those accounts. ETF will monitor attempts to access deactivated accounts through audit logging.