REQUEST FOR PROPOSAL

The University of Texas Health Science Center at Houston

for

Selection of a Vendor to Provide
Procure to Pay (P2P) Business Solutions

RFP No.: 744-R1913 – P2P

Bid Submittal Deadline: 5/31/19 at 2:00 PM CST
HUB Plan Submittal Deadline: 5/31/19 at 2:00 PM CST

Prepared By:
Cleo Gonzales, Purchasing Contracts Administrator
The University of Texas Health Science Center at Houston
6410 Fannin St., Suite 833
Houston, Texas 77030
Buyer email: Cleo.B.Gonzales@uth.tmc.edu
4/30/2019

REQUEST FOR PROPOSAL

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SECTION 1

INTRODUCTION

1.1 Description of University

Founded in 1972, The University of Texas Health Science Center at Houston (UTHealth) is one of the fourteen (14) component Universities of The University of Texas System. UTHealth is the most comprehensive academic health center in Texas, and is comprised of the following buildings & schools:

- Medical School (MSB) - 6431 Fannin Street
- Medical School Expansion (MSE) – 6431 Fannin Street
- Cyclotron Building (CYC) – 6431 Fannin Street
- School of Dentistry (SOD) – 7500 Cambridge Street
- School of Public Health (SPH) - 1200 Pressler Street
- School of Nursing (SON) – 6901 Bertner Avenue
- School of Biomedical Informatics (SBMI) - 7000 Fannin Street
- Graduate School of Biomedical Sciences (GSBS)– 6767 Bertner Avenue
- Biomedical & Behavioral Sciences Building (BBS) – 1941 East Road
- Institute of Molecular Medicine (IMM) – 1825 Pressler Street
- Harris County Psychiatric Center (HCPC) - 2800 South MacGregor Drive
- Operations Center Building (OCB) -1851 Cross Point Avenue
- University Center Tower (UCT) - 7000 Fannin Street
- Professional Building (UTPB) - 6410 Fannin Street
- Jesse H. Jones Library Building (JJL) – 1133 John Freeman Blvd.

UTHealth combines biomedical sciences, behavioral sciences, and the humanities to provide interdisciplinary activities essential to the definition of modern academic health science education. UTHealth is committed to providing health professional education and training for students, and is dedicated to providing excellence in research and patient care, which is offered through its clinics, Memorial Hermann Hospital System (its primary teaching hospital), and other affiliated institutions. UTHealth is a major part of the concentration of medical schools, hospitals and research facilities generally referred to as the Texas Medical Center.

The University of Texas Health Science Center at Houston System has nearly 8,000 employees and approximately 5,000 students. As a component of the University of Texas System, UTHealth is subject to the “Rules and Regulations of the Board of Regents of the University of Texas System for the government of The University of Texas System.”

An “**Institutional Affiliate**” means our affiliated Clinical practice, U.T. Physicians group, as designated by University, in connection with any Agreement.

1.2 Background and Special Circumstances

The University of Texas Health Science Center at Houston (“University”, “UTHealth”), is interested in procuring a business solution and cloud based technology to help support the “procure to pay” operations. The Institution has experienced rapid growth over the last ten years and is looking to modernize its operations by leveraging technology to help automate and reduce manual transactions. Key to this initiative is finding the best solution to support internal customer requirements across our six different schools, U.T. Physicians, and the Harris County Psychiatric Center.

1.3 Objective of Request for Proposal

The University of Texas Health Science Center at Houston is soliciting proposals from qualified vendors in response to this Request for Proposal 744-R1913 P2P (**RFP**) for selection of a Contractor/s to provide Procure to Pay business solutions more specifically described in **Section 5.2** (Scope of Work).

University reserves the right to (a) enter into an agreement or agreements for all or any portion of the functional areas set forth below in this RFP (b) reject any and all proposals and re-solicit proposals, or (c) reject any and all proposals and temporarily or permanently abandon this selection process, if deemed to be in the best interests of University. Proposer submissions should be valid for at least eighteen (18) months. This is due to the fact that different functional areas may be awarded at different times and have different implementation schedules. Proposer may bid on all procure to pay functional areas or only on the areas that the Proposer offers a solution. Proposer is hereby notified that University will maintain in its files concerning this RFP a written record of the basis upon which a selection, if any, is made by University.

This Request for Proposal (RFP) includes the following procure to pay functional areas which are open for submission from Proposers:

FUNCTIONAL AREA
Supplier Information Management
Supplier Enablement & PO/Invoice Automation: (PO dispatch, Invoice Receipt, automated invoice matching)
Procurement: Includes Catalog/Non-Catalog requisitions, budget check, workflow approvals, purchase orders, and receiving
Invoicing (PO & Non-PO)
Employee Expenses & Travel
Procurement Card (BuyCard) Management and Expense Reconciliation
Sourcing
Spend Analytics

1.4 Group Purchase Authority

Please be advised that multiple other University of Texas institutions have expressed interest in utilizing, or "piggy-backing" on, the contract that results from this RFP. It is likely (although not guaranteed) that the successful Proposer responding to this RFP will have the opportunity to provide solutions to multiple other University of Texas locations throughout the State of Texas through the contract that results from this solicitation.

Texas law authorizes institutions of higher education (defined by §61.003, *Education Code*) to use the group purchasing procurement method (ref. §§51.9335, 73.115, and 74.008, *Education Code*). Additional Texas institutions of higher education may therefore elect to enter into a contract with the successful Proposer under this RFP. In particular, Proposer should note that University is part of The University of Texas System (**UT System**), which is comprised of fourteen institutions described at http://www.utsystem.edu/institutions**.** UT System institutions routinely evaluate whether a contract resulting from a procurement conducted by one of the institutions might be suitable for use by another, and if so, this RFP could give rise to additional purchase volumes. As a result, in submitting its proposal, Proposer should consider proposing a pricing model and other commercial terms that take into account the higher volumes and other expanded opportunities that could result from the eventual inclusion of other institutions in the purchase contemplated by this RFP. Any purchases made by other institutions based on this RFP will be the sole responsibility of those institutions.

SECTION 2

NOTICE TO PROPOSER

2.1 Submittal Deadline

University will accept proposals until **2:00 PM Central Time,** on **Friday, May 31, 2019** (**Submittal Deadline**).

2.2 RFP Contact Information and Questions

Interested parties may direct questions about this RFP to:

The University of Texas Health Science Center at Houston
Procurement Services
1851 Crosspoint, OCB1.160
Houston, Texas 77054
Cleo Gonzales or Martha Amaya

Email to: Cleo.B.Gonzales@uth.tmc.edu or Martha.G.Amaya@uth.tmc.edu
Subject Line: RFP No. 744-R1913 – P2P

*University instructs interested parties to restrict all contact and questions regarding this RFP to written communications delivered (i) in accordance with this Section on or before **5:00 PM** on **May 10, 2019** (**Question Deadline**), or (ii) if questions relate to Historically Underutilized Businesses, in accordance with **Section 2.5**.*

University will provide responses as soon as practicable following the Question Deadline. University intends to respond to all timely submitted questions. However, University reserves the right to decline to respond to any question.

2.3 Criteria for Selection

The successful Proposer, if any, selected by University through this RFP will be the Proposer that submits a proposal on or before the **Submittal Deadline** that is the most advantageous to University. **Contractor** means the successful Proposer under this RFP.

***** Proposer must provide responses to ALL of the Minimum Qualification questions in Section 5.3.1 which University will utilize to qualify or disqualify the proposals to be considered for this RFP. Proposals that do not provide responses to ALL of these Minimum Qualification questions will be disqualified *****

Proposer is encouraged to propose terms and conditions offering the maximum benefit to University in terms of (1) service, (2) total overall cost, and (3) project management expertise.

The evaluation of proposals and the selection of Contractor will be based on the information provided in the proposal by the criteria listed below. Furthermore, University may consider additional information if University determines the information is relevant. **For example, the University may award multiple functional areas to a single proposer based on best value standardization.**

The criteria to be considered by University in evaluating proposals and selecting Contractor, will be those factors listed below:

Company/Fit to University Objectives - The proposer's awareness of future directions and trends of Procure to Pay solutions as well as other related requirement fields that may be applicable to University. Proposer's experience performing the requested services for other similar, complex academic institutions. The Proposer's demonstrated competence, experience, and knowledge of P2P solutions is an essential requirement. Other factors to be evaluated will include:

- Proposer's size, stability, financial strength, leadership, research and development, and product lifecycle
- Demonstrated commitment to P2P Market and ability to offer comprehensive solutions
- University and Proposer Collaboration

Implementation and Operation Plan - The soundness of the Proposer's approach to a new Procure to Pay solution. Proposer's experience implementing and performing the requested services for other complex institutions. Other factors to be evaluated will include:

- Proposer delivery and maintenance approach and past performance with other similar organizations.
- Proposed University project requirements, such as organizational structure, resource requirements, and additional project costs
- Delivery and support for training, adoption and on-going support/enhancements
- Support for University Change Management initiatives, including increasing more standardized processes and workflows across all venues of care and administrative functions.
- Support for developing and maintaining a highly disciplined and on-going Content Management and Governance Model.

Cost - Evaluation in this category will be based on the total cost to University for the scope of work outlined in this RFP. Proposers providing the best cost, value and discount will be scored higher in this category. Next ranked Proposers will be rated accordingly. University specifically notes and re-emphasizes that the total cost to University – including all applicable implementation, transition, consulting, cash flow disruption and related costs – will be included in this criteria, to the extent possible. Other factors to be evaluated will include:

- Total Cost of Ownership (TCO) will consider contract structure, capital mitigation, financing and sourcing total solution, including software, hardware, resources and services
- All one-time and recurring or on-going costs
- Additional requirements and/or recommendations for other categories of cost, such as Third party services, interfaces, subscriptions, etc.

Functional Requirements – Evaluation in this category will be based on the ability to meet the functional requirements and provide a solution in each of the functional areas outlined in the scope of work of this RFP.

Technical Requirements- Evaluation in this category will be based on the ability to meet the technical requirements and provide a technical solution in each of the functional areas outlined in the scope of work of this RFP.

2.4 Key Events Schedule

Event	Date	Time
Request for Proposal issued	4/30/19	
Pre-Proposal Conference	5/7/19	10:00 AM – 11:30 AM CST
Deadline for submitting questions	5/10/19	5:00 PM CST
Proposals Due	5/31/19	2:00 PM CST

***Interested parties that are unable to attend in person (1851 Crosspoint Avenue, Houston, TX 77054) must contact University personnel below for Pre-Proposal Conference call-in Information:**

Cleo Gonzales Cleo.B.Gonzales@uth.tmc.edu 713-486-6145

2.5 Historically Underutilized Businesses

2.5.1 All agencies of the State of Texas are required to make a good faith effort to assist historically underutilized businesses (**HUBs**) in receiving contract awards. The goal of the HUB program is to promote full and equal business opportunity for all businesses in contracting with state agencies. Pursuant to the HUB program, if under the terms of any agreement or contractual arrangement resulting from this RFP, Contractor subcontracts any Work, then Contractor must make a good faith effort to utilize HUBs certified by the Procurement and Support Services Division of the Texas Comptroller of Public Accounts. Proposals that fail to comply with the requirements contained in this **Section 2.5** will constitute a material failure to comply with advertised specifications and will be rejected by University as non-responsive. Additionally, compliance with good faith effort guidelines is a condition precedent to awarding any agreement or contractual arrangement resulting from this RFP. Proposer acknowledges that, if selected by University, its obligation to make a good faith effort to utilize HUBs when subcontracting any Work will continue throughout the term of all agreements and contractual arrangements resulting from this RFP. Furthermore, any subcontracting of Work by the Proposer is subject to review by University to ensure compliance with the HUB program.

2.5.2 University has reviewed this RFP in accordance with 34 TAC §20.285, and has determined that subcontracting opportunities are probable under this RFP.

2.5.3 A HUB Subcontracting Plan (**HSP**) is a required part of the proposal. The HSP will be developed and administered in accordance with University's Policy on Utilization of Historically Underutilized Businesses, attached as **APPENDIX THREE**.

*Each Proposer must complete and return the HSP in accordance with the terms and conditions of this RFP, including **APPENDIX THREE**. Proposers that fail to submit the HSP will be considered non-responsive to this RFP as required by §2161.252, Government Code.*

Questions regarding the HSP may be directed to:

Contact:	*Shaun McGowan*
	HUB & Small Business Program Manager
Phone:	*(713) 500-4862*
Email:	*Shaun.A.McGowan@uth.tmc.edu*

Contractor will not be permitted to change its HSP unless: (1) Contractor completes a new HSP in accordance with the terms of **APPENDIX THREE**, setting forth all modifications requested by Contractor, (2) Contractor provides the modified HSP to University, (3) University approves the modified HSP *in writing, and (*4) all agreements resulting from this RFP are amended in writing to conform to the modified HSP.

2.5.4 *At the same time Proposer submits its* proposal *(no later than the Submittal Deadline (ref. **Section 2.1**))*, Proposer must submit the following HUB materials (**HUB Materials**):

Two (2) complete original paper copies of Proposer's HSP.

Proposer's HUB Materials must be submitted (as instructed in **Section 3.2**) under separate cover and in a separate envelope (**HSP Envelope)** with the top outside surface clearly indicating:

2.5.4.1 RFP No. and the Submittal Deadline (ref. **Section 2.1**) in the lower left hand corner,

2.5.4.2 Name and the return address of Proposer, and

2.5.4.3 Phrase "HUB Subcontracting Plan."

Any proposal submitted in response to this RFP that is not accompanied by a separate HSP Envelope meeting the above requirements may be rejected by University and returned to Proposer unopened as non-responsive due to material failure to comply with advertised specifications.

University will open Proposer's HSP Envelope prior to opening the proposal to confirm Proposer submitted the HSP. Proposer's failure to submit the HSP will result in University's rejection of the proposal as non-responsive due to material failure to comply with advertised specifications.

<u>NOTE</u>: The requirement that Proposer provide the HSP under this **Section 2.5.4** is separate from and does not affect Proposer's obligation to provide University with the number of copies of its proposal specified in **Section 3.1**.

2.5.5 University may offer Proposer an opportunity to seek informal review of its draft HSP by University's HUB Office before the Submittal Deadline. If University extends this offer, details will be provided at the Pre-Proposal Conference (ref. **Section 2.6**) or by other means. Informal review is designed to help address questions Proposer may have about how to complete its HSP properly. Concurrence or comment on Proposer's draft HSP by University will *not* constitute formal approval of the HSP, and will *not* eliminate the need for Proposer to submit its final HSP to University as instructed by **Section 2.5**.

2.6 Pre-Proposal Conference

University will hold a pre-proposal conference at **10:00 AM, Central Time on Tuesday, May 7, 2019**, in Room **OCB1.160 of Operations Center Building (OCB) (1851 Crosspoint Avenue, Houston, TX 77054**). The pre-proposal conference will allow all Proposers an opportunity to ask University's representatives relevant questions and clarify provisions of this RFP.

***Interested parties that are unable to attend in person must contact University personnel below for Pre-Proposal Conference call-in Information:**

Cleo Gonzales Cleo.B.Gonzales@uth.tmc.edu 713-486-6145

SECTION 3

SUBMISSION OF PROPOSAL

3.1 Number of Copies

Proposer must submit (a) **two (2) complete paper copies of its *entire* proposal**, and (b) ***one (1) complete electronic copy of its entire proposal in a single .pdf file on a flash drive*.** The copy of the Proposer's proposal bearing an original signature should contain the mark "original" on the front cover of the proposal.

3.2 Submission

Proposals must be received by University on or before the Submittal Deadline (ref. **Section 2.1**) and delivered to:

The University of Texas Health Science Center at Houston
Procurement Services
1851 Crosspoint, OCB1.160
Houston, TX 77054
Attn: Cleo Gonzales or Martha Amaya

3.3 Proposal Validity Period

Each proposal must state that it will remain valid for University's acceptance for a minimum of eighteen (18) months after the Submittal Deadline, to allow time for evaluation, selection, and any unforeseen delays.

3.4 Terms and Conditions

3.4.1 Proposer must comply with the requirements and specifications contained in this RFP, including the Agreement (ref. **APPENDIX TWO**), the Notice to Proposer (ref. **Section 2**), and the Specifications and Additional Business Requirement Questions (ref. **Section 5**). If there is a conflict among the provisions in this RFP, the provision requiring Proposer to supply the better quality or greater quantity of services will prevail, or if such conflict does not involve quality or quantity, then interpretation will be in the following order of precedence:

3.4.1.1 Specifications and Additional Business Requirement Questions (ref. **Section 5**);

3.4.1.2 Agreement (ref. **APPENDIX TWO**);

3.4.1.3 Notice to Proposers (ref. **Section 2**).

3.5 Submittal Checklist

Proposer is instructed to complete, sign, and return the following documents as a part of its proposal. If Proposer fails to return each of the following items with its proposal, then University may reject the proposal:

3.5.1 Signed and Completed Pricing and Delivery Schedule (ref. **Section 6**)

3.5.2 Responses to questions and requests for information in the Specifications and Additional Business Requirement Questions Section (ref. **Section 5**)

3.5.3 Signed and completed originals of the HUB Subcontracting Plan or other applicable documents (ref. **Section 2.5** and **APPENDIX THREE**).

SECTION 4

<u>GENERAL TERMS AND CONDITIONS</u>

The terms and conditions contained in the attached Agreement (ref. **APPENDIX TWO**) or, in the sole discretion of University, terms and conditions substantially similar to those contained in the Agreement, will constitute and govern any agreement that results from this RFP. If Proposer takes exception to any terms or conditions set forth in the Agreement, Proposer will submit a list of the exceptions as part of its proposal in accordance with **Section 5.4.1**. Proposer's exceptions will be reviewed by University and may result in disqualification of Proposer's proposal as non-responsive to this RFP. If Proposer's exceptions do not result in disqualification of Proposer's proposal, then University may consider Proposer's exceptions when University evaluates the Proposer's proposal.

NOTE: The selected Proposer will be required to complete the Electronic and Information Resources Environment Specifications (Appendix Six) and Security Characteristics and Functionality of Contractor's Information Resources (Appendix Seven) documents, which will be incorporated into the Agreement.

SECTION 5

SPECIFICATIONS AND ADDITIONAL BUSINESS REQUIREMENT QUESTIONS

5.1 General: Project Goals & Annual Volumes

Primary Project Goal:
Streamline low dollar, high volume, "Procure to Pay" transactions through process re-design and automated P2P technologies to optimize customer satisfaction and reduce costs

General Project Goals:

- Review processes and develop a customer driven "one stop shop" ordering platform vs. multiple entry points.
- Reduce manual paper processes and increase automation to drive efficiencies. (e-catalogs, e-ordering, e-invoicing, automated invoice matching)
- Improve visibility to product descriptions and negotiated contract pricing via e-catalogs.
- Create clean spend data required for spend analytics while reducing ordering and invoicing errors.
- Reduce the number of blanket orders and BuyCard transactions not under contract
- Reduce manual paper processes and data entry and increase automated 3-way invoice matches to drive efficiencies.
- Faster payment processing and reduction of invoice exceptions through cleaner data
- Reduce IT time required for set up of e-ordering and e-invoicing cXML transmissions
- Improve Customer Service, Processes, and Create Value
- Supplier Portal to simplify vendor set-up and maintenance
- Awarded solution to integrate with PeopleSoft interfaces
- Drive more compliance to spend on contract and improve spend analytics
- Allow for multiple suppliers on one requisition
- Allow for standardization across schools
- Reduce manual transactions through automation

ANNUAL VOLUMES

Number of Users:	**950**
Date all Users need to be live in the system:	**7/1/2020**
Spend ($):	**$285M**
Date all Spend should be going through the system:	**7/1/2020**
Number of Purchase Orders:	**52,000**
Number of Invoices Processed (PO):	**126,000**
Number of BuyCard (P-card) Purchase Orders Processed:	**17,000**
Vouchers Approved (Non PO):	**28,000**
Vouchers Approved (Expense Reimbursement/Travel Reports):	**23,000**
Number of Active Suppliers:	**8,814**
Date all Suppliers need to be live in the system:	**7/1/2020**
Number of ERP instances:	**1**
Number of Charts of Accounts	**21M combinations**
Go Live date for the entire system:	**7/1/2020**

5.2 Scope of Work

General:
Contractor must provide all data backups and is responsible for all system maintenance including software upgrades to both the infrastructure (operating system, etc.) as well as the product. Contractor must be willing to guarantee uptime with a service level agreement (SLA) at 99.8% with commercial penalties for failure to perform. Contractor must be willing to provide a complete copy of purchasing data upon termination of contract. Contractor must have full capability for disaster recovery with service running simultaneously in geographically dispersed data centers. Contractor must provide regular and automated response-time performance monitoring.

The following is a current state summary of each functional area and considerations we are evaluating for future implementation.

- Functional Area: Supplier Information Management
    - Volumes: 8,814 active vendors
    - Current State: For vendor set-up, the requestor must first request the completed, signed and dated Tax forms from the individual or company to be paid for merchandise or services. This includes a W-9 for American citizens and companies, a W-8 BEN-E for foreign companies and a W-8 BEN & an Alien Tax Information form for individuals who are non-citizens. University requires a W-9 form and a clear valid copy of the green card for individuals who are United States Permanent Residents. These documents are sent to the vendor team via our secure dedicated fax or email. The vendor team then manually verifies the TIN information is correct and that it does not currently exist in our database. W-9s and all required documentation are stored on a shared drive. Then all documentation stored on the shared drive is imported into our database "Documentum".

      On Miscellaneous Services Codes (only for Individuals) University requires a current signed and dated W-9 or W-8 BEN & Alien Tax Information form when the individual is initially added. When there is a name change or an address change, we require a new W-9 or W-8 BEN. We also need new Tax information (W-9 or W-8 BEN) from companies, corporations, LLC's & attorneys that have a name change so that we can be sure that their corporate Tax ID number remains the same. If it changes, we must add a new supplier to our database. Refund Requests do not require any documents. The vendor team verifies that the social security number is correct and that it does not currently exist in our database. W-9s and all required documentation are stored on shared drive. Then all documentation stored on the shared drive is imported into our database "Documentum".

      University encourages requestors to always use the most recent revision of Tax Documents available at the IRS website. Refusal of any person or company to submit the required forms will mean that the State of Texas (and therefore, University) cannot do business with them without approval from the AVP of Procurement.

      With the information outlined above, the requestor then fills out Supplier Change/Add request in PeopleSoft. They are also encouraged to fill out the contact page with the requestor info if adding an individual and the company contact if they are adding a supplier. The Questions and Comments page details the information about the supplier and what's being purchased/paid for.

      The completion tasks for the vendor team include checking the state and federal sites for discrepancies. These checks include, State of Texas Comptroller's Office (Sales Tax Compliance Status), the Federal Visual Compliance (Restricted Party Screening) Federal Office of the Inspector General (The Exclusions Database) State Office of the Inspector General (State Fraud). Federal System for Award Management (checks whether the company comes up as a US entity).

      The vendor team also adds the Tax ID information, and any additional information supplied by the requestor but not added on the request. After all checks are completed and information added, the code is approved and uploaded for use. Once a vendor is active, there are no routine checks to validate that all information is correct.

    - Considerations: Supplier portal allows direct entry of data and centralized archiving of critical information. Validation of information is updated on an automated basis. Establish workflow rules around review and approval.

- Functional Area: Supplier Enablement & PO/Invoice Automation (PO dispatch, invoice receipt, automated invoice matching)
    - Volumes: University currently has ten (10) PunchOut suppliers enabled, nine (9) of which utilize cXML PO dispatch methods directly from PeopleSoft. PunchOut purchases represent 28,669 purchase orders issued or 56% of the annual PO volume of 52,000. All other orders are dispatched via email or fax. University receives cXML invoices, which total 39,000 or 31% of the annual vouchers processed. The remaining 69% (86,000) invoices are received via pdf, email, and paper, which creates high volumes of match exceptions. Please refer to **Exhibit-A** which outlines our top 200 suppliers that we receive invoices in a paper format.
    - Current State: cXML PO's are dispatched and invoices are received electronically from enabled suppliers via PeopleSoft. Virtual private network (VPN) connections between enabled suppliers and UTHealth are established in-house and not through Jaggaer. Jaggaer is our current supplier that we utilize only for e-catalog shopping. The supplier enablement process is coordinated by Procurement and facilitated by our IT department technical representatives, University IT Security, and Supplier's IT Security groups. This process often is cumbersome and time consuming since Suppliers must tailor their enablement to specific UTHealth requirements. Often a single enablement can last months. POs that maintain a Valid Budget status from requisition sourcing and do not require Procurement due diligences are batch dispatched. POs are dispatched to Vendors directly from PeopleSoft using the designated method setup in Supplier records: cXML, fax, or email. Currently, order documentation attachments are not supported in PeopleSoft. Order documentation is emailed to a central procurement services email box. All support documentation and the purchase order are printed, and then manually scanned into the procurement document repository, "Documentum" by procurement staff for orders over $15,000.
    - Considerations: All supplier enablement and electronic connections are to be established by Contractor on behalf of University. The solution should outline additional strategies to reduce paper invoice submissions and minimize match exceptions. This may include any third party options that the Contractor may present as part of their solution. The supplier should indicate any additional functional area modules that must be procured to support optimization of the proposed solutions.

- Functional Area: Procurement
    - Includes: Catalog management, requisition build (catalog or non-catalog), budget check, workflow approval, purchase orders, and receiving
    - Volumes: Peoplesoft manual special requests are approximately 23,000 per year (15,000 have paper requisition forms), e-Procurement Catalog requests are approximately 29,000 per year (account code manually entered into Peoplesoft), and total number of PO's are approximately 52,000 per year.
    - Current State: University utilizes PeopleSoft Financial Management System 9.2 ("FMS"), PUM 29 and is currently transitioning to Fluid format for its ERP system of record. Procurement transaction entries originate from the FMS eProcurement module and are keyed by both centralized and decentralized users across campus. University currently only integrates with Jaggaer's eCatalog feature of their Spend Director module. FMS eProcurement utilizes five (5) Requisition Origins: Catalog Requisition (CAT), Special Request (SPL), Point of Sale Request (POS), Internal Services Department Requests (INT) & Travel & Misc. Services Request (TRV) Origins. For the purposes of this functional area, the focus is on Catalog & Special Request entries.

      Pre-Requisition – Defining Order Needs

        - e-Procurement: University utilizes Jaggaer's Cart Assignment functionality to allow Non-PeopleSoft users (typically Lab Researchers) direct access to available Hosted and PunchOut catalogs. Non-PeopleSoft users are able to route carts for processing. Cart routing is accomplished using Jaggaer workflow and group email accounts. Users who do not use the Cart Assignment functionality must submit order requests manually and buyers must process these requests manually.
        - Supplemental Systems: Numerous supplemental systems are used across campus by End Users to aid in the compilation of ordering needs and to facilitate Information Technology approvals prior actual PeopleSoft FMS RQ entry. These supplemental systems include:
            - Animal Care's Vivarium Management System, Tick@Lab
            - School of Public Health's in-house customized preordering system
            - School of Dentistry's inventory/ preordering system, Axiom
            - Medical School
                - Information Technology's in-house customized approval system
                - Manual paper requisitions are approximately 11,000 per year
            - Facilities Management
                - Manual paper requisitions are approximately 4,000 per year

- Outputs from supplemental systems and/or traditional paper form requests are presented (typically in an email format) to designated Departmental/Procurement Buyers for manual entry into the PeopleSoft FMS System. This often involves multiple touches and duplicate entry. Jaggaer Cart Assignments are integrated with PeopleSoft except for the chartfield (account) which is manually entered into PeopleSoft.
- All three of these methods involve multiple manual entry points. This negatively impacts data quality (contract identification, price discrepancies, incorrect item descriptions/unit of measure, etc.), creates staffing inefficiencies and limits visibility of contracted purchasing volumes.

<u>Requisition Entry</u>

- Requisitions are keyed as either CAT or SPL Origin orders. CAT orders utilize the Jaggaer catalog showcase to create carts via Hosted or PunchOut catalogs. CAT based requisitions created using PunchOut catalogs are the preferred and most efficient method as they allow for cXML transmissions which automates the PO dispatch and invoice payment processes. Negative impacts of CAT orders include: (1) the inability to accommodate customized quote retrievals for some PunchOut Suppliers – resulting in increased SPL order entries, (2) price discrepancies of Hosted Suppliers – resulting in match exceptions and (3) manual entries of GL account information.
- SPL Origin orders require manual entries throughout the entire order life cycle and presents inefficiencies in data capture, contract management and payment process.

<u>Budget Checking/ Approval Workflow/ Sourcing</u>

- Budget Checking is done at the requisition entry level, prior to submitting for approvals.
- Once the requisition data is keyed and Budget Checked, the requisition routes through workflow for Departmental, Capital Assets and Procurement approval. Workflow provides limited financial threshold levels and requires local network and system authentication for approval.
- Requisitions are sourced either by batch processes or manually by authorized procurement staff into POs. POs are then batch scheduled for dispatching or queued for Procurement due diligence.

<u>Receiving</u>

- Receiving is done at multiple entry points by either the order Requestor, Buyer or authorized procurement staff within PeopleSoft.
- Requires local network and system authentication for entry into PeopleSoft and when missing creates match exceptions in accounts payable and delays payment. Email notifications are sent to requisition Requestors and Buyer when Receiving match exceptions occur.

- o <u>Considerations</u>: Create one point of entry for the creation of all requisitions both catalog and non-catalog. This would include the elimination of paper for non-catalog requisition build, higher use of electronic catalogs, and higher contract visibility. The goal is that 80% of orders are initiated via electronic catalogs. We also would implement e-procurement cart features across the entire campus. PO support documentation would be attached to the requisition. Budget checks and workflow approval routing would occur outside of PeopleSoft but must have integration points with PeopleSoft. The Purchase Orders would be dispatched outside of PeopleSoft. Supplier enablement or on-boarding would be managed by Contractor. A receiving function that may be based on pre-defined business rules and may allow for receiving on cell phone and tablets.

- <u>Functional Area</u>: Invoicing
  - o <u>Includes</u>: PO & Non-PO
  - o <u>Volumes:</u>
    - ▪ <u>PO:</u> Accounts Payable currently processes approximately 126,000 PO invoices per year of which 39,000 are electronic cXML loaded and 86,000 are paper invoices or 69% of the total.
    - ▪ <u>Non-PO</u>: Invoices and vouchers approved: 28,000 annually
  - o <u>Current State</u>: Accounts Payable vouchers are entered in PeopleSoft by file uploads or the Accounts Payable Team (AP). End Users typically create Non-PO Invoices/Vouchers.
    - ▪ <u>PO Invoices</u>

      Invoices are sent by the supplier to various departments across the University in the form of paper and email. The department reviews the invoice and/or it sits at their location before sending the invoices to our centralized Accounts Payable department, which causes a delay in processing time. AP also receives a high volume of paper invoices via mail and email from suppliers and University departments as well as electronic loaded invoices. Once an invoice is received, each is manually sorted by mail clerk and valid invoices scanned into ImageNow (Brainware). Brainware uses an OCR technology to sort the invoices by assigned set group of alphas into an AP processor's work queue. Queues are viewed/worked by processer, manually reviewing each invoice for data entry into FMS according to supplier setup payment terms. The stored ImageNow document is linked to FMS voucher. Batch Budget checks and 3-way matching jobs run periodically against valid vouchers for payment scheduling. Invoices requiring signature approval are emailed to the departments for signature approval prior to data entry. Data entry is done after approval with attached email or signature approval added to the document image. Documents with missing PO information or pricing issues require departmental contact or return to vendor. Documents are saved for later review after response or voided until issue is resolved and returned with corrections. The PO details will then populate and the processor will again manually audit the invoice to the PO details to ensure items billed match the PO and makes changes as necessary. Processors receive daily matching exceptions report which are reviewed and resolved within 45 days or less by processor's periodic contact/follow-up with buyer or requester of items. In addition, systematic emails are sent to the buyer and requester of the requisition indicating that an invoice exists for their purchase order and there is a matching exception which needs to be handled for payment. Our system supports a zero percent tolerance and until a PO invoice fully matches or an exception clears, it cannot route for payment.

    - Non-PO Invoices
      This transaction is utilized to facilitate non-routine or non-recurrent payments where direct disbursement of funds is allowed and prior encumbering of funds is not necessary. For example, prepaid items, refunds, institutional memberships, some student/employee reimbursements, subscriptions or purchases made outside of the procurement process. Non-PO vouchers generally originate within the department and are final approved in workflow by Disbursements or Employee Reimbursement for payment. Certain rules apply for oversight. The method of departmental upfront approval varies by school or department. There is no standardization departmentally other than the Medical School e-form centralized process for entry. An administrative person receives a paper signature approval on a request form with relevant supplier, chartfield information/invoice to use for voucher data entry into PeopleSoft directly or into an e-form. The administrative person scans the received supporting documents in electronic form and attaches to the Voucher or e-form using ImageNow scan and link process. The voucher builds and is submitted to a budget checking process. Once valid budget checked, the voucher must be reviewed by the departmental administrative person and submitted to PeopleSoft workflow for the necessary review and approvals as specified by the chartfield workflow rules. The voucher may be denied or pushed back in the process for corrections at any level of approval. After final approval is complete the voucher is picked up in the daily manual pay cycle process and paid to remit supplier.
  - Considerations: Use of forms to initiate process, and work flow approvals to facilitate review. Higher use of automation.

- Functional Area: Employee Expenses & Travel
  - Volumes: The Employee Expenses & Travel team currently approves 23,000 vouchers/invoices.
  - Current State: The University permits the payment and reimbursement of certain expenditures incurred by employees, students, and miscellaneous services suppliers in the course of their official duty and responsibility to the State. PeopleSoft is the one system where all travel and miscellaneous services request are entered, maintained, and processed. Two groups are using the UT Travel functionality: End Users and the Expense Reimbursement Team (ERT).
    - UT Travel (UTTRV) Requisition– Before a trip, End Users will enter requests into FMS for travel and employee and misc. services suppliers travel expenses, utilizing a Bolt-on travel kit with associated Cost or No Cost Travel details. Airfare Business travel ticketing information is acquired through Concur or directly through the travel agent group and interfaced with Citibank voucher build against an FMS UTTRV travel purchase order from the department. See Non-PO invoice procedure for employee, student and miscellaneous reimbursements not associated with a Cost or No Cost travel.
    - UTTRV PO – After a trip, PeopleSoft FMS manual PO voucher data entry in departments to an associated UTTRV Cost travel purchase orders and will have associated documents scanned and linked into ImageNow or may follow the medical school process of e-form voucher build load and routing in approval framework workflow for Employee Reimbursement audit and final

approval for payment. Employee Reimbursement will view requisitions and purchase orders, process necessary travel advances, update Cost Travel information when necessary, enter vouchers for airfare expenses, and inquire on and run travel reports.

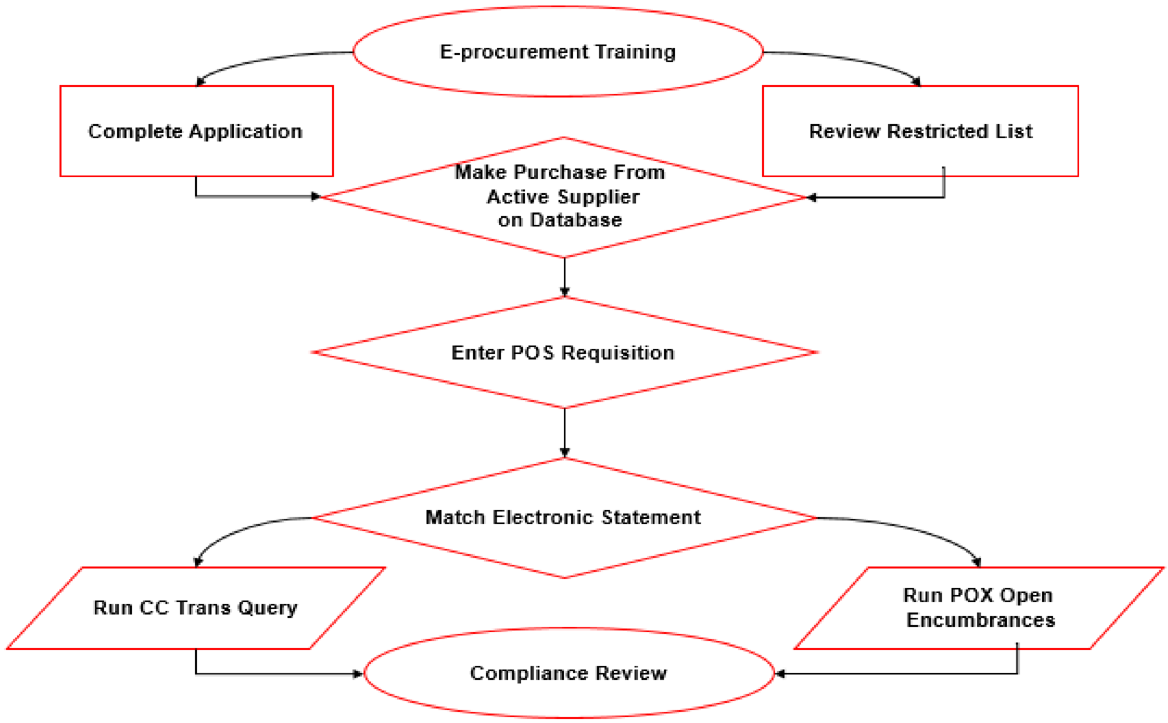
- UTTRV PO Invoices – End Users manually enter a requisition that could include expenditures for airfare, registration, and various reimbursable expenses. End User uses UT Travel pages to set up and later track travel information for both cost travel and non-cost travel expenses. PeopleSoft then sources the requisition into one or more purchase orders (POs) as there must be a different PO for each supplier (payee). After the purchase orders are dispatched, the department buyers will contact the University's travel agent (Concur) with the PO number to confirm the airline reservation. The agent will then book the transportation and charges the department's Business Travel Account (BTA). This is also a "ghost" procurement card. If the traveler is approved for a travel advance, Employee Reimbursement Team (ERT) manually enters a Non PO voucher for the amount of the advance. ERT updates the purchase order with a line for the travel advance. Prior to the trip or event, the End User can enter a PO voucher for registration fees. After the trip, the End User can enter a PO voucher to process reimbursement of travel expenses, and manually scan in copies of any receipt for backup into ImageNow. If the travel advance is more than the travel expense, the employee owes the University. If the opposite is true (or there was no advance), a payment will be generated from Accounts Payable. ERT will manually reconcile travel-related open items
- UTTRV Non-PO Invoices – End users manually enter an invoice (Non PO voucher) into FMS for invoices with no pre-existing purchase order. Associated documents are scanned and linked in ImageNow to attach to the FMS voucher. The voucher along with the linked documents routes through workflow as defined in the FMS approval framework workflow. The necessary levels of approval for each are obtained to reach final audit and approval by Administrative Accounts payable or Employee Reimbursement groups.
- The Medical school group utilizes an ImageNow e-form process link located on the Medical School website for departmental data entry. The entry person attaches associated documents for the voucher request form to the e-form. The data entry person must validate the entered information for payment request with chartfield to submit the form for voucher build processing overnight. The e-form submitted is picked up in a nightly FMS voucher build load. The vouchers load for next day review by Medical School finance group processors. After review, the medical group processors push the documents forward and submit them into FMS approval framework workflow. The necessary levels of approval for each are obtained to reach final audit and approval by Administrative Accounts payable or Employee Reimbursement groups.

- Considerations: Reduce the use of multiple forms, systems, and manual processes. Solution for submitting additional backup and receipts in a more efficient and customer friendly manner.

- Functional Area: Procurement Card (BuyCard) Management and Expense Reconciliation
  - Volumes: This UT Health BuyCard program has 368 cardholders that create approximately 17,223 Point of sales (POS) purchase orders with an encumbrance of 6.5M annually.
  - Current State: The UT Health BuyCard is provided to faculty & staff as an alternate method to pay for purchases of goods and services that are not available through other purchasing methods such as the eProcurement catalog. In order to ensure our program's integrity, the Program administrator & Compliance coordinator reviews the daily downloads for unapproved transactions to determine whether the items being purchased comply with established standards. The cardholder has the UTHealth BuyCard for a two-year period and then an audit of all transactions are evaluated to assess the following requirements: two signatures on Citibank Monthly Statements and sales receipts with pricing. All statements and receipts must be kept in hard copy by the card holder.

    To be considered for a Buycard, an employee must have taken the prerequisites at the time of application; FMS Financial Overview and FMS eProcurement training. The application must be approved by Departmental Approver. All required fields must be populated, including: last four digits of the employee ID number, default chartfield string, and designated proxy/reconciler(s). The single purchase limit for the BuyCard is $2,000.

BuyCard onboarding and compliance requirements



The UTHealth BuyCard CitiBank Payment Procedures consists of several steps. The billing cycle is on the 15th of each month. The bank statement files must be downloaded from the Citibank GCMS system, renamed to BUYCARD_STG_STMT_LOAD.TXT, and placed into the \fprd\user\Interfaces\Inbound\PCard folder daily. Once the daily file is verified, the transactions are loaded into Financial Management System (FMS). The Bank Statement Workflow will email the cardholders. The cardholders will then match the online statement lines to the individual purchase order lines in the electronic statement. Also, please note the following are recurring deadlines:

- The cardholder's reconciliation deadline is the fourteenth of each month. This is when the cardholder enters in a POS requisition into PeopleSoft to encumber funds and begin the monthly reconciliation process.
- The RECON ALL (Payment process is on 15th of each month).
- Voucher build will run the night of the 15th.
- All corrections to vouchers that do not budget check must be resolved by the 20th of the current month.
- The Electronic funds transfer (EFT) payment will generate on the 28th of the current month.
- Finally, send the Citibank reconciliation supporting documentation to disbursement on the 30th of each month.

- Considerations: Opportunity exists for better control of what is bought on the BuyCard. For example, being able to limit Amazon.com purchases. These controls may be involved with workflow, access, or some other method. An improvement needs to be made on our reconciliation process. Currently, over 17,000 POS purchase orders annually. These are processed after the card has been used and creates a cumbersome and highly manual reconciliation process.

- Functional Area: Sourcing
  - Volumes: 158 bids per year with a value greater than $50,000, and 135 bids per year with a value between $15,000 and $50,000
  - Current State: All bids are drafted in Word and posted on the Procurement bid opportunities website for solicitation. Bids are received via hard copy with one copy per team evaluator. After the bids come in, all questions are scored manually by a team of evaluators using Excel spreadsheets. A buyer combines the individual scores to calculate the overall score and combines it with the pricing score. The winning proposal is stored electronically on a local shared drive, and hard copies of all proposals are stored in the Procurement office.

- Considerations: All bids are created using an e-sourcing tool. This includes the bid itself and scoring of proposals. All bid documentation would be stored in the e-sourcing tool.

- Functional Area: Spend Analytics
  - Volumes: Current spend is approximately $280M annually on goods and services
  - Current State: Currently, we track spend through a report called the Non-Salary Spending Report. This provides payment data from the previous two (2) years through the end of the previous month. The Non-salary Spending Report along with the Supplier Master reports are sent to Premier (UT System contract for spend analytics) monthly via a scheduled batch process. Premier scrubs and categorizes the data using UNSPSC and/or NIGP standard and uploads it into their Premier Spend Analytics tool.
  - Considerations: Provide custom reports that allow us to review payment metrics and allow for benchmarking in real-time against a market average to determine areas for improvement in savings. Reports should allow us to view different date ranges and data from previous years. Users should be able to create their own custom reports for specific suppliers, items and date ranges. Ability to track contract spend by line item.

5.3 Minimum Requirements

The following Minimum Qualification questions in this Section will be used to qualify or disqualify the proposals to be considered for this RFP. Proposals that do not provide responses to all of these Minimum Qualification questions will be disqualified.

5.3.1 A) Implementation experience at two (2) institutions of higher education with at least 5,000 people (staff and faculty). These implementations must be cloud-based solutions within the last five (5) years. List institutions and reference contact information.

B) Experience with at least five (5) successful PeopleSoft integrations. These integrations must be cloud-based solutions within the last five (5) years. Specify what modules or solutions were implemented. List locations and reference contact information.

5.4 Questions Specific to this RFP

Proposer must submit the following information as part of Proposer's proposal:

5.4.1 If Proposer takes exception to any terms or conditions set forth in **APPENDIX TWO**, Proposer must submit a list of the exceptions.

5.4.2 Proposer agrees to comply with Certificate of Interested Parties laws (ref. §2252.908, *Government Code*) and 1 TAC §§46.1 through 46.5) as implemented by the Texas Ethics Commission (**TEC**), including, among other things, providing TEC and University with information required on the form promulgated by TEC and set forth in **APPENDIX EIGHT**. *Proposer may learn more about these disclosure requirements, including applicable exceptions and use of the TEC electronic filing system, by reviewing §2252.908, Government Code, and information on the TEC website at* https://www.ethics.state.tx.us/whatsnew/FAQ_Form1295.html. **The Certificate of Interested Parties must only be submitted by Contractor upon delivery to University of a signed Agreement. Note – if your company is a publicly traded business entity, including a wholly owned subsidiary of the business entity, this form will not be required.**

5.4.3 In its proposal, Proposer must indicate whether it will consent to include in the Agreement the "Access by Individuals with Disabilities" language that is set forth in **APPENDIX FIVE, Access by Individuals with Disabilities**. If Proposer objects to the inclusion of the "Access by Individuals with Disabilities" language in the Agreement, Proposer must, as part of its proposal, specifically identify and describe in detail all of the reasons for Proposer's objection. NOTE: A GENERAL OBJECTION IS NOT AN ACCEPTABLE RESPONSE TO THIS QUESTION.

5.5 Functional Area SOW Narrative Response:

The following procure to pay functional areas are open for submission from Proposers:

MANDATORY FORMAT: IDENTIFY WHICH FUNCTIONAL AREAS YOU ARE SUBMITTING A PROPOSAL. TABS IN YOUR PROPOSAL **MUST** BE CREATED FOR EACH FUNCTIONAL AREA THAT YOU RESPOND AND MUST CORRESPOND TO TAB NUMBER BELOW. FAILURE TO SUBMIT IN THIS FORMAT MAY DISQUALIFY YOUR PROPOSAL SUBMISSION.

FUNCTIONAL AREA	PROPOSAL SUBMITTED (YES/NO)	TAB NUMBER
Supplier Information Management		1
Supplier Enablement & PO/Invoice Automation: (PO dispatch, Invoice Receipt, automated invoice matching)		2
Procurement: Includes Catalog/Non-Catalog requisitions, Budget Check and Workflow Approvals, Purchase Orders, and Receiving		3
Invoicing (PO & Non-PO)		4
Employee Expenses & Travel		5
Procurement Card (BuyCard) Management and Expense Reconciliation		6
Sourcing		7
Spend Analytics		8

5.5.1 General: Please respond with a general narrative of your proposed **solution or solutions** based on the volumes and current state information provided in Section 5.1 General: Project Goals & Annual Volumes and 5.2 Scope of Work.

5.5.1.1 Supplier Information Management

- Name of Required Module/Modules or Solution/Solutions:
- Solution:

5.5.1.2 Supplier Enablement & PO/Invoice Automation

- Name of Required Module/Modules or Solution/Solutions:
- Solution: Solution: Please refer to **Exhibit-A** which outlines our top 200 suppliers that we receive invoices in a paper format.

5.5.1.3 Procurement

- Name of Required Module/Modules or Solution/Solutions:
- Solution:
  - Catalog Management
  - Requisition build, budget check, workflow approvals, purchase orders
  - Receiving

5.5.1.4 Invoicing (PO & Non-PO)

- Name of Required Module/Modules or Solution/Solutions:
- Solution:

5.5.1.5 Employee Expenses Reimbursement

- Name of Required Module/Modules or Solution/Solutions:
- Solution:

5.5.1.6 Procurement Card (BuyCard) Management and Expense Reconciliation

- Name of Required Module/Modules or Solution/Solutions:
- Solution:

5.5.1.7 Sourcing

- Name of Required Module/Modules or Solution/Solutions:
- Solution:

5.5.1.8 Spend Analytics

- Name of Required Module/Modules or Solution/Solutions:
- Solution:

5.6 Functional Area Business Requirement Questions

5.6.1 Functional Area Business Requirement Questions (Yes/No): Provide a response to each of the functional area questions that you are submitting a proposal using **Attachment A.**

5.6.2 Functional Area Business Requirements. This includes Implementation Narrative Questions and IT Technical Questions. Please provide a response to all questions that you are submitting a proposal.

Supplier Information Management

5.6.2.1 What are the top two (2) things that differentiate your offering from the competition?

5.6.2.2 Describe how suppliers use the portal and/or forms to create or update information?

5.6.2.3 Can supplier information forms be configured?

5.6.2.4 Can supplier information forms be routed through approval workflow? Is this workflow configurable?

5.6.2.5 Describe any automated checks that your system performs to validate that data is correct.

5.6.2.6 Describe the ability for a supplier to create log-in credentials when registering on your vendor portal. Can the form be integrated with our ERP?

5.6.2.7 How are supplier request forms sent to suppliers? (e.g. network, email notifications)

5.6.2.8 After a form is completed and returned by a supplier, can it be routed for approval to verify the information the suppliers have provided? (www.sam.gov, State OIG, Federal OIG, Restricted Party Screening, State Comptroller's Office)

5.6.2.9 Can suppliers define multiple remittance addresses on the network?

5.6.2.10 Describe the ability to prevent invoice submission by supplier until they respond to a request to update their profile.

5.6.2.11 Describe the ability to upload documents needed for payment (i.e. W-9) during registration phase & the ability to require a vendor email address for communications through vendor portal.

5.6.2.12 Describe the ability to collect payment preference information (ACH vs. check) during registration process and the ability to collect and store banking information.

5.6.2.13 Describe the ability to create existing vendors and load vendor data from other systems at go-live.

5.6.2.14 Describe the process for End Users to request new suppliers be added to the system.

5.6.2.15 Describe how duplicate suppliers can be prevented in the system.

5.6.2.16 Describe the ability to keep sensitive vendor information secure and encrypted.

5.6.2.17 Describe the process of specifying vendor payment terms and confirming that the vendor agrees during registration process.

5.6.2.18 Describe the ability to capture minority and ethnic status and gender and to attach State of Texas certificates. Describe the ability to trigger notifications based on frequency or expiration of certification.

5.6.2.19 How does your system distinguish between preferred, standard, and ad hoc vendors?

5.6.2.20 Describe supplier dashboards that your solution offers that gives insight into our entire supplier base. What are some examples of metrics?

5.6.2.21 Is your system currently being used by any state of Texas agency or university? If so, please list the institutions and the modules.

5.6.2.22 Please describe how your system identifies certified state of Texas HUB vendors?

5.6.2.23 The Texas state Comptroller's Office requires every state of Texas agency and university to submit procurement data for the semi-annual and annual state HUB Reports. The state of Texas requires every state agency and university to submit four files (N-File consists of all UTHealth procurements), (A-File consists of all UTHealth state contract procurements), (H-File consists of all BuyCard procurements and the (S-File consists of all HUB subcontracting procurements). Describe your system's HUB reporting capabilities?

5.6.2.24 The State of Texas requires every state agency and university to submit a Supplemental HUB Report semi-annually and annually. UTHealth buyers have to track the number vendors they solicit, bids received and bids awarded for UTHealth bid opportunities by race and ethnicity. Describe your system's ability to generate these reports?

Supplier Enablement & PO/Invoice Automation

5.6.2.25 What are the top (2) things that differentiate your offering from the competition?

5.6.2.26 Based on the information provided in **Exhibit-A**, how many suppliers can you enable to automate transactions and how long would it take?

5.6.2.27 Does a supplier have to be enabled on your network to transact with us?

5.6.2.28 What supplier connectivity and invoice automated matching options are available? (i.e. cXML, PO flip via email, supplier network, digital character recognition, OCR, etc.)

5.6.2.29 If you provide OCR services, is that service with a third party and if so, what is the name of the third party provider? Please provide OCR success rates.

5.6.2.30 Have you ever had a supplier refuse to join your network or pay network fees? If so, why have suppliers refused to join and how do you work around those issues?

5.6.2.31 Please describe how you can help increase the percentage of POs sent electronically to suppliers.

5.6.2.32 Please describe how you can help reduce processing cost per invoice. Is this a metric that you can track?

5.6.2.33 Please describe how you can help increase the percentage of invoices received electronically and matched for payment through automation.

5.6.2.34 Please describe how you can help decrease invoice processing cycle time. Please provide your current customer average cycle time.

5.6.2.35 Please describe how you can help reduce cost to onboard each new supplier.

5.6.2.36 How does your system manage cXML pricing discrepancies resulting from price changes between the time of PO dispatch and invoice receipt? Does your system have controls in place that ensures invoice unit costs match the dispatched PO unit costs to avoid voucher exceptions?

5.6.2.37 How do you help customers address the different size and technology capabilities of suppliers?

5.6.2.38 What are the minimum requirements for a supplier to be enabled on your solution?

5.6.2.39 Describe the different ways a supplier can submit an invoice for processing.

5.6.2.40 How is Accounts Payable notified when an invoice is transmitted by the supplier?

5.6.2.41 What happens to an invoice if there is an issue/exception during/after transmission?

5.6.2.42 What are the minimum requirements for an invoice to be transmitted?

5.6.2.43 What happens when an invoice has exceptions to price matching, quantity matching, receipt, partial shipments, or incorrect information? Can your solution manage multiple shipping invoices against a single cXML PO line without encountering match exceptions?

5.6.2.44 Do you support supplier owned user management and advanced authorization capabilities? If so, can authorization capabilities be configured to set up Supplier application/registration approvals?

Procurement

General

5.6.2.45 What are the top (2) things that differentiate your offering from the competition?

5.6.2.46 Please describe how you help reduce processing costs per Requisition and PO Cycle Time.

5.6.2.47 How many security roles does your solution have?

5.6.2.48 Describe how user security is managed?

Catalog management

5.6.2.49 Describe process of enabling supplier catalogs (punch-out and hosted) and the amount of time involved? How many teams are involved in facilitating the end-to-end process? How are third party B2B interactions facilitated? Explain how you manage delayed processes between the various parties involved in the enablement process.

5.6.2.50 Does your solution include Custom Quote retrieval functionality for PunchOut Suppliers to deter users from keying Special (SPL) Requisitions when unable to locate desired items within the PunchOut site?

5.6.2.51 Please describe how you can help increase the percentage of spend on contract and/or catalog.

5.6.2.52 Does supplier have to pay to have to conduct e-commerce and for you to transact and manage catalogs?

5.6.2.53 Can supplier punch-out catalogs be customized to reflect University pricing?

5.6.2.54 How can you help University ensure our users are able to find what they are looking for in a catalog search? Does the catalog management solution support comprehensive consumer-like searching and browsing capabilities? Can the solution search against all sources?

5.6.2.55 Explain how Amazon is managed as a PunchOut catalog in order to limit and review transactions? What controls are available to regulate spend categories?

5.6.2.56 Are content management tools provided for buyers and suppliers?

5.6.2.57 Does University have the ability to load catalogs ourselves from simple CSV files?

5.6.2.58 Describe how catalog updates are managed. What tools are available to assist in maintaining control of supplier revisions, pricing changes and/or catalog updates?

5.6.2.59 Describe how your solution manages partially filled carts during a timed out session. Does your solution do temporary saves to remind user what was placed in the cart prior to time out?

5.6.2.60 How do suppliers maintain their PunchOut credentials?

5.6.2.61 Explain how your solution would aid in creating a “perfect” purchase order to help reduce the number of mismatches between the purchase order and the invoice.

5.6.2.62 Do you provide training and support to our suppliers on how to use your solution?

Requisition build, budget check, workflow approvals, purchase orders

5.6.2.63 How many clicks does it take for End Users to create and submit a request?

5.6.2.64 How much training is typically deployed to your customers?

5.6.2.65 Is your solution able to search for better pricing among participating suppliers? If not, explain how users are able to locate requisitions with the potential for savings. If so, when does this happen and what sources are checked?

5.6.2.66 How are purchase orders and associated documentation archived? Explain how logs are retrieved?

5.6.2.67 Does the procurement module support the leveraging of mobile devices with your solution?

5.6.2.68 Describe the process for End Users to build and schedule their own reports regarding order status.

5.6.2.69 Explain your solution for requesting services from suppliers.

5.6.2.70 Will the system create from one requisition multiple purchase orders to multiple suppliers? Describe how this will create and dispatch purchase orders to suppliers.

5.6.2.71 Describe the notification processes when a request or purchase order is denied. Describe where the transaction goes and how the End User is able to access it to make changes and resubmit.

5.6.2.72 Does this solution allow for workflow approvals of maintenance renewals?

5.6.2.73 Does this solution allow for inclusion of customized forms such as a Research Questionnaire at the requisition stage?

5.6.2.74 Would your solution allow for different workflow for approval based on how the Research Questionnaire was answered?

5.6.2.75 Describe how workflow is managed and configured within the system and who can make modifications.

5.6.2.76 Describe at what stages would your system interface with PeopleSoft in order to monitor commitment control and budget checks. Is there a limit to the number of interfaces available for workflow, budget check and commitment control?

5.6.2.77 Describe what happens when an End User adds items to the cart and the process to choose a billing account. Will they be able to see the total budget, how much has already been consumed with approvals and, if enabled, pending approvals, and total budget remaining?

5.6.2.78 Describe how your system catches purchase orders that have been split to prevent total dollar amount from surpassing our institutional policy limit.

5.6.2.79 Explain how RQ to PO sourcing and dispatch processing occurs.

Receiving

5.6.2.80 Describe your solutions receiving process.

5.6.2.81 Can employees record receipt of goods and services themselves in 1-click?

5.6.2.82 Can central receiving personnel receive on behalf of others?

5.6.2.83 Can your system be configured to auto receive orders based on dollar amount thresholds?

5.6.2.84 Does your solution upload support details and attachments including packing slips?

5.6.2.85 Does your solution record delivery to inventory locations (i.e. warehouse, dispensing facilities)?

5.6.2.86 Does your solution capture asset tracking information with receipt?

5.6.2.87 Describe your solution's search capabilities for order receipt information. Does your solution offer search ability across all data attributes in a single search box?

5.6.2.88 Describe the receipt management process. Does your system support returns and receipt adjustments; including receipt cancellations?

5.6.2.89 Describe the various methods of delivering receipt reminders. Can your system be configured to send automated alerts to encourage employee reporting of receipts?

5.6.2.90 Does your system allow partial receipts/multiple receipts for single PO line?

5.6.2.91 Describe how your solution manages defaulting of ship-to address based on location or employee preference, including a customizable "Attention To:" lines and one-time address locations?

Invoicing (PO & Non-PO)

5.6.2.92 What are the top two (2) characteristics that differentiate what you are offering from those of competition?

5.6.2.93 How does your solution automate all aspects of the invoice-to-pay process, including invoice capture, 3-way matching for PO invoices, invoice routing and approval, payment authorization, and payment execution?

5.6.2.94 What are the different types of formats that can be transmitted for OCR recognition?

5.6.2.95 Please describe how your solution help manage/increase early payment discounts.

5.6.2.96 Please describe how your solution allows for comments on invoices to be communicated internally and externally to the supplier.

5.6.2.97 What is the turnaround time for an invoice to be transmitted for payment?

5.6.2.98 Does your system have the ability for suppliers to create invoices for transmission? If so, describe the process.

5.6.2.99 Where are invoices and backup documents stored in your system and is there a maximum amount of space capacity?

5.6.2.100 What is the turnaround time for an invoice to be transmitted for payment?

5.6.2.101 What are the minimum requirements for an invoice to be transmitted?

5.6.2.102 What happens to an invoice which has exceptions to price matching, quantity matching, receipt, partial shipments, or incorrect information?

5.6.2.103 Please describe how your solution helps increase percent of invoices received electronically and matched for payment through automation.

5.6.2.104 Does, your solution provide a workflow system, if so does it provide standard yet flexible out-of-the-box accounts payable processes or does the implementation start from blank. Please describe the process.

5.6.2.105 How does your solution perform automated three-way matching using line items, purchase orders and receiving data from our PeopleSoft system?

5.6.2.106 What features and functionality does your solution provide to solve the challenges with our accounts payable process?

5.6.2.107 How does your solution have the ability to obtain reporting to determine discrepancies between order, receipts, exceptions and invoices?

5.6.2.108 Describe how your solution provides a full audit history for invoice submission from suppliers and internal users.

5.6.2.109 How does your solution provide a full audit history for internal invoices that route through a workflow?

5.6.2.110 Describe your solution's invoice automation process when a Non PO invoice is transmitted by a supplier or by an internal End User.

5.6.2.111 How does your solution provide a full audit log from the time a supplier submits an invoice to payment and for internal invoices that routed through a workflow?

Employee Expenses & Travel

5.6.2.112 What are the top two (2) characteristics that differentiate the features you are offering from those of the competition?

5.6.2.113 Does your solution interface have a responsive web design (any devices) and touch-screen ready for End User satisfaction?

5.6.2.114 Describe how your system supports custom fields added through the administrator and interface by a business user, not IT.

5.6.2.115 Describe how your solution can create approval workflows with multiple categories of travel.

5.6.2.116 Describe how the system allows managers to process approvals entirely in email without logging in.

5.6.2.117 Does your solution have the ability to capture and upload receipt via a mobile device? If so, please describe the process.

5.6.2.118 Please describe the solution you can offer to simplify our Employee Expense Reimbursement process?

5.6.2.119 How does your system flag duplicate transactions submitted by employees?

5.6.2.120 Does your solution offer an employee expense reimbursement suite or is there a third party involved. If there is a third party, who is the supplier?

5.6.2.121 Can your platform be accessed via mobile device? If so, what devices are supported?

5.6.2.122 In what ways can your solution automatically create expense reports and expense lines (e.g. travel, card, mobile, voice, Google maps, file feeds)?

5.6.2.123 How does your solution support mobile, geo-location and other technologies to help the End User?

5.6.2.124 Are there any fees that our suppliers will be charged/pay to your company if they do business with us through your expense management system? For example, if our users book travel on Uber or stay at certain hotel chains does your company receive a fee from the provider?

5.6.2.125 Describe how your solution manages electronic request for reservations, credit card payment, and personal expenses (when they combine vacation travel with business travel).

5.6.2.126 Can your solution implement approval mandatory forms (for example official functions forms) where it is needed in the process, if so, please describe how this is done?

5.6.2.127 Describe how your solution provides a full audit history for invoice submission from suppliers and internal End Users.

5.6.2.128 We often do official function forms during travel, how can your system help segregate those for tracking purposes?

5.6.2.129 Our employees often request travel advances, how can your system help directly pay for lodging and/or rental for employees to avoid travel advances?

5.6.2.130 How can your system help track travel advances and notify AP staff and traveler?

5.6.2.131 How can your system help work directly with small vendors (Associations, Institutes, etc.) to allow electronic process of employees membership reimbursement)?

5.6.2.132 Does your system send alerts on Travel POs not vouchered within a certain period (30days, 60days, etc.)?

5.6.2.133 Do you provide reporting features that allow trend analysis and data mining on employee reimbursements?

Procurement Card (BuyCard) Management and Expense Reconciliation

5.6.2.134 What are the top (2) things that differentiate your offering from the competition?

5.6.2.135 Please describe how your system would help or improve the monthly reconciliation process by card user and how it would integrate with Citibank?

5.6.2.136 Please describe how your system could limit or control the use of Amazon orders?

5.6.2.137 Do you have the ability to track taxes applied to UT BuyCard?

5.6.2.138 Do you have the ability to track merchant category code processed on the UT BuyCard?

5.6.2.139 Describe your system’s ability to securely and seamlessly pull all credit card transactions from credit cards covering all the major banks/card providers.

5.6.2.140 Describe your system’s ability to link multiple cards to have all charges flow through the expense reporting system.

5.6.2.141 Can you map common category structure across all card providers, even when the card provider does not assign a category?

5.6.2.142 Do have you have the ability to map the classification to the company’s expense categories?

5.6.2.143 Please describe your automated expense credit card report creation.

5.6.2.144 How can your system lower the number of POS requisitions (17,223) entered on the BuyCard without creating encumbrance issues?

5.6.2.145 What can your system offer in regards to BuyCard tracking compliance audits and reporting?

e-Sourcing

5.6.2.146 What are the top (2) things that differentiate your offering from the competition?

5.6.2.147 Please describe how you help decrease sourcing cycle time to negotiate a new contract.

5.6.2.148 Can you run a sourcing event prior to creating a purchase order?

5.6.2.149 Describe ability to auto-create a request for qualification (RFQ) from requisition in a single-click.

5.6.2.150 Describe ability to issue RFQ for competitive bids to an unlimited number of suppliers.

5.6.2.151 Describe ability to attach an unlimited number of supporting documents to the RFQ header or line.

5.6.2.152 Describe ability to include custom questionnaires at the RFQ header and individual lines.

5.6.2.153 Describe ability to auto-issue the RFQ via Email including supporting documentation.

5.6.2.154 Describe ability to capture prospective supplier quotes and compare quotes.

5.6.2.155 Describe ability to award RFQ to supplier & transfer results back to originating request and order.

5.6.2.156 Describe how each buyer is notified of bid delivery, exceptions, etc.

5.6.2.157 Describe how deliveries are time stamped for deadline compliance.

5.6.2.158 Describe the notifications the system will send to evaluation team members.

5.6.2.159 Describe your solution's ability to add the pricing component to the team evaluation component of the scoring to calculate a final score result.

5.6.2.160 Are there other UT System institutions using this solution? Please identify if so.

5.6.2.161 Please explain your solution's security.

5.6.2.162 Describe how an evaluator can leave comments when scoring.

5.6.2.163 Describe how the pricing template is handled.

5.6.2.164 Describe how your solution allows for HUB plan submittals (HUB plans must be reviewed and approved before a buyer can 'open' the bids and send to the evaluation team to begin scoring).

5.6.2.165 Describe the types of reports and data that can be exported from the system.

Spend Analytics

5.6.2.166 What are the top (2) things that differentiate your offering from the competition?

5.6.2.167 Does your system provide one Platform with consistent user experience for all spend management (source to pay, expense management) processes?

5.6.2.168 Does your system provide a unified view of all of our spend?

5.6.2.169 Does your solution have built-in reporting and real-time benchmarking included, and if so at what extra cost?

5.6.2.170 Describe the process of users building custom reports for Requisitions, PO's, Receipts, Invoices, etc. In what format can these reports be exported?

5.6.2.171 Describe the possibilities for users to receive customized reports on a scheduled basis.

5.6.2.172 Please describe the level of detail of your reporting solution. Please describe limitations (if any). How can users personalize their reporting solution?

5.6.2.173 Explain how filters can be set.

5.6.2.174 Please provide samples of different reports that are available.

5.6.2.175 How long is data stored in the system?

5.6.2.176 Explain how your solution helps control maverick spending.

5.6.2.177 How do you help us ensure our negotiated savings are realized?

5.6.2.178 Describe how data is managed for query building and any canned reports. Will the purchasing data be stored within your solution in tables for query access? If so, are there documented table definitions that list what specific fields are stored for ease of query building? Is there a quick key of sorts that can be used when placing your cursor within a field that will identify what table the field is stored in?

Information Technology Questions: Provide a response to each question detailed in **Attachment-B.**

Implementation Plan (Work Plan and Training):

UTH operates in a decentralized environment which may require a "phased" approach for some of the modules (i.e. Procurement, Expense) implementation. We have six (6) individual schools, a behavioral health hospital, and over 130 clinics across Houston. The intent is to develop some common "core business" processes to be implemented across all areas for the implementation of relevant modules. Each location may have unique customizations and configurations that will require development prior to implementation. For certain functional areas: supplier information management, supplier enablement, invoicing, expenses, BuyCard, sourcing, and spend analytics there will be a centralized implementation. If implementation will require additional third party resources (i.e. consulting), then the Proposer should indicate whom that firm would be the role of the firm, and the required time commitment.

Provide a response to <u>each</u> of the questions detailed below.

5.6.2.179 Provide a detailed implementation plan describing required internal University resources, project timeline, key deliverables, estimated hours, acceptance testing, training plans, user testing, and go-live support.

5.6.2.180 Describe your company's general methodology and approach to implementations.

5.6.2.181 Which team(s) from your company are responsible for my success?

5.6.2.182 Do you provide a Project Manager in charge of implementation with no billable hours and provided at no extra cost?

5.6.2.183 Do you partner with a consulting company for implementation? If so, who is that company and what role would the consulting company have in implementation?

5.6.2.184 What is your customer retention rate?

5.6.2.185 Do you have best practices by vertical to help us quickly gain user and supplier adoption? Please describe.

5.6.2.186 Do you provide full access to implementation specialists to guide initial configuration, setup, and rollout?

5.6.2.187 Do you provide UAT testing support, management of data migration from test to production and assistance with all go live activities and communication? Please describe.

5.6.2.188 Do you provide a tutorial to walk new users through key End User areas to minimize/eliminate training? Please describe.

5.6.2.189 What resources internally do you provide and commit to ensure ongoing improvement, optimization and success of your procurement solution?

5.6.2.190 What assistance or resources will Proposer's company require from the University to successfully complete the Project? Resources may include, but are not limited to, information, office space, office equipment, administrative support, etc. What will Proposer's company require the University Project Team to do (or prepare) before Proposer can start work?

5.6.2.191 How does Proposer's company handle vacation requests or time off for individuals during a project? Indicate in Section 6 if overtime rates will apply for implementation go-live cutover on a holiday weekend. Describe Proposer's process for working with key staff and customizing workflows, as needed.

5.6.2.192 Describe how Proposer will effectively manage responsibilities to ensure successful completion of the project.

5.6.2.193 Describe how Proposer estimates time required for business process design/configuration sessions with the University.

5.6.2.194 Describe the process for ensuring that project resources capable of meeting schedule and application performance objectives are available for this project.

5.6.2.195 Describe the process for effective training and knowledge transfer to appropriate levels of the University staff on configurations, modifications, reports, and interface support resulting from the implementation.

5.6.2.196 Describe the process for quickly identifying and solving technical issues that arise during implementation and post go-live support, while providing adequate guidance to minimize operational impact

5.6.2.197 Describe the change control process to maintain the proper level of controls, communication strategies, and change management activities to guarantee project success.

5.6.2.198 How do you drive and measure success during implementation and after go-live?

5.6.2.199 What are the greatest challenges to a successful implementation and what advice do you have to hedge against them?

5.6.2.200 How much staffing do we need throughout implementation and what type of resources, human and otherwise, do we need? For how long?

5.6.2.201 Provide sample of System, Integration, Performance and User Acceptance test plans.

5.6.2.202 Describe your proposed approach for developing and maintaining technical and end-user documentation, systems and operational documentation, system configuration documentation, and procedural documentation, including manuals, quick reference guides, tutorials, online help, and other techniques as appropriate.

5.6.2.203 Describe your service support philosophy, how is it implemented, and how you measure its success in maintaining this philosophy.

5.6.2.204 What assistance will you require from UTHealth? For example, what information, office space, office equipment, administrative support, etc. do you expect to get from UTHealth? What do you want our project team to do or prepare before you start?

5.6.2.205 What difficulties do you anticipate in serving UTHealth and how do you plan to manage these?

5.6.2.206 Proposer shall describe how they would develop a communication plan for the project. Please include communication within the project team, within each UTHSCH community, UTHealth and within the Proposer's organization about the project.

<u>Work Plan</u>

5.6.2.207 Describe how the Proposer plans to work with the University staff to refine and finalize project plan through implementation, acceptance and post go-live support.

5.6.2.208 How does the Proposer obtain and document agreement on project plan and acceptance criteria from all participants?

5.6.2.209 How often does the Proposer maintain/update the project plan from the implementation resource perspective?

5.6.2.210 How does the Proposer's Project Manager provide oversight for the implementation resources to ensure that all work is performed on time, on budget and at expected quality?

5.6.2.211 How frequently does Proposer plan to report project status to the University Project Sponsor? Include status reports or meetings in detailed project plan.

<u>Training</u>

5.6.2.212 Is there targeted training for different types of users. If so, please describe. How many days of onsite training are recommended for each type of user?

5.6.2.213 Are there on demand resources to provide ongoing training such as videos, quick reference guides, manuals, on-line courses, on-site courses? If so, please describe.

5.6.2.214 Is there a comprehensive electronic user manual that can be supplemented/modified by UTHealth?

<u>Best Value Standardization</u>: <u>(Submit only if proposing on multiple functional areas)</u>

5.6.2.215 Please describe any advantages by procuring multiple functional area modules from your company. This may include technical, functional, and financial incentives.

SECTION 6

PRICING AND DELIVERY SCHEDULE

Proposal of: ___________________________________
(Proposer Name)

To: University

RFP No.: 744-R1913 P2P

Ladies and Gentlemen:

Having examined specifications and requirements of this RFP (including attachments), the undersigned proposes to furnish Work upon the pricing terms quoted below:

6.1 Term of Agreement

University anticipates that the term of the Agreement may be up to **eight (8)** years with the initial term of the Agreement proposed to begin on **September 1**, **2019**, and proposed to expire on **August 31**, **2024**. University may elect to renew the Agreement for up to **three** (**3**) additional **one** (**1**) year terms.

6.2 Pricing for Work and Expenses

Please complete **Attachment C – Pricing.**

University will reimburse, without mark-up, reasonable expenses (including meals, rental car or mileage, coach class airfare, and lodging) validly incurred by Contractor directly and solely in support of Work and *approved by University in advance*. Contractor will be subject to the then-current Travel Reimbursement Rates promulgated by the Comptroller of Public Accounts for the State of Texas at https://fmx.cpa.state.tx.us/fm/travel/travelrates.php with regard to all travel expenses. Contractor will not be reimbursed by University for expenses that are prohibited or that exceed the allowable amounts provided in the then current Travel Reimbursement Rates. As a condition precedent to receiving reimbursement for expenses, Contractor must submit to University receipts, invoices, and other documentation requested by University.

Reimbursement for expenses and disbursements will not exceed a maximum expense cap (*to be mutually agreed by Contractor and Proposer and provided in the Agreement*), without the prior written approval of University.**]**

6.3 Discounts

Describe all discounts that may be available to University, including educational, federal, state and local discounts.

6.4 Schedule for Completion of Tasks and Submittal of Deliverables

____

____

6.5 Payment Terms

University's standard payment terms are "net 30 days" as mandated by the *Texas Prompt Payment Act* (ref. Chapter 2251, *Government Code*).

University will be entitled to withhold __________ percent (____%) of the total payment due under the Agreement until after University's acceptance of the final work product.

Indicate below the prompt payment discount that Proposer offers:

Prompt Payment Discount: _____%_____days/net 30 days.

Section 51.012, *Education Code*, authorizes University to make payments through electronic funds transfer methods. Proposer agrees to accept payments from University through those methods, including the automated clearing house system (ACH). Proposer agrees to provide Proposer's banking information to University in writing on Proposer letterhead signed by an authorized representative of Proposer. Prior to the first payment, University will confirm Proposer's banking information. Changes to Proposer's bank information must be communicated to University in writing at least thirty (30) days before the effective date of the change and must include an IRS Form W-9 signed by an authorized representative of Proposer.

University, an agency of the State of Texas, is exempt from Texas Sales & Use Tax on goods and services in accordance with §151.309, *Tax Code,* and Title 34 TAC §3.322. Pursuant to 34 TAC §3.322(c)(4), University is not required to provide a tax exemption certificate to establish its tax exempt status.

Respectfully submitted,

Proposer: ____________________________

By: ___________________________
(Authorized Signature for Proposer)

Name: _________________________

Title: __________________________

Date: _____________________

APPENDIX ONE

PROPOSAL REQUIREMENTS - INTENTIONALLY OMITTED

APPENDIX TWO

SAMPLE AGREEMENT (ATTACHED)

APPENDIX THREE

HUB SUBCONTRACTING PLAN (ATTACHED)

APPENDIX FOUR

CAMPUS MAP – INTENTIONALLY OMITTED

APPENDIX FIVE

ACCESS BY INDIVIDUALS WITH DISABILITIES

Contractor represents and warrants (**EIR Accessibility Warranty**) the electronic and information resources and all associated information, documentation, and support Contractor provides to University under this Agreement (**EIRs**) comply with applicable requirements set forth in 1 TAC Chapter 213*,* and 1 TAC §206.70 (ref. Subchapter M, Chapter 2054, *Government Code*.) To the extent Contractor becomes aware that EIRs, or any portion thereof, do not comply with the EIR Accessibility Warranty, then Contractor represents and warrants it will, at no cost to University, either (1) perform all necessary remediation to make EIRs satisfy the EIR Accessibility Warranty or (2) replace EIRs with new EIRs that satisfy the EIR Accessibility Warranty. If Contractor fails or is unable to do so, University may terminate this Agreement and, within thirty (30) days after termination, Contractor will refund to University all amounts University paid under this Agreement. **[OPTION (ADD THE FOLLOWING IF THIS RFP IS PROCURING AN INFORMATION RESOURCES TECHNOLOGY PROJECT WITH DEVELOPMENT COSTS THAT (A) EXCEED $1 MILLION AND (B) (1) REQUIRES ONE YEAR OR LONGER TO REACH OPERATIONAL STATUS; (2) INVOLVES MORE THAN ONE INSTITUTION OF HIGHER EDUCATION OR STATE AGENCY; *OR* (3) SUBSTANTIALLY ALTERS WORK METHODS OF INSTITUTIONS OF HIGHER EDUCATION OR AGENCY PERSONNEL OR THE DELIVERY OF SERVICES TO CLIENTS [SEE 1 TAC §213.38 (g)):** Contractor will provide all assistance and cooperation necessary for the performance of accessibility testing conducted by University or University's third party testing resources as required by 1 TAC §213.38(g).**]]**

APPENDIX SIX IS NOT REQUIRED TO BE CONSIDERED FOR THIS RFP BUT WILL BE REQUIRED IF YOUR COMPANY ADVANCES IN THE SELECTION PROCESS.

APPENDIX SIX

ELECTRONIC AND INFORMATION RESOURCES ENVIRONMENT SPECIFICATIONS

The specifications, representations, warranties and agreements set forth in Proposer's responses to this **APPENDIX SIX** will be incorporated into the Agreement.

University is primarily a **[OPTION:**______________**] [ALTERNATE OPTION:** Microsoft products**]** environment.

Basic Specifications

1. If the EIR will be hosted by University, please describe the overall environment requirements for the EIR (size the requirements to support the number of concurrent users, the number of licenses and the input/output generated by the application as requested in the application requirements).
   A. Hardware: If Proposer will provide hardware, does the hardware have multiple hard drives utilizing a redundant RAID configuration for fault tolerance? Are redundant servers included as well?
   B. Operating System and Version:
   C. Web Server: Is a web server required? If so, what web application is required (Apache or IIS)? What version? Are add-ins required?
   D. Application Server:
   E. Database:
   F. Other Requirements: Are any other hardware or software components required?
   G. Assumptions: List any assumptions made as part of the identification of these environment requirements.
   H. Storage: What are the space/storage requirements of this implementation?
   I. Users: What is the maximum number of users this configuration will support?
   J. Clustering: How does the EIR handle clustering over multiple servers?
   K. Virtual Server Environment: Can the EIR be run in a virtual server environment?

2. If the EIR will be hosted by Proposer, or is a cloud based solution hosted by a 3rd party provider, describe in detail what the hosted solution includes, and address, specifically, the following issues:
A. Describe the audit standards of the physical security of the facility; and
B. Indicate whether Proposer is willing to allow an audit by University or its representative.
C. Describe the type of cloud based solution: i.e.; SaaS, Paas, Iaas, etc.

3. If the user and administrative interfaces for the EIR are web-based, what current browser interfaces are supported? List all with current version and security requirement.

4. If the EIR requires special client software, what are the environment requirements for that client software?

5. Manpower Requirements: Who will operate and maintain the EIR? Will additional University full time employees (FTEs) be required? Will special training on the EIR be required by Proposer's technical staff? What is the estimated cost of required training?

6. Upgrades and Patches: Describe Proposer's strategy regarding EIR upgrades and patches for both the server and, if applicable, the client software. Included Proposer's typical release schedule, recommended processes, estimated outage and plans for next version/major upgrade.

Security

1. Has the EIR been tested for application security vulnerabilities? For example, has the EIR been evaluated against the Open Web Application Security Project (**OWASP**) Top 10 list that includes flaws like cross site scripting and SQL injection? If so, please provide the scan results and specify the tool used. University will not take final delivery of the EIR if University determines there are serious vulnerabilities within the EIR.

2. Which party, Proposer or University, will be responsible for maintaining critical EIR application security updates?

3. If the EIR is hosted, indicate whether Proposer's will permit University to conduct a penetration test on University's instance of the EIR.

4. If confidential data, including HIPAA or FERPA data, is stored in the EIR, will the data be encrypted at rest and in transmittal? What is the current encryption level used?

Integration

1. Is the EIR authentication Security Assertion Markup Language (**SAML**) compliant? Has Proposer ever implemented the EIR with Shibboleth authentication? If not, does the EIR integrate with Active Directory? Does the EIR support TLS connections to this directory service?

2. Does the EIR rely on Active Directory for group management and authorization or does the EIR maintain a local authorization/group database?

3. What logging capabilities does the EIR have? If this is a hosted EIR solution, will University have access to implement logging with University's standard logging and monitoring tools, RSA's Envision?

4. Does the EIR have an application programming interface (**API**) that enables us to incorporate it with other applications run by the University? If so, is the API .Net based? Web Services-based? Other?

5. Will University have access to the EIR source code? If so, will the EIR license permit University to make modifications to the source code? Will University's modifications be protected in future upgrades?

6. Will Proposer place the EIR source code in escrow with an escrow agent so that if Proposer is no longer in business or Proposer has discontinued support, the EIR source code will be available to University.

Accessibility Information

Proposer must provide the following, as required by 1 TAC §213.38(b), and 1 TAC §206

1. Accessibility information for the electronic and information resources (**EIR**)[1] products or services proposed by Proposer, where applicable, through one of the following methods:

   (A) URL to completed Voluntary Product Accessibility Templates (**VPATs**)[2] or equivalent reporting templates;

   (B) Accessible electronic document that addresses the same accessibility criteria in substantially the same format as VPATs or equivalent reporting templates; or

   (C) URL to a web page which explains how to request completed VPATs, or equivalent reporting templates, for any product under contract; and

   (D) Detail any mobile device access capabilities and any security controls associated with those specific capabilities.

2. Credible evidence of Proposer's capability or ability to produce accessible EIR products and services. Such evidence may include, but is not limited to, Proposer's internal accessibility policy documents, contractual warranties for accessibility, accessibility testing documents, and examples of prior work results.]

[1] Electronic and information resources are defined in §2054.451, *Government Code* and 1 TAC §213.1 (6).
[2] Voluntary Product Accessibility Templates are defined in 1 TAC §213.1 (19). For further information, see this VPAT document provided by the Information Technology Industry Council.

APPENDIX SEVEN IS NOT REQUIRED TO BE CONSIDERED FOR THIS RFP BUT WILL BE REQUIRED IF YOUR COMPANY ADVANCES IN THE SELECTION PROCESS.

APPENDIX SEVEN

SECURITY CHARACTERISTICS AND FUNCTIONALITY OF CONTRACTOR'S INFORMATION RESOURCES

The specifications, representations, warranties and agreements set forth in Proposer's responses to this **APPENDIX SEVEN** will be incorporated into the Agreement.

"Information Resources" means any and all computer printouts, online display devices, mass storage media, and all computer-related activities involving any device capable of receiving email, browsing Web sites, or otherwise capable of receiving, storing, managing, or transmitting Data including, but not limited to, mainframes, servers, Network Infrastructure, personal computers, notebook computers, hand-held computers, personal digital assistant (PDA), pagers, distributed processing systems, network attached and computer controlled medical and laboratory equipment (i.e. embedded technology), telecommunication resources, network environments, telephones, fax machines, printers and service bureaus. Additionally, it is the procedures, equipment, facilities, software, and Data that are designed, built, operated, and maintained to create, collect, record, process, store, retrieve, display, and transmit information.

"**University Records**" means records or record systems that Proposer (1) creates, (2) receives from or on behalf of University, or (3) has access, and which may contain confidential information (including credit card information, social security numbers, and private health information (**PHI**) subject to Health Insurance Portability and Accountability Act (**HIPAA**) of 1996 (Public Law 104-191), or education records subject to the Family Educational Rights and Privacy Act (**FERPA**).

General Protection of University Records

1. Describe the security features incorporated into Information Resources (ref. **Section 5.3.4**) to be provided or used by Proposer pursuant to this RFP.

2. List all products, including imbedded products that are a part of Information Resources and the corresponding owner of each product.

3. Describe any assumptions made by Proposer in its proposal regarding information security outside those already listed in the proposal.

Complete the following additional questions if the Information Resources will be hosted by Proposer:

4. Describe the monitoring procedures and tools used for monitoring the integrity and availability of all products interacting with Information Resources, including procedures and tools used to, detect security incidents and to ensure timely remediation.

5. Describe the physical access controls used to limit access to Proposer's data center and network components.

6. What procedures and best practices does Proposer follow to harden all systems that would interact with Information Resources, including any systems that would hold or process University Records, or from which University Records may be accessed?

7. What technical security measures does the Proposer take to detect and prevent unintentional, accidental and intentional corruption or loss of University Records?

8. Will the Proposer agree to a vulnerability scan by University of the web portal application that would interact with Information Resources, including any systems that would hold or process University Records, or from which University Records may be accessed? If Proposer objects, explain basis for the objection to a vulnerability scan.

9. Describe processes Proposer will use to provide University assurance that the web portal and all systems that would hold or process University Records can provide adequate security of University Records.

10. Does Proposer have a data backup and recovery plan supported by policies and procedures, in place for Information Resources? If yes, briefly describe the plan, including scope and frequency of backups, and how often the plan is updated. If no, describe what alternative methodology Proposer uses to ensure the restoration and availability of University Records.

11. Does Proposer encrypt backups of University Records? If yes, describe the methods used by Proposer to encrypt backup data. If no, what alternative safeguards does Proposer use to protect backups against unauthorized access?

12. Describe the security features incorporated into Information Resources to safeguard University Records containing confidential information.

Complete the following additional question if Information Resources will create, receive, or access University Records containing PHI subject to HIPAA:

13. Does Proposer monitor the safeguards required by the HIPAA Security Rule (45 C.F.R. §164 subpts. A, E (2002)) and Proposer's own information security practices, to ensure continued compliance? If yes, provide a copy of or link to the Proposer’s HIPAA Privacy & Security policies and describe the Proposer's monitoring activities and the frequency of those activities with regard to PHI.

Access Control

1. How will users gain access (i.e., log in) to Information Resources?

2. Do Information Resources provide the capability to use local credentials (i.e., federated authentication) for user authentication and login? If yes, describe how Information Resources provide that capability.

3. Do Information Resources allow for multiple security levels of access based on affiliation (e.g., staff, faculty, and student) and roles (e.g., system administrators, analysts, and information consumers), and organizational unit (e.g., college, school, or department? If yes, describe how Information Resources provide for multiple security levels of access.

4. Do Information Resources provide the capability to limit user activity based on user affiliation, role, and/or organizational unit (i.e., who can create records, delete records, create and save reports, run reports only, etc.)? If yes, describe how Information Resources provide that capability. If no, describe what alternative functionality is provided to ensure that users have need-to-know based access to Information Resources.

5. Do Information Resources manage administrator access permissions at the virtual system level? If yes, describe how this is done.

6. Describe Proposer’s password policy including password strength, password generation procedures, password storage specifications, and frequency of password changes. If passwords are not used for authentication or if multi-factor authentication is used to Information Resources, describe what alternative or additional controls are used to manage user access.

Complete the following additional questions if Information Resources will be hosted by Proposer:

7. What administrative safeguards and best practices does Proposer have in place to vet Proposer's and third-parties' staff members that would have access to the environment hosting University Records to ensure need-to-know-based access?

8. What procedures and best practices does Proposer have in place to ensure that user credentials are updated and terminated as required by changes in role and employment status?

9. Describe Proposer's password policy including password strength, password generation procedures, and frequency of password changes. If passwords are not used for authentication or if multi-factor authentication is used to Information Resources, describe what alternative or additional controls are used to manage user access.

Use of Data

Complete the following additional questions if Information Resources will be hosted by Proposer:

1. What administrative safeguards and best practices does Proposer have in place to vet Proposer's and third-parties' staff members that have access to the environment hosting all systems that would hold or process University Records, or from which University Records may be accessed, to ensure that University Records will not be accessed or used in an unauthorized manner?

2. What safeguards does Proposer have in place to segregate University Records from system data and other customer data and/or as applicable, to separate specific University data, such as HIPAA and FERPA protected data, from University Records that are not subject to such protection, to prevent accidental and unauthorized access to University Records ?

3. What safeguards does Proposer have in place to prevent the unauthorized use, reuse, distribution, transmission, manipulation, copying, modification, access, or disclosure of University Records?

4. What procedures and safeguards does Proposer have in place for sanitizing and disposing of University Records according to prescribed retention schedules or following the conclusion of a project or termination of a contract to render University Records unrecoverable and prevent accidental and unauthorized access to University Records? Describe the degree to which sanitizing and disposal processes addresses University data that may be contained within backup systems. If University data contained in backup systems is not fully sanitized, describe processes in place that would prevent subsequent restoration of backed-up University data.

Data Transmission

1. Do Information Resources encrypt all University Records in transit and at rest? If yes, describe how Information Resources provide that security. If no, what alternative methods are used to safeguard University Records in transit and at rest?

Complete the following additional questions if Information Resources will be hosted by Proposer:

2. How does data flow between University and Information Resources? If connecting via a private circuit, describe what security features are incorporated into the private circuit. If connecting via a public network (e.g., the Internet), describe the way Proposer will safeguard University Records.

3. Are Information Resources data transmission secured between University and Proposer? If yes, describe how Proposer provides that security. If no, what alternative safeguards are used to protect University Records in transit?

Notification of Security Incidents

Complete the following additional questions if Information Resources will be hosted by Proposer:

1. Describe Proposer's procedures to isolate or disable all systems that interact with Information Resources in the event a security breach is identified, including any systems that would hold or process University Records, or from which University Records may be accessed.

2. What procedures, methodology, and timetables does Proposer have in place to detect information security breaches and notify University and other customers? Include Proposer's definition of security breach.

3. Describe the procedures and methodology Proposer has in place to detect information security breaches, including unauthorized access by Proposer's and subcontractor's own employees and agents and provide required notifications in a manner that meets the requirements of the state breach notification law.

Compliance with Applicable Legal & Regulatory Requirements

Complete the following additional questions if Information Resources will be hosted by Proposer:

1. Describe the procedures and methodology Proposer has in place to retain, preserve, backup, delete, and search data in a manner that meets the requirements of state and federal electronic discovery rules, including how and in what format University Records are kept and what tools are available to University to access University Records.

2. Describe the safeguards Proposer has in place to ensure that systems (including any systems that would hold or process University Records, or from which University Records may be accessed) that interact with Information Resources reside within the United States of America. If no such controls, describe Proposer's processes for ensuring that data is protected in compliance with all applicable US federal and state requirements, including export control.

3. List and describe any regulatory or legal actions taken against Proposer for security or privacy violations or security breaches or incidents, including the final outcome.

APPENDIX EIGHT

CERTIFICATE OF INTERESTED PARTIES
(Texas Ethics Commission Form 1295)

This is a sample Texas Ethics Commission's FORM 1295 – CERTIFICATE OF INTERESTED PARTIES. If not exempt under Section 2252.908(c), *Government Code*, Contractor must use the Texas Ethics Commission electronic filing web page (at https://www.ethics.state.tx.us/whatsnew/FAQ_Form1295.html) to complete the most current Certificate of Interested Parties form and submit the form as instructed to the Texas Ethics Commission and University. **The Certificate of Interested Parties will be submitted only by Contractor to University with the signed Agreement.**

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

Complete Nos. 1 - 4 and 6 if there are interested parties. Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.	**OFFICE USE ONLY**
1 **Name of business entity filing form, and the city, state and country of the business entity's place of business.**	
2 **Name of governmental entity or state agency that is a party to the contract for which the form is being filed.**	

3 **Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.**

4

Name of Interested Party	City, State, Country (place of business)	Nature of Interest (check applicable)	
		Controlling	Intermediary

5 **Check only if there is NO Interested Party.** ☐

6 **AFFIDAVIT**

I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.

____
Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said ______________________________, this the __________ day of ______________, 20 ________, to certify which, witness my hand and seal of office.

Signature of officer administering oath	Printed name of officer administering oath	Title of officer administering oath

ADD ADDITIONAL PAGES AS NECESSARY

Form provided by Texas Ethics Commission www.ethics.state.tx.us Revised 4/8/2016