STATE OF TENNESSEE
OFFICE OF THE COMPTROLLER OF THE TREASURY

AMENDMENT # 2
RFP # 307.07-001-07

December 17, 2007

The subject RFP is hereby amended as follows.

A. The following State responses to the questions detailed shall amend or clarify this RFP accordingly.

QUESTION/COMMENT	STATE RESPONSE
Note: In the questions that follow, any vendor's restatement of the text of the Request for Proposals (RFP) is for reference purposes only and shall not be construed to change the original RFP wording.	
1. Final business requirements – there are comments under the proposer "Comment" column that further describes your requirements. Can we delete your comments in that column only so that only our comments appear in our response?	**Yes.**
2. What data needs to be imported from these systems? **RFP Attachment 6.1 G #GS-32:** **The system must be capable of importing and exporting data between multiple State systems, such as the Treasury system and the Enterprise Resource Planning system.**	**The specific data elements have not been defined as of this time, since the State is in the process of implementing a new Financial System, which is Oracle/Peoplesoft. The new Financial System will also include data elements from the Treasury System that have not been defined at this time. The types of data would include payments made to borrowers and payments received. The data would be associated with projects.**
3. Please clarify? **RFP Attachment 6.1 F #DM-1.52** **Edison G/L Account Number**	**This is the general ledger account number associated with each item/amount in the debt issue (par amount of issue, total premium, total discount, etc.) This field will be used to interface the information between the new Financial System and Debt Management System. General ledger account number can be an asset, liability, income, or expense account dependent upon the transaction.**
4. Where can we find the documentation referred to in the comment? **RFP Attachment 6.1 F #D-1.18** **Effective hedge – yes or no** **Comment associated with requirement:** **"Will include attached documentation of method and calculation used to determine effectiveness. Maintain History"**	**Original comment poorly worded. Documentation supporting the determination of the derivatives effectiveness as a hedge will be an electronic document attached to the derivative record when generated.**

5. Can you provide us with more information as to what this report consist of? **RFP Attachment 6.1 F #R-17.8** **Borrower Five Year History of State Shared Taxes**	**See Attachment A at the end of this document. The total annual State Shared Taxes remitted to each local government will be imported either from the new Financial System or an Excel worksheet. A summary of the SST for each borrower for a 5-year period is required for annual NRMSR disclosure and presentation in certain legal documents.**
6. Does this requirement apply to numeric fields such as "Dollar Amounts", or is it for rates & percentages? **RFP Attachment 6.1 F #G-11** **The system must allow numeric fields to store up to 6 decimal places.**	**Rates and percentages. (Arbitrage requirements specify the use of 6 decimal places in rates and calculations.) Rounding rules will be applied for dollar fields.**
7. Please elaborate & provide an example of how this would be used? **RFP Attachment 6.1 F #G-12** **The system must allow the user to define how many decimals will be used to subtotal or total amounts.**	**As in Microsoft Excel, the user will be able to specify how many decimal places of a resulting calculation will be displayed.**
8. Please elaborate & provide an example of how this would be used? **RFP Attachment 6.1 F #G-14** **The system must provide rules on how to handle rounding, including the option to truncate.**	**The user will define whether to round up, down, or truncate. This will usually apply to cents in dollar amounts. The user currently chooses to calculate payments (principal and interest) due from a borrower in whole dollars or dollars and cents.**
9. On Contract Attachment F – Business Requirements, there is a statement <THE VENDOR CANNOT ANSWER "N" TO A MANDATORY REQUIREMENT.> In the event that a proposer does respond "N" to a mandatory requirement, what occurs? Will the entire response be deemed non-responsive and automatically excluded? Will the responder receive a score of "0" for that category?	**The State's intention is to incorporate all mandatory requirements in the system, either as part of the core system or by modification to the core system. The comment section may be utilized to describe how the requirement can be met. However, a vendor's response of "N" signifies that the vendor can not modify their system and would be deemed the entire proposal non-responsive.**
10. Ownership and Rights in Data: If the solution proposed by the vendor is a COTS [*Commercial off the shelf]* program with some features added for the client, how does the State view the ownership rights of the features which were added (and paid for) by the State, even if the vast majority of the program is COTS?	**Please refer to Contract Section E.7.a - Definition of Software Categories and E.7.b – Title and Rights to the Software.** **Please note: The contract section E.7.b is amended to included additional language – see Attachment B.**
11. <u>Warranty:</u> Liquidated Damages associated with failure of performance by this vendor are not acceptable.	**Liquidated damages are necessary in this contract due to the risk associated with the Project.**

12. In general, time frames must be established for actions by the State. We have an issue in that the contract calls for both a 1 year warranty as well as acceptance of each phase of the project. Normally contracts include a warranty OR an acceptance period – not both. Furthermore, no timeframes for the State to accept or reject work product are given. If an acceptance period is chosen (instead of a warranty), then firm time frames must be included in the contract.	**The warranty period and acceptance period are combined. Once the State accepts the system as provided in A.3.d.4 the warranty period begins through one year as provided in A.3.e. The warranty coverage, time frame for warranty service; resources required for service, etc. are provided within E.6** **See H.2. which provides the vendor with the opportunity to establish final signoff dates for the State based on the work to be done, the deliverables and a Go-Live date of July 1, 2009.** **The firm time frames are part of the first deliverable by the vendor as noted in A.3 stating "The Contractor will prepare a work plan to which the State Project Manager and the State Program Manager must agree. The Contractor must adhere to that schedule unless written notification is submitted in advance explaining the nature and the reason for the change."**
13. There is no time frame for the State to notify the vendor of a breach, but if the State breaches we must notify within 30 days and file a suit within 1 year or it's considered a waiver. The notification requirements should be the same for both parties.	**This is nonnegotiable. This boilerplate provision was drafted with the assumption that if the contractor breaches, the breach may be intentional. Thus, the State would need to expedite taking action to protect itself. There is also the assumption that the State would never intentionally breach. Thus, the notification of breach provision is unilateral and not bilateral.**
14. Warranty Services. Contract states that repairs must be made within 21 days unless it would cause other problems to continue using and then it must be fixed immediately. If the State considers it an emergency vendor must work 24/7 to fix. We would like to amend the language so that reasonable efforts are made and that both parties agree to what constitutes an emergency.	**The State does not anticipate frequent emergency situations. The State's interest may require immediate emergency repairs, if the State is at risk for failing to meet a legal deadline.** **No revision will be made.**
15. Contract states that Contractor shall apply all necessary resources to correct errors, deficiencies or deviations without cost to state and make corrections within time frame by state. We would like to amend the language so that the time frame must be agreed to by the parties.	**Contract section E.6.e refers to the timeframes specified in section E.6.d. These time frames are not unreasonable and are in the best interest of the state.** **No revision will be made.**

16. If the State chooses to make repairs themselves the contract states that the vendor must pay for their work. We object to the payment both in principal and because the penalties could theoretically be disproportionate to the value of the contract. In addition, if the State makes repairs, the warranty would be voided.	**The State assumes this comment references contract section E.6.f, "Failure to Provide Effective Warranty Services."** **This section does not assert a State right to make repairs at will. The contract specifies the State may exercise this option "If the Contractor fails to repair an error, defect, deficiency or deviation for products or services covered by warranty". Should this event occur (contractor breach of warranty), the State's interests require a right to act on it's behalf to correct the problem and to recover incurred costs.**
17. Item D.16. States that the Contractor shall comply with all applicable State and Federal laws and regulations. In order to agree with this, we need to know what they are. Please list the applicable State and Federal laws and regulation (other than those listed on Attachment 6.2. Please also confirm whether the following laws apply to this contract, and if so, please provide the pertinent section of code: Affirmative Action, Drug Free Workplace.	**There is no comprehensive list. The clause reflects the intent of the parties that the Contractor shall conduct his business in such a manner as to comply with any and all applicable laws. If a proposer is unsure if he is conducting business in such a manner, he may wish to consult with his legal counsel.** **The Contractor should note that there are no federal grant funds designated for funding this contract.**
18. A.4.b. 2) States that the DMS must operate with applicable federal laws and regulations. Please clarify to which specific laws and regulations you are referring.	**There is no comprehensive list. The clause reflects the intent of the parties that the Contractor shall conduct his business in such a manner as to comply with any and all applicable laws. If a proposer is unsure if he is conducting business in such a manner, he may wish to consult with his legal counsel.**
19. A.11. says that the State reserves the right to assess the effectiveness of training and request additional training at no cost to State if deemed insufficient or incomplete. Please provide the detailed metrics on how the State would assess the effectiveness of the training.	**The State and the Vendor will jointly develop the detail Training metrics as part of the Implementation Phase deliverables.** **Please note:** **Contract Section A.3.d has been amended to read :** **#1 Training and evaluations completed.** **Attachment H.2 has been amended to read:** **4.1 Training and evaluations completed.** **Attachment 6.11 has been amended to include :** **Training evaluations have been added to the Implementation Deliverables.**

20. Third Party Software–This vendor cannot contractually obligate itself for the actions of a third party. In assessing whether a proposed solution meets your needs, the State will have the opportunity to assess the viability of third party software providers. This vendor can also provide information on how the third party provider operates at the time the contract is signed.	**As noted in A.4.b #7 – "…the Contractor shall be the State's sole contact with regard to System support issues and shall be responsible for the completion of all repairs, regardless of whether the Contractor or a subcontractor/third party owns and/or directly maintains the faulty items."** **The State will procure all State standard third party software that is required to be purchased from other State contracts. However, any third party software required for the application to function other than the State standard software will be the responsibility of the contractor.** **No revision will be made.**
21. With regard to obtaining new versions of the 3rd party software: The license provides the current version that is being used with our software. If we update the third party software to a newer version there is no additional charge to the State. That version is not necessarily the newest version of the 3rd party software, so that contract language will need to be amended.	**The State recognizes that the newest version may not be utilized by the Vendor's software. However the State must be assured that any third party software is under license and is supported and maintained.** **As noted in Section A.6.e the installation of the new versions/releases is at the State's option.** **No revision will be made.**
22. Licensing: Instead of "Perpetual royalty-free irrevocable unlimited and non-exclusive…" our licenses are "personal, permanent, nonexclusive, nontransferable…."	**Refer to E.7.b – Title and Rights to the Software.** **No revision will be made.**
23. Software Escrow: We have a standard Master Escrow with Iron Mountain. This vendor does not sign the agreement or make the payments, the client (State) does. There are specific triggers for releasing the software from escrow that are included in the Master Agreement. This vendor would assist the State in obtaining the agreement, but the State is responsible for the agreement and payments.	**The vendor must take responsibility for the payment of any costs to hold software in escrow on behalf of the State.** **The vendor must also take responsibility for ensuring the software code and updates are provided by signing the agreement.** **No revision will be made.**
24. This vendor has an issue with the Patents and copyrights protection section with regard to payment of attorney's fees.	**This is State Standard language.** **No revision will be made.**
25. Key Personnel: The contract says that if someone is reassigned, becomes incapacitated or ceases to be employed by Contractor and can't perform, contractor shall temporarily replace within 48 hrs and permanently within 1 month. This timeframe may not be feasible.	**No revision will be made.**

26. This vendor's contracts do not include retainage. Furthermore, if we were to negotiate retainage into the contract, 30% is excessive.	**Retainage is included as part of each phase of the development effort and there is NO Retainage on the Base License or Third Party Software License. The Retainage is a normal part of most State contracts and is necessary due to project risk factors.** **No revision will be made.**
27. This vendor does not provide performance bonds. If this vendor did agree to provide one, 40% of the contract cost is excessive.	**Amend Contract section E.21 to 20% of the total contract.**

B. Delete RFP Attachment 6.1 Pro Forma Contract, Section A.3.d in its entirety and insert the following in its place:

A.3.d. **Implementation Phase** – During this phase, Contractor staff shall complete training of the State staff and other tasks necessary for production use of DMS by the State. The Implementation Phase shall not be deemed complete until the Contractor has delivered and the State has provided a written approval for all the deliverables of the Phase. The following are the deliverables due at the end of this Phase:

1) Training and evaluations completed
2) Closure Report
3) Identify job descriptions and organization structure for roles and responsibilities to support system from the Division of Bond Finance and Office of Management Services Information Technology areas.
4) State Acceptance & Written Approval to move to Warranty Phase

C. Delete RFP Attachment 6.1 Pro Forma Contract, Section E.7.b in its entirety and insert the following in its place:

E.7.b. <u>Title and Rights to the Software</u>

1) All right, title and interest in and to the Contractor-Owned Software shall at all times remain with the Contractor, subject to the license granted herein. The Contractor shall not provide the State with source code for the Contractor-Owned Software; however, such source code shall be escrowed in accordance with Contract Section E.8.

2) All right, title and interest in and to the Third-Party Software shall at all times remain with the Contractor or the Third Party, subject to the agreements between those parties. The Contractor shall not provide the State with source code for the Third-Party Software; however, such source code shall be escrowed in accordance with Contract Section E.8.

3) Contingent upon the State's payment of the final Base License Initial Licensure fee, the Contractor hereby grants the State a perpetual, royalty-free, irrevocable, unlimited, and non-exclusive right to use the Contractor-Owned Software and the Third-Party Software for the State's business purposes. The Contractor affirms that Contractor is duly authorized to grant this right.

4) In the event that the State stops paying system support fees, the Contractor may cease to provide system support services. However, in this event, the State shall still retain all rights conferred by this Section E.7, and all such rights shall survive the termination of this Contract.

5) The State shall take all reasonable steps to preserve the confidential and proprietary nature of the Contractor Proprietary Products. The State shall make reasonable efforts not to disclose or disseminate Contractor's proprietary information to any third party that is not an agent of the State. The State will not be breach of this provision by making any disclosure required by the Tennessee Public Records Act, T.C.A. 10-5-501 et seq.

6) The State shall have ownership, right, title, and interest, including ownership of copyright, in the Work Products created, designed, developed, derived, documented, installed, or delivered under this Contract subject to the provisions in this subsection below and full and final payment for the Work Products. The State shall have royalty-free and unlimited rights and license to use, disclose, reproduce, publish, distribute, modify, maintain, or create derivative works from, for any purpose whatsoever, all said Work Products.

The State grants to the Contractor a perpetual, worldwide, fully paid up right and license to copy, prepare derivative works based on, deliver, publish, perform, display, modify, improve, use, sell and sublicense the Work Products provided under this Contract.

Further, the Contractor retains the right to use the general ideas, concepts and know-how of Contractor developed during performance of this Contract, without obligation of notice or accounting to the State.

This Contract shall not preclude Contractor from (1) independently developing materials outside this Contract that are competitive, irrespective of their similarity to materials which might be delivered to the State hereunder; or (2) providing consulting or other services of any kind or nature whatsoever to any individual or entity as Contractor in its sole discretion deems appropriate.

D. Delete RFP Attachment 6.1 Pro Forma Contract, Section E.21 in its entirety and insert the following in its place:

E.21. Performance Bond. Upon approval of the Contract by all appropriate State officials in accordance with applicable State laws and regulations, the Contractor shall furnish a performance bond in the amount equal to TWENTY PERCENT (20%) of the total contract, guaranteeing full and faithful performance of all undertakings and obligations under this Contract for the initial Contract term and all extensions thereof. The bond shall be in the manner and form prescribed by the State and must be issued through a company licensed to issue such a bond in the State of Tennessee.

The Contractor shall obtain the required performance bond in form and substance acceptable to the State and provide it to the State no later than April 8, 2008. Failure to provide the performance bond prior to the deadline as required shall result in contract termination.

E. Delete RFP Attachment 6.1 Pro Forma Contract, Attachment H.2 in its entirety and insert the following in its place:

H.2 Project Schedule

The Proposer must provide a realistic schedule for implementing the Debt Management System. It is the State's goal to have a Go-Live date of July 1, 2009.

ID	Deliverable	Start Date	Initial Delivery Date	Final Signoff Date	Total Hours	Resource Name	Resource Role	Resource Hours
	Initiation/Planning Phase							
1.1	Master Project Workplan							
1.2	Project Plan							
1.3	Product Requirements Document							
1.4	Product Test Plan							
1.5	Fit/Gap Analysis							
1.6	Business Process Workflow Analysis							
1.7	Quality Management Plan							
	Design Phase							
2.1	Base Software Installation							
2.2	System Administration Procedures							
2.3	Design Specifications							
2.4	Implementation Plan							
2.5	Training Plan							
	Construction Phase							
3.1	Support & Maintenance Plan							
3.2	Training Materials							
3.3	Technical & User Documentation							
3.4	Fully Functional Software Installation							
	Implementation Phase							
4.1	Training and evaluations completed							
4.2	Closure Report							
4.3	Ongoing Support Organization Structure and Job Descriptions							
4.4	State Acceptance & Written Approval Form							

Attachment 6.11

Comptroller IT Project Management Methodology Overview

Project Phase Name	Initiation	Planning	Design	Construction	Implementation	Project Closure
Description	Validate the business need, concept and feasibility for the end product and the project life.	Document the Product Requirements and define the project management.	Define the solutions that satisfies the requirements	Build the product, and validate that requirements are fully satisfied.	Satisfy the Business Need by transitioning the product to the users, and define the process to resolve any subsequent product issues.	Reconcile the final project administration, ensure Closure communications, and confirm all product issues are resolved.
Phase End Questions:	1. Has the business need been documented? 2. Are all the appropriate stakeholders involved? 3. Is project scope fully defined within boundaries? **4.** Is the project scope feasible and appropriate?	1. .Have the complete set of product requirements been documented to satisfy the business need? 2. Have all project management and processes been documented? (Management includes Resources Schedule Cost Risks). 3. Have product and project acceptance criteria been defined?	1. Do the Design Specifications meet the Product and Project requirements? 2. Is the Design solution feasible?	1. Have the Design Specifications been satisfied? 2. Is the documentation complete? 3. Is the environment ready? 4. Is the project team ready to train? 5. Is the project team ready to implement?	1. Are the users and their management ready to use and manage the System? 2. Have the Operations and Support staff been trained on the product and been given the supporting documentation? 3. Have all known product defects (identified before or during Implementation phase) been resolved? 4. Has the Support and Maintenance Plan been approved? 5. Have all defined criteria been met?	1. Have all product issues been resolved? 2. Is the project schedule reconciled back to the plan? 3. Are all fixed and variable costs reconciled back to the forecast? 4. Have all stakeholders been notified that the project is closed?
Deliverables:	Scope and Feasibility	1. Master Project Workplan 2. Project Plan 3. Business Requirements 4. Draft Product Test Plan 5. Fit/Gap Analysis 6. Bus. Process Workflow Analysis 7. Quality Management Plan	1. Base Software Installation 2. System Admin. Procedures 3. Business Req. Design 4. Reporting Design 5. Data Conversions Plan 6. Interface Design 7. Database Design 8. Implementation Plan 9. Training Plan	1. Support and Maintenance Plan 2. Training Materials 3. Technical & User Documentation 4. Fully Functional Software	1. Training Evaluations 2. Closure Report 3. Ongoing Support Organization Structure and Job Descriptions 4. State Acceptance & Written Approval Form	

Attachment 6.11

Comptroller IT Project Management Methodology
Deliverable Definitions

Base Software Installation:

The Base Software Installation provides instructions and specific information to ensure a successful installation of the product.

Closure Report:

The Closure Report is to mark the end of the project, ensure all stakeholders agree that the product is ready for deployment, and reconcile the costs, schedule, and risks.

Data Conversions Plan:

The Data Conversions Plan describes and defines the detail specifications used by the developers to construct the interface. This document includes file layout, data mapping, error exception processing, statistical reporting and data cleanup reporting.

Database Documentation:

Database Documentation contains a data dictionary, including keys and constraints. It also includes a diagram depicting the relationships between elements.

Fit Gap/Analysis:

The Fit Gap/Analysis compares the RFP business requirements to the vendor's product to determine the functional "gaps" and validate the requested requirements.

Implementation Plan:

The Implementation Plan details what is necessary to distribute the finished product.

Interface Design Document:

The Interface Design Document provides the detail specifications used by the developers to construct the interface. This document includes file layout, data mapping, error exception processing, statistical reporting.

Master Project Workplan:

The Master Project Workplan defining the project tasks, resources and time line.

Product (Business) Requirements:

The Product Requirements Document defines the requirements, modifications or enhancements to be developed. This document describes the required functionality of the product, the required environment in which it operates reliability and maintainability goals, regulations and legal requirements, international requirements (language, regulatory, etc.) and any other special requirements.

Product (Business) Requirements Design Document:

The Business Requirements Design Document provides the detail specifications used by the developers to construct the requirements. This document includes logic, screen mock-ups and content.

Project Plan:

The Project Plan Document is a “living” document. This document should accurately describe the process that will be used to develop and implement the product to be delivered and that the cost and timelines are reasonable. This document includes: Project Resources, assumptions, constraints, potential project risks, roles and responsibilities, change management, version control procedures and processes for all documentation and code, and milestones.

Product Test Plan:

The Product Test Plan is used to test the product assuring that predefined business and technical requirements have been satisfied. The Product Test Plan includes:

Unit Testing
Integration Testing
System Testing
User Acceptance Testing (perform by the State)
Interface Testing
Data Conversion Testing

Quality Management Plan:

Quality Management Plan includes all activities of the overall management function to achieve quality planning (of project), quality assurance (of process), quality control (or product), and quality improvement (or processes). This document includes what metrics will be required to be reported to State Management to track progress. This plan should include Quality Control processes to be used by the contractor to insure quality and consistency in all areas of the system and to be included in any reports to Senior Management.

Reporting Requirements Design:

The Reporting Business Requirements Design Document provides the detail specifications used by the developers to construct the reporting requirements. This document includes report layouts, data fields, report request screens, and necessary parameters.

Support and Maintenance Plan:

The Support and Maintenance Plan outlines the procedures and responsibilities for product support, and lists all procedures and resources necessary to maintain the product over the course of its life.

System Administration Procedures:

The System Administration Procedures provides technical support and documentation to ensure successful installation, on-going support, and configuration of the product.

Training Plan:

The Training Plan details the training strategy and approach to ensure all users are appropriately and timely trained.

Training Evaluations:

The State and the Vendor will jointly develop the detail Training metrics for the Evaluations as part of the Implementation Phase deliverables. A training evaluation will be completed by each staff member participating in the training. The training survey will assess the following, but not be limited to:

- Training Materials (Business and Technical)
- Trainer's Effectiveness
  - Ability to respond to questions
  - Knowledge of the business
  - Communication skills
- Instructor's knowledge of the Application and System.

Attachment A

SCHEDULE OF STATE SHARED TAXES BY BORROWER

FOR THE FISCAL YEARS ENDING JUNE 30, 2002, 2003, 2004, 2005, AND 2006

	FISCAL YEARS ENDING JUNE 30,				
LOCAL GOVERNMENT UNIT	2002	2003	2004	2005	2006
ATHENS	1,532,295	1,463,080	1,372,701	1,384,555	1,486,185
BENTON	128,756	108,900	117,676	117,757	133,449
BRENTWOOD	4,615,696	4,340,476	3,961,133	3,920,429	4,189,920
BRUCETON	165,134	149,352	148,113	149,893	159,877
CARYVILLE-(JACKSBORO)	249,005	227,129	224,487	224,144	231,698
CLIFTON	286,050	260,416	288,735	294,600	313,459
COLLEGEDALE	752,194	975,440	718,175	672,230	722,720
COVINGTON	931,042	854,778	840,203	839,086	899,788
CROSSVILLE	1,208,522	1,049,544	1,010,432	1,083,767	1,115,647
DECATUR	169,016	158,833	147,930	148,345	149,535
DECATURVILLE	95,494	88,048	84,433	83,853	88,702
GIBSON	33,528	29,572	28,965	35,027	42,616
HUNTSVILLE	113,836	111,545	112,979	113,261	121,356
JACKSBORO-(CARYVILLE)	192,889	178,609	178,090	189,239	196,998
JEFFERSON CITY	862,340	779,193	747,102	759,899	815,236
JELLICO	257,525	236,254	243,048	239,499	259,011
JONESBOROUGH	504,753	445,990	425,179	456,979	461,287
LAFAYETTE	435,333	398,167	385,054	385,869	441,616
LAKE CITY	202,556	184,571	180,876	182,655	194,064
LEWISBURG	1,247,680	1,117,114	1,085,741	1,073,768	1,146,670
LINDEN	153,351	139,675	110,364	118,222	121,330
LOUDON	659,595	574,233	521,456	487,480	449,701
MANCHESTER	956,354	888,115	870,513	871,917	1,032,441
MOUNT CARMEL	497,993	458,831	455,765	461,637	491,212
MOUNT PLEASANT	490,346	444,732	440,857	437,842	470,185
NASHVILLE	53,360,558	47,130,546	45,981,482	44,399,947	49,999,490
NEW JOHNSONVILLE	203,780	185,966	181,580	186,055	197,255
RED BANK	1,347,246	1,198,120	1,189,107	1,216,550	1,295,187
RIPLEY	850,221	969,605	742,485	771,061	819,818
SAVANNAH	822,851	707,684	693,890	689,865	743,097
SOMERVILLE	292,756	276,863	269,590	272,015	285,612
SPRINGFIELD	1,630,623	1,450,393	1,448,120	1,458,197	1,652,890
TIPTONVILLE	263,690	447,452	455,532	461,939	493,732
TRENTON	544,954	486,625	475,975	480,384	503,934
TRIMBLE	78,049	71,018	71,351	70,754	76,110
TULLAHOMA	2,207,815	1,971,446	1,922,103	1,900,894	2,030,200
WAVERLY	476,882	439,111	402,071	408,677	435,572
WHITE BLUFF	232,807	229,064	233,571	233,857	248,350

STATE OF TENNESSEE

Comptroller of the Treasury

REQUEST FOR PROPOSAL
FOR
Debt Management System

RFP NUMBER: 307.07-001-07

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1 INTRODUCTION

1.1 Statement of Purpose

The State of Tennessee, Office of the Comptroller of the Treasury, hereinafter referred to as the State or the procuring state agency, intends to secure a contract for a public debt management software package, and all requested services. The State anticipates that any mandatory requirement not currently in the off-the-shelf product will be expected to be developed into the system. A complete description of the Debt Management System Project and Product Scope is included in RFP Contract Attachment 6.1.B.

Those vendors who qualified are:

Emphasys
MITAS
The Oasis Group
SS&C

The State anticipates awarding a single contract pursuant to this procurement process, for the software and services together.

The Proposer shall provide the product and services required by this RFP within the context of the technical environment described by the Tennessee Information Resources Architecture (sometimes referred to as the technical architecture). The Proposer may request a copy of the Architecture by submitting a written request to the RFP Coordinator listed in RFP Section 1.5.1. When a contract is executed pursuant to this RFP, the Architecture will be included as a Contract Attachment.

The Proposer's responses to the attachments referenced in Contract Section E.10 become part of this RFP prior to Contract signature and approval.

Readers of this RFP may, from time to time, encounter unfamiliar terms and acronyms. The State has included a glossary of business terms in RFP Attachment 6.9 and a glossary of RFP specific terms in RFP Attachment 6.10.

1.2 Scope of Service, Contract Period, and Required Terms and Conditions

The RFP Attachment 6.1, *Pro Forma* Contract details the State's required:

- Scope of Services and Deliverables in Section A;
- Contract Period in Section B;
- Payment Terms in Section C;
- Standard Terms and Conditions in Section D; and,
- Special Terms and Conditions in Section E.

The *pro forma* contract substantially represents the contract document that the proposer, selected by the State, MUST agree to and sign.

1.3 Nondiscrimination

No person shall be excluded from participation in, be denied benefits of, be discriminated against in the admission or access to, or be discriminated against in treatment or employment in the State's contracted programs or activities on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification protected by federal or Tennessee State Constitutional or statutory law;

nor shall they be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of contracts with the State or in the employment practices of the State's contractors. Accordingly, all vendors entering into contracts with the State shall, upon request, be required to show proof of such nondiscrimination and to post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

The State has designated the following person to coordinate compliance with the nondiscrimination requirements of the State of Tennessee, Title VI of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and applicable federal regulations.

Elaine Driver
Personnel Manager
Office of Management Services
State of Tennessee, Office of the Comptroller of the Treasury
505 Deaderick Street, Suite 1400
Nashville, TN 37243
(615) 401-7738
(615) 532-2224 Fax
Elaine.Driver@state.tn.us

1.4 Assistance to Proposers With a Disability

A Proposer with a disability may receive accommodation regarding the means of communicating this RFP and participating in this RFP process. A Proposer with a disability should contact the RFP Coordinator to request reasonable accommodation no later than the Disability Accommodation Request Deadline detailed in the RFP Section 2, Schedule of Events.

1.5 RFP Communications

1.5.1 **Unauthorized contact regarding this RFP with employees or officials of the State of Tennessee other than the RFP Coordinator detailed below may result in disqualification from this procurement process.**

1.5.1.1 Interested Parties must direct all communications regarding this RFP to the following RFP Coordinator, who is the State of Tennessee's only official point of contact for this RFP.

Ann Butterworth
Assistant to the Comptroller, Public Finance
State of Tennessee, Office of the Comptroller of the Treasury
c/o Rhonda Bratcher
505 Deaderick Street, Suite 1400
Nashville, Tennessee 37243
(615) 401-7910
(615) 532-9237 Fax
Ann.Butterworth@state.tn.us

1.5.1.2 Notwithstanding the foregoing, Interested Parties may contact the staff of the Governor's Office of Diversity Business Enterprise for general, public information regarding this RFP, assistance available from the Governor's Office of Diversity Business Enterprise, or potential future state procurements.

1.5.2 The State has assigned the following RFP identification number that must be referenced in all communications regarding the RFP:

RFP 307.07-001-07

1.5.3 Any oral communications shall be considered unofficial and non-binding with regard to this RFP.

1.5.4 Each Proposer shall assume the risk of the method of dispatching any communication or proposal to the State. The State assumes no responsibility for delays or delivery failures resulting from the method of dispatch. Actual or electronic "postmarking" of a communication or proposal to the State by a deadline date shall not substitute for actual receipt of a communication or proposal by the State.

1.5.5 The RFP Coordinator must receive all written comments, including questions and requests for clarification, no later than the Written Comments Deadline detailed in the RFP Section 2, Schedule of Events.

1.5.6 The State reserves the right to determine, at its sole discretion, the appropriate and adequate responses to written comments, questions, and requests for clarification. The State's official responses and other official communications pursuant to this RFP shall constitute an amendment of this RFP.

1.5.7 The State will convey all official responses and communications pursuant to this RFP to the potential proposers from whom the State has received a Notice of Intent to Propose.

1.5.8 Only the State's official, written responses and communications shall be considered binding with regard to this RFP.

1.5.9 The State reserves the right to determine, at its sole discretion, the method of conveying official responses and communications pursuant to this RFP (*e.g.*, written, facsimile, electronic mail).

1.5.10 Any data or factual information provided by the State, in this RFP or an official response or communication, shall be deemed for informational purposes only, and if a Proposer relies on such data or factual information, the Proposer should either: (1) independently verify the information; or, (2) obtain the State's written consent to rely thereon.

1.6 Notice of Intent to Propose

Each potential proposer should submit a Notice of Intent to Propose to the RFP Coordinator by the deadline detailed in the RFP Section 2, Schedule of Events. The notice should include:

- RFP 307.07-001-07
- Proposer's name
- name and title of a contact person
- address, telephone number, and facsimile number of the contact person
- e-mail address of the contact person

NOTICE: A Notice of Intent to Propose creates no obligation and is not a prerequisite for making a proposal, however, it is necessary to ensure receipt of RFP amendments and other communications regarding the RFP (refer to RFP Sections 1.5, *et seq.*, above).

1.7 Proposal Deadline

Proposals must be submitted no later than the Proposal Deadline time and date detailed in the RFP Section 2, Schedule of Events. A proposal must respond to the written RFP and any RFP exhibits, attachments, or amendments. A late proposal shall not be accepted, and a Proposer's failure to submit a proposal before the deadline shall cause the proposal to be disqualified.

1.8 Pre-Proposal Conference

A Pre-Proposal Conference will be held at the time and date detailed in the RFP Section 2, Schedule of Events. The purpose of the conference is to discuss the RFP scope of services. While questions will be entertained, the response to any question at the Pre-Proposal Conference shall be considered tentative and non-binding with regard to this RFP.

Questions concerning the RFP should be submitted in writing prior to the Written Comments Deadline date detailed in the RFP Section 2, Schedule of Events. To ensure accurate, consistent responses to all known potential Proposers, the official response to questions will be issued by the State as described in RFP Sections 1.5, *et seq.*, above and on the date detailed in the RFP Section 2, Schedule of Events.

Pre-Proposal Conference attendance is <u>not</u> mandatory, and **each potential Proposer shall be limited to three attendees due to space limitations**. The conference will be held at:

Sumner Room
3rd Floor Conference Center
Wm. R. Snodgrass Tennessee Tower
312 8th Avenue North
Nashville, Tennessee 37243

1.9 Performance Bond

The State shall require a performance bond upon approval of a contract pursuant to this RFP. The amount of the performance bond <u>must</u> be in the sum of Forty Percent (40%) of the total contract amount.

The successful Proposer shall obtain the required performance bond in form and substance acceptable to the State (refer to RFP Attachment 6.6) and provide it to the State no later than the Performance Bond Deadline date detailed in the RFP Section 2, Schedule of Events. Failure to provide the performance bond prior to the deadline as required shall result in contract termination.

2 RFP SCHEDULE OF EVENTS

The following Schedule of Events represents the State's best estimate of the schedule that will be followed. Unless otherwise specified, the time of day for the following events will be between 8:00 a.m. and 4:30 p.m., Central Standard Time (CST). Be aware that times represent changes in time to Daylight Savings Time beginning on March 9, 2008.

RFP SCHEDULE OF EVENTS

NOTICE: The State reserves the right, at its sole discretion, to adjust this schedule as it deems necessary. The State will communicate any adjustment to the Schedule of Events to the potential proposers from whom the State has received a Notice of Intent to Propose.

EVENT	TIME (CST)	DATE (all dates are State business days)
1. State Issues RFP		**11/5/07**
2. Disability Accommodation Request Deadline		**11/13/07**
3. Pre-Proposal Conference	**1:30 p.m.**	**11/19/07**
4. Notice of Intent to Propose Deadline		**11/26/07**
5. Written Comments Deadline		**11/29/07**
6. State Responds to Written Comments		**12/17/07**
7. Proposal Deadline	**12:00 p.m.**	**1/16/08**
8. State Completes Written Technical Proposal Evaluations		**3/6/08**
9. State Opens Cost Proposals	**9:00 a.m.**	**3/7/08**
10. State Completes Calculation of Scores		**3/13/08**
11. State Issues Evaluation Notice and Opens RFP Files for Public Inspection	**9:00 a.m. (Central Standard Time Zone, Daylight Savings Time)**	**3/19/08**
12. Contract Signing		**3/27/08**
13. Contract Signature Deadline		**4/3/08**
14. Performance Bond Deadline		**4/8/08**

15. Contract Start Date		**4/14/08**

3 PROPOSAL REQUIREMENTS

Each Proposer must submit a proposal in response to this RFP with the most favorable terms that the Proposer can offer. There will be no best and final offer procedure.

3.1 Proposal Form and Delivery

3.1.1 Each response to this RFP must consist of a Technical Proposal and a Cost Proposal (as described below).

3.1.2 Each Proposer must submit one (1) original and seven (7) copies, and one (1) CD containing copies of the electronic files of the contents of the Technical Proposal to the State in a sealed package that is clearly marked:

"Technical Proposal in Response to RFP- 307.07-001-07-- Do Not Open"

3.1.3 Each Proposer must submit one (1) Cost Proposal to the State in a separate, sealed package that is clearly marked:

"Cost Proposal in Response to RFP – 307.07.001-07 – Do Not Open"

3.1.4 If a Proposer encloses the separately sealed proposals (as detailed above) in a larger package for mailing, the Proposer must clearly mark the outermost package:

"Contains Separately Sealed Technical and Cost Proposals for RFP-307.07.001-07"

3.1.5 The State must receive all proposals in response to this RFP, at the following address, no later than the Proposal Deadline time and date detailed in the RFP Section 2, Schedule of Events.

Ann Butterworth
Assistant to the Comptroller, Public Finance
State of Tennessee, Office of the Comptroller of the Treasury
c/o Rhonda Bratcher
505 Deaderick Street, Suite 1400
Nashville, TN 37243

3.1.6 A Proposer may not deliver a proposal orally or by any means of electronic transmission.

3.2 Technical Proposal

3.2.1 The RFP Attachment 6.3, Technical Proposal and Evaluation Guide details specific requirements for making a Technical Proposal in response to this RFP. This guide includes mandatory and general requirements as well as technical queries requiring a written response.

NOTICE: No pricing information shall be included in the Technical Proposal. Inclusion of Cost Proposal amounts in the Technical Proposal shall make the proposal non-responsive and the State shall reject it.

3.2.2 Each Proposer must use the Technical Proposal and Evaluation Guide to organize, reference, and prepare the Technical Proposal. Each Proposer should duplicate the

Technical Proposal and Evaluation Guide and use it as a table of contents covering the Technical Proposal (adding proposal page numbers as appropriate).

3.2.3 Each proposal should be economically prepared, with emphasis on completeness and clarity of content. A proposal, as well as any reference material presented, must be written in English and must be written on standard 8 1/2" x 11" paper (although foldouts containing charts, spreadsheets, and oversize exhibits are permissible). All proposal pages must be numbered.

3.2.3.1 The copies of the proposal must be in three-ring binders and tabbed with dividers into appropriate sections.

3.2.3.2 The front cover must have a separate and distinct control number for each of the (8) printed copies placed in the bottom right corner. The control number naming convention is [Proposer Name]-[sequential number]. (e.g., “Acme-12”). If there is more than one volume to the response, then the control number shall indicate the volume number as well (e.g., “Acme-12, vol.1 of ___”).

3.2.3.3 The signed original must be clearly labeled “Original” on the front cover. The signed original copy must be designated by control number “1”.

3.2.4 The Proposal binder, labeled “Original” will include a CD containing electronic files of the contents of the Proposal. The electronic files may be submitted in Microsoft Office 2003 or higher format (Word, Excel, etc.) or in Adobe Acrobat format (PDF), except for certain schedules noted elsewhere that must be in their native format (Excel, Project, etc.).

3.2.5 All of the files and schedules in electronic format on the CDs will also appear in printed form in the body of the proposal, and must be exact copies of the printed documents. In the event of any differences between printed and electronic versions, or problems with the CD, the contents of the printed copy marked “Original” shall prevail.

3.2.6 All information included in a Technical Proposal should be relevant to a specific requirement detailed in the Technical Proposal and Evaluation Guide. All information must be incorporated into a response to a specific requirement and clearly referenced. Any information not meeting these criteria will be deemed extraneous and will in no way contribute to the evaluation process.

3.2.7 The State may determine a proposal to be non-responsive and reject it if the Proposer fails to organize and properly reference the Technical Proposal as required by this RFP and the Technical Proposal and Evaluation Guide;

3.3 Cost Proposal

3.3.1 The Cost Proposal <u>must</u> be submitted to the State in a <u>sealed</u> package separate from the Technical Proposal.

3.3.2 Each Cost Proposal <u>must</u> be recorded on an exact duplicate of the RFP Attachment 6.4, Cost Proposal and Scoring Guide.

3.3.3 <u>Each Proposer shall ONLY record the proposed cost exactly as required by the Cost Proposal and Scoring Guide and shall NOT record any other rates, amounts, or information.</u>

3.3.4 The proposed cost shall incorporate <u>all</u> costs for services under the contract for the total contract period.

3.3.5 The Proposer must sign and date the Cost Proposal.

3.3.6 If a Proposer fails to submit a Cost Proposal as required, the State shall determine the proposal to be non-responsive and reject it.

4 GENERAL REQUIREMENTS & CONTRACTING INFORMATION

4.1 Proposer Required Review and Waiver of Objections

Each Proposer must carefully review this RFP and all attachments, including but not limited to the *pro forma* contract, for comments, questions, defects, objections, or any other matter requiring clarification or correction (collectively called "comments"). Comments concerning the RFP objections must be made in writing and received by the State no later than the Written Comments Deadline detailed in the RFP Section 2, Schedule of Events. This will allow issuance of any necessary amendments and help prevent the opening of defective proposals upon which contract award could not be made.

Protests based on any objection shall be considered waived and invalid if these comments/objections have not been brought to the attention of the State, in writing, by the Written Comments Deadline.

4.2 RFP Amendment and Cancellation

The State reserves the unilateral right to amend this RFP in writing at any time. If an RFP amendment is issued, the State will convey such amendment to the potential proposers who submitted a Notice of Intent to Propose. Each Proposer must respond to the final written RFP and any exhibits, attachments, and amendments.

The State reserves the right, at its sole discretion, to cancel and reissue this RFP or to cancel this RFP in its entirety in accordance with applicable laws and regulations.

4.3 Proposal Prohibitions and Right of Rejection

4.3.1 The State reserves the right, at its sole discretion, to reject any and all proposals in accordance with applicable laws and regulations.

4.3.2 Each proposal must comply with all of the terms of this RFP and all applicable state laws and regulations. The State may reject any proposal that does not comply with all of the terms, conditions, and performance requirements of this RFP. The State may consider any proposal that does not meet the requirements of this RFP to be non-responsive, and the State may reject such a proposal.

4.3.3 A proposal of alternate services (*i.e.*, a proposal that offers services different from those requested by this RFP) shall be considered non-responsive and rejected.

4.3.4 A Proposer may not restrict the rights of State or otherwise qualify a proposal. The State may determine such a proposal to be a non-responsive counteroffer, and the proposal may be rejected.

4.3.5 A Proposer may not submit the Proposer's own contract terms and conditions in a response to this RFP. If a proposal contains such terms and conditions, the State may determine, at its sole discretion, the proposal to be a non-responsive counteroffer, and the proposal may be rejected.

4.3.6 A Proposer shall not submit more than one proposal. Submitting more than one proposal shall result in the disqualification of the Proposer.

4.3.7 A Proposer shall not submit multiple proposals in different forms. This prohibited action shall be defined as a Proposer submitting one proposal as a prime contractor and permitting a second Proposer to submit another proposal with the first Proposer offered as a subcontractor. This restriction does not prohibit different Proposers from offering the same subcontractor as a part of their proposals, provided that the subcontractor does not also submit a proposal as a prime contractor. Submitting multiple proposals in different forms may result in the disqualification of all Proposers knowingly involved.

4.3.8 The State shall reject a proposal if the Cost Proposal was not arrived at independently without collusion, consultation, communication, or agreement as to any matter relating to such prices with any other Proposer. Regardless of the time of detection, the State shall consider any of the foregoing prohibited actions to be grounds for proposal rejection or contract termination.

4.3.9 The State shall <u>not</u> contract with or consider a proposal from:

4.3.9.1 an individual who is, or within the past six months has been, an employee or official of the State of Tennessee;

4.3.9.2 a company, corporation, or any other contracting entity in which an ownership of two percent (2%) or more is held by an individual who is, or within the past six months has been, an employee or official of the State of Tennessee (this shall not apply either to financial interests that have been placed into a “blind trust” arrangement pursuant to which the employee does not have knowledge of the retention or disposition of such interests or to the ownership of publicly traded stocks or bonds where such ownership constitutes less than 2% of the total outstanding amount of the stocks or bonds of the issuing entity);

4.3.9.3 a company, corporation, or any other contracting entity which employs an individual who is, or within the past six months has been, an employee or official of the State of Tennessee in a position that would allow the direct or indirect use or disclosure of information, which was obtained through or in connection with his or her employment and not made available to the general public, for the purpose of furthering the private interest or personal profit of any person; or,

4.3.9.4 any individual, company, or other entity involved in assisting the State in the development, formulation, or drafting of this RFP or its scope of services shall be considered to have been given information that would afford an unfair advantage over other Proposers, and such individual, company, or other entity may not submit a proposal in response to this RFP.

4.3.10 For the purposes of applying the requirements of RFP subsection 4.3.9, *et. seq.*, an individual shall be deemed an employee or official of the State of Tennessee until such time as all compensation for salary, termination pay, and annual leave has been paid.

4.3.11 The State reserves the right, at its sole discretion, to waive a proposal’s variances from full compliance with this RFP. If the State waives minor variances in a proposal, such waiver shall not modify the RFP requirements or excuse the Proposer from full compliance with such. Notwithstanding any minor variance, the State may hold any Proposer to strict compliance with this RFP.

4.4 Incorrect Proposal Information

If the State determines that a Proposer has provided, for consideration in this RFP process or subsequent contract negotiations, incorrect information that the Proposer knew or should have known was materially incorrect, that proposal shall be determined non-responsive and shall be rejected.

4.5 Proposal of Additional Services

If a proposal offers services in addition to those required by and described in this RFP, the additional services may be added to the contract before contract signing at the sole discretion of the State. Notwithstanding the foregoing, a Proposer shall not propose any additional cost amount(s) or rate(s) for additional services.

NOTICE: The Proposer's Cost Proposal shall record only the proposed cost as required in this RFP and shall not record any other rates, amounts, or information. If a Proposer fails to submit a Cost Proposal as required, the State shall determine the proposal to be non-responsive and shall reject the proposal.

4.6 Assignment and Subcontracting

4.6.1 The Proposer awarded a contract pursuant to this RFP may not subcontract, transfer, or assign any portion of the contract without the State's prior, written approval.

4.6.2 A subcontractor may <u>only</u> be substituted for a proposed subcontractor at the discretion of the State and with the State's prior, written approval.

4.6.3 At its sole discretion, the State reserves the right to refuse approval of any subcontract, transfer, or a staff assignment.

4.6.4 Notwithstanding State approval of each subcontractor, the Proposer, if awarded a contract pursuant to this RFP, shall be the prime contractor and shall be responsible for all work performed.

4.7 Right to Refuse Personnel

At its sole discretion, the State reserves the right to refuse any personnel, of the prime contractor or a subcontractor, for use in the performance of a contract pursuant to this RFP.

4.8 Insurance

The State may require the apparent successful Proposer to provide proof of adequate worker's compensation and public liability insurance coverage before entering into a contract. Additionally, the State may require, at its sole discretion, the apparent successful Proposer to provide proof of adequate professional malpractice liability or other forms of insurance. Failure to provide evidence of such insurance coverage is a material breach and grounds for termination of the contract negotiations. Any insurance required by the State shall be in form and substance acceptable to the State.

4.9 Licensure

Before a contract pursuant to this RFP is signed, the apparent successful Proposer must hold all necessary, applicable business and professional licenses. The State may require any or all Proposers to submit evidence of proper licensure.

4.10 Service Location and Work Space

The service pursuant to this RFP is to be performed, completed, managed, and delivered as detailed in the RFP Attachment 6.1, *Pro Forma* Contract. Work space on the State's premises may be available for contractor use in accordance with the *pro forma* contract or at the State's discretion. Any work performed on the State's premises shall be completed during the State's standard business hours.

4.11 Proposal Withdrawal

A Proposer may withdraw a submitted proposal at any time up to the Proposal Deadline time and date detailed in the RFP Section 2, Schedule of Events. To do so, a proposer must submit a written request, signed by a Proposer's authorized representative to withdraw a proposal. After withdrawing a previously submitted proposal, a Proposer may submit another proposal at any time up to the Proposal Deadline.

4.12 Proposal Errors and Amendments

Each Proposer is liable for all proposal errors or omissions. A Proposer will not be allowed to alter or amend proposal documents after the Proposal Deadline time and date detailed in the RFP Section 2, Schedule of Events unless such is formally requested, in writing, by the State.

4.13 Proposal Preparation Costs

The State will not pay any costs associated with the preparation, submittal, or presentation of any proposal.

4.14 Disclosure of Proposal Contents

Each proposal and all materials submitted to the State in response to this RFP shall become the property of the State of Tennessee. Selection or rejection of a proposal does not affect this right. All proposal information, including detailed price and cost information, shall be held in confidence during the evaluation process. Notwithstanding, a list of actual proposers submitting timely proposals may be available to the public, upon request, directly after technical proposals are opened by the State.

Upon the completion of the evaluation of proposals, indicated by public release of an Evaluation Notice, the proposals and associated materials shall be open for review by the public in accordance with *Tennessee Code Annotated*, Section 10-7-504(a)(7). By submitting a proposal, the Proposer acknowledges and accepts that the full proposal contents and associated documents shall become open to public inspection.

4.15 Contractor Registration

All service contractors with State of Tennessee contracts must be registered as a potential State contractor through the Department of Finance and Administration's Service Provider Registry prior to contract approval. However, registration with the state is **not** required to make a proposal. Any unregistered service provider must simply register as required prior to the final contract approval. Refer to the following Internet URL for more information about the Service Provider Registry and to register "on-line."

http://www.state.tn.us/finance/rds/ocr/register.html

4.16 Contract Approval

The RFP and the contractor selection processes do not obligate the State and do not create rights, interests, or claims of entitlement in either the Proposer with the apparent best-evaluated proposal or any other Proposer. Contract award and State obligations pursuant thereto shall commence only after the contract is signed by the Contractor and the head of the procuring state agency and after the contract is approved and signed by all other State officials as required by State laws and regulations.

4.17 Contract Payments

All contract payments shall be made in accordance with the contract's Payment Terms and Conditions provisions (refer to RFP Attachment 6.1, *Pro Forma* Contract, Section C). No payment shall be made until the contract is approved as required by State laws and regulations. Under no conditions shall the State be liable for payment of any type associated with the contract or responsible for any work done by the Contractor, even work done in good faith and even if the Contractor is orally directed to proceed with the delivery of services, if it occurs before contract approval by State officials as required by applicable statutes and rules of the State of Tennessee or before the contract start date or after the contract end date specified by the contract.

4.18 Contractor Performance

The Contractor shall be responsible for the completion of all work set out in the contract. All work is subject to inspection, evaluation, and acceptance by the State. The State may employ all reasonable means to ensure that the work is progressing and being performed in compliance with the contract. At reasonable times, the State may inspect those areas of the Contractor's place of business that are related to the performance of the contract. If the State requires such an inspection, the Contractor shall provide reasonable access and assistance.

4.19 Contract Amendment

During the course of this contract, the State may request the Contractor to perform additional work for which the Contractor would be compensated. That work shall be within the general scope of this RFP. In such instances, the State shall provide the Contractor a written description of the additional work, and the Contractor shall submit a time schedule for accomplishing the additional work and a price for the additional work based on the rates included in the Contractor's proposal to this RFP. If the State and the Contractor reach an agreement regarding the work and associated compensation, such agreement shall be effected by means of a contract amendment. Any such amendment requiring additional work must be mutually agreed upon by the parties and signed by the Contractor and the head of the procuring state agency and must be approved by other State officials as required by State laws and regulations. The Contractor shall not commence additional work until the State has issued a written contract amendment and secured all required approvals.

4.20 Severability

If any provision of this RFP is declared by a court to be illegal or in conflict with any law, said decision shall not affect the validity of the remaining RFP terms and provisions, and the rights and obligations of the State and Proposers shall be construed and enforced as if the RFP did not contain the particular provision held to be invalid.

5 RFP RESPONSE EVALUATION

5.1 Evaluation Categories and Maximum Points

The State will consider qualifications and experience, technical approach, project management services, and cost in the evaluation of proposals. The maximum points that shall be awarded for each of these categories are detailed below.

CATEGORY	MAXIMUM POINTS POSSIBLE
Technical Proposal	
Section A. Mandatory Requirements	**Pass/Fail**
Section B. Qualifications and Experience	**100**
Section C. Part A General Systems Requirements	**100**
Section C. Part B Business Requirements	**350**
Section C. Part C Project Management Services	**150**
Cost Proposal	**300**
Total Points	**1000**

5.2 Evaluation Process

The proposal evaluation process is designed to award the contract not necessarily to the Proposer of the least cost, but rather to the Proposer with the best combination of attributes based upon the evaluation criteria.

5.2.1 The RFP Coordinator will use the RFP Attachment 6.3, Technical Proposal and Evaluation Guide to manage the Technical Proposal Evaluation and maintain evaluation records.

5.2.1.1 The RFP Coordinator will review each Technical Proposal to determine compliance with mandatory requirements (refer to RFP Attachment 6.3, Technical Proposal and Evaluation Guide, Proposal Section A). If the RFP Coordinator determines that a proposal may have failed to meet one or more of the mandatory requirements, the Proposal Evaluation Team will review the proposal and document its determination of whether: (1) the proposal meets requirements for further evaluation; (2) the State will request clarifications or corrections; or, (3) the State will determine the proposal non-responsive to the RFP and reject it.

5.2.1.2 A Proposal Evaluation Team, made up of three or more State employees, will evaluate each Technical Proposal that appears responsive to the RFP.

5.2.1.3 Each Proposal Evaluation Team member will independently, evaluate each proposal against the evaluation criteria in this RFP, rather than against other proposals, and

will score each in accordance with the RFP Attachment 6.3, Technical Proposal and Evaluation Guide.

5.2.1.4 The State reserves the right, at its sole discretion, to request Proposer clarification of a Technical Proposal or to conduct clarification discussions with any or all Proposers. Any such clarification or discussion shall be limited to specific sections of the proposal identified by the State. The subject Proposer shall put any resulting clarification in writing as may be required by the State.

5.2.2 After all Technical Proposal evaluations are completed, the RFP Coordinator will open the Cost Proposals and use the RFP Attachment 6.4, Cost Proposal and Scoring Guide to calculate and document the Cost Proposal scores.

5.2.3 For each responsive proposal, the RFP Coordinator will add the average Technical Proposal score to the Cost Proposal score (refer to RFP Attachment 6.5, Proposal Score Summary Matrix).

5.3 Contract Award Process

5.3.1 The RFP Coordinator will forward the results of the proposal evaluation process to the head of the procuring state agency who will consider the proposal evaluation process results and all pertinent information available to make a determination about the contract award. The State reserves the right to make an award without further discussion of any proposal.

Notwithstanding the foregoing, to effect a contract award to a proposer other than the one receiving the highest evaluation score, the head of the procuring state agency must provide written justification for such an award and obtain the written approval of the Commissioner of Finance and Administration and the Comptroller of the Treasury.

5.3.2 After the procuring state agency head's determination, the State will issue an Evaluation Notice to identify the apparent best-evaluated proposal on the Evaluation Notice date detailed in the RFP Section 2, Schedule of Events.

NOTICE: The Evaluation Notice shall not create rights, interests, or claims of entitlement in either the Proposer with apparent best-evaluated proposal or any other Proposer.

5.3.3 The State will also make the RFP files available for public inspection on the Evaluation Notice date detailed in the RFP Section 2, Schedule of Events.

5.3.4 The Proposer with the apparent best-evaluated proposal <u>must</u> agree to and sign a contract with the State which shall be substantially the same as the RFP Attachment 6.1, *Pro Forma* Contract.

However, the State reserves the right, at its sole discretion, to add terms and conditions or to revise *pro forma* contract requirements in the State's best interests subsequent to this RFP process. No such terms and conditions or revision of contract requirements shall materially affect the basis of proposal evaluations or negatively impact the competitive nature of the RFP process.

The State will not negotiate on terms that are either (1) statutorily or constitutionally disallowed; or (2) not in the State's best interest from a legal or business standpoint. See RFP Attachment 6.8, which provides a general discussion of the items that the State considers "non negotiable." Note, however, that there may be other items not discussed in RFP Attachment 6.8 that also may be non-negotiable.

5.3.5 The Proposer with the apparent best-evaluated proposal must sign and return the contract drawn by the State pursuant to this RFP no later than the Contract Signature Deadline date detailed in the RFP Section 2, Schedule of Events. If the Proposer fails to provide the signed contract by the deadline, the State may determine that the Proposer is non-responsive to the terms of this RFP and reject the proposal.

5.3.6 If the State determines that the apparent best-evaluated proposal is non-responsive and rejects the proposal after opening Cost Proposals, the RFP Coordinator will re-calculate scores for each responsive Cost Proposal to determine the new, apparent best-evaluated proposal.

ATTACHMENT 6.1
PRO FORMA CONTRACT

The *pro forma* contract detailed in this attachment contains some "blanks" (signified by descriptions in capital letters) that will be completed with appropriate information in the final contract resulting from this RFP.

CONTRACT
BETWEEN the State of Tennessee,
OFFICE OF THE COMPTROLLER OF THE TREASURY
AND
[CONTRACTOR NAME]

This Contract, by and between the State of Tennessee, Office of the Comptroller of the Treasury, hereinafter referred to as the "State" and [CONTRACTOR LEGAL ENTITY NAME], hereinafter referred to as the "Contractor", is for the procurement of a Debt Management System software (DMS) package and associated services; as further defined in the "SCOPE OF SERVICES."

The Contractor is [AN INDIVIDUAL/A FOR-PROFIT CORPORATION/ A NONPROFIT CORPORATION/ A SPECIAL PURPOSE CORPORATION OR ASSOCIATION/ A FRATERNAL OR PATRIOTIC ORGANIZATION/ A PARTNERSHIP/ A JOINT VENTURE/ A LIMITED LIABILITY COMPANY].The Contractor's address is:

[ADDRESS]

The Contractor's place of incorporation or organization is [State of ORGANIZATION].

A. SCOPE OF SERVICES:

A.1. The Contractor agrees to provide the Debt Management System (DMS), application and associated services as set forth in this Scope of Services. The Contractor shall deliver the DMS, including customization, in accordance with the Business, General Systems, and Project Management Requirements detailed in Pro Forma Contract Attachments F, G, and H respectively. The Scope of the Project and Product are described in Contract Attachment B.

A.2. Base License Initial Licensure.

A.2.a. The Contractor shall provide a license (or "licenses") to the State that will allow up to fifteen (15) State concurrent users to use the DMS system (this license, or these licenses, is referred to herein as the "base license"). The State reserves the right to install multiple instances of the software, on multiple servers, to meet their implementation needs. These installations will include production, test and development environments.

A.2.b. The State will compensate the Contractor for Base License Initial Licensure as described in Contract C.3.a.

A.3. Project Phases. The DMS system will be delivered and implemented in accordance with the Comptroller of the Treasury IT Methodology (See Attachment 6.11). With regard to business and general systems requirements it is assumed that the Contractor's commercially available software may not meet all of the State's mandatory requirements as expressed herein and therefore that the Contractor will be required to develop these changes into the software.

The phases will occur in the order given below, and generally each phase must be completed prior to moving on to a subsequent phase.The Contractor will perform all work under this contract in cooperation with the State Project Manager and the State Program Manager. The Contractor will prepare a work plan to which the State Project Manager and State Program Manager must agree. The Contractor must adhere to that schedule unless written notification is submitted in advance explaining the nature and the reason for the change.

A.3.a. **Initiation/Planning Phase** – During this phase, the Contractor Project Manager will meet with State staff to plan the subsequent tasks in the project; review the business

and general systems requirements; and develop a fit-gap analysis against the requirements. The Initiation/Planning Phase shall not be deemed complete until the Contractor has delivered and the State has provided a written approval for all the deliverables of the Phase. The following are the deliverables due at the end of this Phase:

1) Master Project Workplan
2) Project Plan
3) Product (Business) Requirements Document
4) Product Test Plan
5) Fit/Gap Analysis
6) Business Process Workflow Analysis
7) Quality Management Plan

A.3.b. **Design Phase** – During this phase, Contractor staff will develop the design specifications which will meet the business requirements and develop an interface plan. The Contractor will install, configure, and test the software on the State's development environment. The Contractor will demonstrate that the base software is fully functional in the State's environment. The Design Phase shall not be deemed complete until the Contractor has delivered and the State has provided a written approval for all the deliverables of the Phase. The following are the deliverables due at the end of this Phase:

1) Base Software Installation
2) System Administration Procedures
3) Design Specifications Document to include:
    a. Product (Business) Requirements Design
    b. Reporting Design
    c. Data Conversions
    d. Interfaces Design
    e. Database Design
4) Implementation Plan
5) Training Plan

A.3.c. **Construction Phase** – During this phase, Contractor staff will modify the DMS software according to the State's mandatory requirements; modify Technical and User documentation; prepare training materials; set up Production, Test, and Training environments; prepare the State staff for user acceptance test; perform User Acceptance Testing. The Construction Phase shall not be deemed complete until the Contractor has delivered and the State has provided a written approval for all the deliverables of the Phase. The following are the deliverables due at the end of this Phase:

1) Support & Maintenance Plan
2) Training Materials
3) Technical and User Documentation
4) Demonstration of fully functional software with all modifications completed in the test environment.

A.3.d. **Implementation Phase** – During this phase, Contractor staff shall complete training of the State staff and other tasks necessary for production use of DMS by the State. The Implementation Phase shall not be deemed complete until the Contractor has delivered and the State has provided a written approval for all the deliverables of the Phase. The following are the deliverables due at the end of this Phase:

1) Training and evaluations completed
2) Closure Report

3) Identify job descriptions and organization structure for roles and responsibilities to support system from the Division of Bond Finance and Office of Management Services Information Technology areas.
4) State Acceptance & Written Approval to move to Warranty Phase

A.3.e. **Warranty Phase** – During this phase, Contractor shall monitor the system software following the guidelines outlined in Contract Section E.6 (System Warranty) and A.4 (Base License System Support). The Contractor shall support the State implementation process through a one (1) year Warranty Period, which shall begin upon the State's acceptance and written approval which was a deliverable in the Implementation Phase. During the Warranty Period, the Contractor shall repair any system (software) malfunctions or performance problems, at no cost to the State, as described in Contract Section E.6.c below.

A.4 Base License System Support

A.4.a. The Contractor shall provide base license system support and maintenance, including telephone support and product updates as they become available.

A.4.b. The Contractor shall provide technical support to the State—via a VPN secure interface or FTP connection or toll-free telephone number or via e-mail – for the DMS system. Such support shall be available at a minimum Monday through Friday.

As requested by the State, the Contractor shall provide System Support for the DMS system. This System Support shall cover all software provided under this Contract by the Contractor and any of its subcontractors/third parties. The Contractor shall provide System Support, as described below:

The Contractor shall:

1) Make necessary adjustments and repairs to keep the DMS system software operating without abnormal interruptions and to correct latent deficiencies with respect to the software specifications.

2) Make all necessary modifications, adjustments, and repairs to keep the DMS system software operating in compliance with applicable federal laws and regulations.

3) Provide software modifications for operation with the infrastructure, described in Contract Attachment 6.1 G, General Systems Requirements, for the term of the contract.

4) Provide new versions of the software to keep the State abreast of current Debt Management practices and the Contractor's current software product. Complete user and technical documentation of all system enhancements or revisions will be provided with new releases of software. Documentation must describe, in a user-friendly manner, what the users and operators need to know to understand each level on which the software operates.

5) Provide modifications and enhancements, as described. All such modifications and enhancements will be developed consistent with and will operate with the existing System with no loss of function in the existing software. Modifications and enhancements (1) will be delivered, installed, or installable, on the State Computer system, (2) must operate without abnormal program interruptions, and (3) must substantially provide the functions as required by the specifications and as described by documentation supplied by Contractor.

6) Respond to problems, requests for technical support, or requests for information within three business (3) days, by either correcting the problem, providing technical support or information requested, or providing a plan,

including a delivery date, for the problem correction, technical support or information requested. Responses to problems identified by the State as urgent will be made within one (1) day.

7) Unless otherwise specified in writing by the State to the Contractor, the Contractor shall be the State's sole contact with regard to System Support issues and shall be responsible for the completion of all repairs, regardless of whether the Contractor or a subcontractor/third party owns and/or directly maintains the faulty items. The State reserves the right to contact third-party providers of software directly, if this is deemed to be in the best interest of the DMS system. The Contractor's responsibility in this regard shall survive as long as the State remains current on its System Support payments.

A.5. Third-Party Software.

Any third-party software (excluding Microsoft SQL server, Oracle server, and all other State-standard software) that is required for the operations or maintenance of the proposed DMS System shall be provided by the Contractor with the initial licensure. The Contractor shall provide evidence to the State that the Contractor has lawfully purchased the initial licensure, warranty support, and license upgrades, and can extend to the State such licensure, support, and upgrades for the life of the contract.

The state will procure all State-standard third-party software that is required using other State contracts.

A.6. Third Party Software Support.

A.6.a The Contractor shall subcontract for Third Party Software Support, including telephone software support and automatic updates to the product, and shall provide such support in a Central Site Support Model. The State will require Central Site Support, designating up to 2 individuals from the State who shall be authorized to contact the Vendor for support.

A.6.b Third Party Software Support shall begin at the end of the Warranty phase as described in Section E.6.

A.6.c At the State's option, Third Party Software Support shall be renewed annually, with renewal fees paid annually, throughout the term of the contracts.

A.6.d The Third Party Software Vendor shall provide support to the State via on-line interface or toll-free telephone number for the DMS System.

A.6.e The Third Party Software Vendor shall provide all new versions of the software as they become available, to keep the State current with the Third Party's market software product version/release. The installation of such new versions/releases is at the State's option. Complete documentation of all system enhancements or revisions will be provided with new releases of software. Documents must describe, in a user-friendly manner, what the user needs to know to understand each level on which the software operates.

A.6.f The Third Party Vendor shall provide modifications and enhancements that operate with the current existing System with no loss of function within the existing software. The modifications or enhancements will be delivered (1) installed or installable on the State server(s), (2) must operate without abnormal program interruptions, (3) must provide the functions as required by the specifications as described by documentation supplied by the Contractor, and (4) accompanied by documentation updates.

A.7. Additional Users Licensure. In the event of a per user license, it is possible that the State may eventually require more users than the 15 provided for in the base license. This may occur due to increases in the user base as a result of extending the use of the system to other users unknown at this time. In any case, when the State exceeds 15 concurrent users on the system, the State may procure additional user licenses as described below.

A.7.a. The Contractor agrees to provide, at the State's request, additional user licenses to supplement the base license. For each additional user, the State will pay the Contractor a one-time, non-recurring fee, if a per user license and not a site license.

A.7.b The Contractor shall provide Additional User System Support for each user license in the same manner as it does for the base license users, as described in A.4.

A.7.c The State will compensate the Contractor for Additional Users Initial Licensure and System Support, in accordance with Contract C.3.c.

A.8. Contractor Licensing Agreements. The State recognizes that the Contractor may require the State to agree to certain Contractor licensing provisions for the proposed software. If this is the case, any and all Contractor licensing agreements shall be included (in original or modified form) as attachments to this Contract and the State's signature on this Contract shall constitute the State's written agreement to the provisions so included. **The State will not sign separate Contractor licensing agreements.** Moreover, in the event of any conflict between the terms of this Contract and the terms of any Contractor software licensing provisions, the terms of this Contract shall prevail. In addition, the State reserves the right to modify the Contractor's software licensing provisions prior to agreeing to them, if the State deems this necessary.

A.9. System Documentation. The contractor shall provide the following system documentation with modification as needed to reflect changes per the requirements.

A.9.a User Manual – This manual should provide information related to the day-to-day operations in the non-technical business use of the system.

A.9.b Technical Manual – This manual should provide technical information related to the technical operation, maintenance, and administration of the system, including the database.

A.10. Training. The contractor shall provide training in the operation of the DMS system. The following types of training must be provided:

A.10.a. Business User Training – this training shall cover the day-to-day aspects of using the DMS system.

A.10.b Technical User Training – this training shall cover the technical operation, maintenance, and administration of the DMS system, including the database.

A.10.c. The training will be provided onsite in Nashville, Tennessee.

A.10.d. The State reserves the right to assess the effectiveness of any training provided, and request additional training, at no additional cost to the State if the training is deemed insufficient or incomplete.

A.11. Additional Work
The State may request, at its sole discretion, additional work involving the enhancement or modification of a deliverable under the Contract Scope of Services, provided that this Contract is amended, pursuant to section 4.19 of the "RFP" solicitation resulting in and incorporated as a part of this Contract, to require such

work. Remuneration for such additional work shall be based on the applicable "contingent," Consulting Services payment rate(s) detailed in Section C.3 of this Contract.

A.12. State's Technical Architecture. Contractor personnel shall provide all services required by this contract within the context of the technical environment described by the Tennessee Information Resources Architecture. The State must approve the use of any non-state standard products.

A.13. Performance Standards, and Liquidated Damages Assessment

A.13.a. In Contract Attachment E, the State has established discrete, measurable performance requirements for specific areas of Contractor performance, along with liquidated damages assessments associated with failure to meet these requirements. The table in Contract Attachment E shall not be construed as the only performance requirements; instead, these are the specific areas in which the State may assess liquidated damages for non-performance. These requirements notwithstanding, the Contractor is obligated to full performance of all requirements stated in this Contract.

At the first incident of failure to meet one or more of the defined performance standards, the State, at its discretion, may request a corrective action plan and establish an extension date by which the Contractor shall correct the deficiency. Continued failure to meet performance standards may result in imposition of the liquidated damages assessments established in this paragraph and Contract Section E.4.a.2, and/or additional remedies provided under the contract or at law.

B. CONTRACT TERM:

B.1. Contract Term. This Contract shall be effective for the period commencing on April 14, 2008 and ending on April 13, 2013. The State shall have no obligation for services rendered by the Contractor which are not performed within the specified period.

C. PAYMENT TERMS AND CONDITIONS:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed [WRITTEN DOLLAR AMOUNT] ($[NUMBER AMOUNT]). The Service Rates in Section C.3 shall constitute the entire compensation due the Contractor for the Service and all of the Contractor's obligations hereunder regardless of the difficulty, materials or equipment required. The Service Rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract. If the State requests work and the Contractor performs said work, in which case, the Contractor shall be paid in accordance with the Service Rates detailed in Section C.3. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

C.2. Compensation Firm. The Service Rates and the Maximum Liability of the State under this Contract are firm for the duration of the Contract and are not subject to escalation for any reason unless amended.

C.3. Payment Methodology. The Contractor shall be compensated based on the Service Rates herein for units of service authorized by the State in a total amount not to exceed the Contract Maximum Liability established in Section C.1. The Contractor's compensation shall be contingent upon the satisfactory completion of project phases defined in Section A. The Contractor shall be compensated based upon the following methodology:

C.3.a. Project Phase Payment Methodology. In the table below, the Initiation/Planning, Design, Construction Phases shall be referred to collectively as the "Development Phases."

NOTE: The Proposer shall propose only ONE option cost for Base License Initial Licensure **only on the Cost Proposal Sheet**. The Base License Initial Licensure will either be for a site license or per user license costs.

The Contractor shall be compensated based upon the following one time costs:

PROJECT PHASE	AMOUNT FROM COST PROPOSAL	RETAINAGE AMOUNT *	PAYMENT AMOUNT
Base License Initial Licensure: (Detailed in Contract Section A.2) Option 1:Site License, or	$[Amount]		$[Amount]
Base License Initial Licensure: (Detailed in Contract Section A.2) Option 2:Concurrent or Per User License Cost	$[Amount]		$[Amount]
Third Party Software Licensure: Option 1:Site License, or	$[Amount]		$[Amount]
Third Party Software Licensure: Option 2:Concurrent or Per User License Cost	$[Amount]		$[Amount]
Initiation/Planning Phase	$[Amount]	$[Amount] *	$[Amount]
Design Phase	$[Amount]	$[Amount] *	$[Amount]
Construction Phase	$[Amount]	$[Amount] *	$[Amount]
Total of Development Phases Retainage accumulated		$[Amount]	
Implementation Phase	$[Amount]		$[Amount]
Payment of Retainage ***** See Retention of Final Payment C.9**			$[Amount]

*Upon completion of a phase as defined above, the Contractor shall submit an invoice, in form and substance acceptable to the State with all of the necessary supporting documentation, prior to any payment. Each such invoice shall be submitted for seventy percent (70%) of the stipulated amount of compensation for the completed phase subject to Section C.9.

**** In the event that the State needs to procure additional licenses, the cost will be the per unit cost calculated in Option 2 under Base License Initial Licensure.**

C.3.b. The State shall not compensate the Contractor for the Implementation Phase, or any portion thereof, until the State has given written approval of all deliverables of the Implementation Phase as detailed in Section A.3.d.

C.3.c. Other Required Services. The Contractor shall be compensated for Other Required Services based upon the following amounts:

SERVICE UNIT/MILESTONE	Year 1	Year 2	Year 3	Year 4	Year 5
Base License System Support: (Detailed in Contract Section A.4) Option 1:Site License, or	$[Amount]	$[Amount]	$[Amount]	$[Amount]	$[Amount]
Base License System Support: (Detailed in Contract Section A.4) Option 2: Per User License Cost	$[Amount]	$[Amount]	$[Amount]	$[Amount]	$[Amount]
Third Party Software System Support Cost – (Detailed in Contract Section A.6) Option 1: Site License, or	$[Amount]	$[Amount]	$[Amount]	$[Amount]	$[Amount]
Third Party Software System Support Cost- (Detailed in Contract Section A.6) Option 2: Total of the Per User License Cost	$[Amount]	$[Amount]	$[Amount]	$[Amount]	$[Amount]

For purposes of deciding which rate is in effect, Contract Year 1 shall begin on the Contract Effective Date defined in Contract Section B.1 and shall run through the 1-year Contract end date. Rates for subsequent years, if applicable due to Contract extensions, shall take effect on the anniversary of the Contract Year 1 begin date. The State shall compensate the Contractor at the rate for the Contract year.
In the event that any year of support is shortened, as in the case of the first period described above, or as a result of early contract termination, then the Contractor shall prorate the annual Amount to adjust for the shorter year, and the State shall pay only this prorated amount.

Note 1: The Contractor shall invoice the State for Additional Users Licensure at the time the Contractor provides, and the State confirms receipt in writing, access for each additional user license. For each additional user, the State will pay the Contractor a one-time, non-recurring fee. The one-time, non-recurring fee for the Additional User Licensure will be based on the Base License Initial Licensure provided in C.3.a

Option 2. The Additional User Support will be based upon the per unit cost given in C.3.c.

C.3.d Additional Work Services Rates. Pursuant to Contract Section A.11, the State may request, at its sole discretion, additional work involving the enhancement or modification of a deliverable under the Contract Scope of Services, provided that this Contract is amended, pursuant to Section 4.19 of the "RFP" solicitation resulting in and incorporated as a part of this Contract, to require such work.

Remuneration for any such additional work shall be based on the applicable contingent, payment rate(s) detailed below and as approved by the State.

Contingent Service Rate	Year 1	Year 2	Year 3	Year 4	Year 5
Project Manager	$[Hourly Rate]	$[Hourly Rate]	$[Hourly Rate]	$[Hourly Rate]	$[Hourly Rate]
Programmer/Analyst	$[Hourly Rate]	$[Hourly Rate]	$[Hourly Rate]	$[Hourly Rate]	$[Hourly Rate]
Programmer	$[Hourly Rate]	$[Hourly Rate]	$[Hourly Rate]	$[Hourly Rate]	$[Hourly Rate]
Database Designer	$[Hourly Rate]	$[Hourly Rate]	$[Hourly Rate]	$[Hourly Rate]	$[Hourly Rate]
Trainer	$[Hourly Rate]	$[Hourly Rate]	$[Hourly Rate]	$[Hourly Rate]	$[Hourly Rate]

Compensation to the Contractor for Additional Work requests as agreed upon by the State and the Contractor shall not exceed [TEN PERCENT OF THE TOTAL OF ALL OTHER COSTS EXPRESSED IN THIS CONTRACT] during the period of the Contract. If, at any point during the Contract term, the State determines that spending for such approved additional work would exceed said maximum amount, the State will execute an amendment to address the need.

[NOTE THAT THIS CEILING AMOUNT IS FOR CONTRACTUAL PURPOSES ONLY AND DOES NOT IN ANY WAY AFFECT OR RESTRICT THE RELATIVE PERCENTAGE OF THE TOTAL COST PROPOSAL AMOUNT THAT MAY BE PROPOSED BY THE VENDOR]

C.3.e All invoices submitted by the Contractor must be in form and substance acceptable to the State, with all of the necessary supporting documentation, prior to any payment. Such invoices shall be submitted for completed project phases for the amount stipulated.

C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel, meals, or lodging.

C.5. Payment of Invoice. The payment of the invoice by the State shall not prejudice the State's right to object to or question any invoice or matter in relation thereto. Such payment by the State shall neither be construed as acceptance of any part of the work or service provided nor as an approval of any of the amounts invoiced therein.

C.6. Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by the State, on the basis of audits conducted in accordance with the terms of this contract, not to constitute proper remuneration for compensable services.

C.7. Deductions. The State reserves the right to deduct from amounts which are or shall become due and payable to the Contractor under this or any contract between the Contractor and the State of Tennessee any amounts which are or shall become due and payable to the State of Tennessee by the Contractor.

C.8. Automatic Deposits. The Contractor shall complete and sign an "Authorization Agreement for Automatic Deposit (ACH Credits) Form." This form shall be provided to the Contractor by the State. Once this form has been completed and submitted to the State by the Contractor all payments to the Contractor, under this or any other contract the Contractor has with the State of Tennessee shall be made by Automated Clearing House (ACH). The Contractor shall not invoice the State for services until the Contractor has completed this form and submitted it to the State.

C.9. Retention of Final Payment. An amount of [WRITTEN DOLLAR AMOUNT] ($[NUMBER AMOUNT]), representing thirty percent (30%) of the Total Development Phase payable as described in Section C.3.a under this Contract, shall be withheld by the State and paid as following: fifteen percent (15%) after six months and the remaining fifteen percent (15%) after the one year Warranty Phase.

D. STANDARD TERMS AND CONDITIONS:

D.1. Required Approvals. The State is not bound by this Contract until it is approved by the appropriate State officials in accordance with applicable Tennessee State laws and regulations.

D.2. Modification and Amendment. This Contract may be modified only by a written amendment executed by all parties hereto and approved by the appropriate Tennessee State officials in accordance with applicable Tennessee State laws and regulations.

D.3. Termination for Convenience. The State may terminate this Contract without cause for any reason. Said termination shall not be deemed a Breach of Contract by the State. The State shall give the Contractor at least thirty (30) days written notice before the effective termination date. The Contractor shall be entitled to receive compensation for satisfactory, authorized service completed as of the termination date, but in no event shall the State be liable to the Contractor for compensation for any service which has not been rendered. Upon such termination, the Contractor shall have no right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

D.4. Termination for Cause. If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor violates any terms of this Contract, the State shall have the right to immediately terminate the Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Contract by the Contractor.

D.5. Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, they shall contain, at a minimum, sections of this Contract pertaining to "Conflicts of Interest" and "Nondiscrimination", “Confidentiality of Records” (sections D.6., D.7., and E.13). Notwithstanding any use of approved subcontractors, the Contractor shall be the prime contractor and shall be responsible for all work performed.

D.6. Conflicts of Interest. The Contractor warrants that no part of the total Contract Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed relative to this Contract.

D.7. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Contractor shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

D.8. Prohibition of Illegal Immigrants. The requirements of Public Acts of 2006, Chapter Number 878, of the state of Tennessee, addressing the use of illegal immigrants in the performance of any contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.

D.8.a. The Contractor hereby attests, certifies, warrants, and assures that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the State a completed and signed copy of the document as Contract Attachment K, hereto, semi-annually during the period of this Contract. Such attestations shall be maintained by the contractor and made available to state officials upon request.

D.8.b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the period of this Contract, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work relative to this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work relative to this Contract. Attestations obtained from such subcontractors shall be maintained by the contractor and made available to state officials upon request.

D.8.c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Said records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State.

D.8.d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Public Chapter 878 of 2006 for acts or omissions occurring after its effective date. This law requires the Commissioner of Finance and Administration to prohibit a contractor from contracting with, or submitting an offer, proposal, or bid to contract with the State of Tennessee to supply goods or services for a period of one year after a contractor is discovered to have knowingly used the services of illegal immigrants during the performance of this contract.

D.8.e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not either a United States citizen, a Lawful Permanent Resident, or a person whose physical presence in the United States is authorized or allowed by the federal Department of Homeland Security and who, under federal immigration laws and/or regulations, is authorized to be employed in the U.S. or is otherwise authorized to provide services under the Contract.

D.9. Records. The Contractor shall maintain documentation for all charges against the State under this Contract. The books, records, and documents of the Contractor, insofar as they

relate to work performed or money received under this contract, shall be maintained for a period of three (3) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.

D.10. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.

D.11. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.

D.12. Strict Performance. Failure by any party to this Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.

D.13. Independent Contractor. The parties hereto, in the performance of this Contract, shall not act as employees, partners, joint ventures, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting entities and that nothing in this Contract shall be construed to create an employer/employee relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

The Contractor, being an independent contractor and not an employee of the State, agrees to carry adequate public liability and other appropriate forms of insurance, including adequate public liability and other appropriate forms of insurance on the Contractor's employees, and to pay all applicable taxes incident to this Contract.

D.14. State Liability. The State shall have no liability except as specifically provided in this Contract.

D.15. Force Majeure. The parties to this contract agree to exercise due care in the performance under this contract. It is agreed that events beyond the control of the parties that are unavoidable even with the exercise of due diligence (such as acts of God, riots, wars, strikes, and epidemics; and similar causes) may prevent the performance of obligations under the contract.

D.16. State and Federal Compliance. The Contractor shall comply with all applicable State and Federal laws and regulations in the performance of this Contract.

D.17. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Contractor agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Contract. The Contractor acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising there from, shall be subject to and limited to those rights and remedies, if any, available under **Tennessee Code Annotated**, Sections 9-8-101 through 9-8-407.

D.18. Completeness. This Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Contract supersedes any and all prior understandings,

representations, negotiations, and agreements between the parties relating hereto, whether written or oral.

D.19. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be affected thereby and shall remain in full force and effect. To this end, the terms and conditions of this Contract are declared severable.

D.20. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.

E. SPECIAL TERMS AND CONDITIONS:

E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, these special terms and conditions shall control.

E.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by facsimile transmission, by overnight courier service, or by first class mail, postage prepaid, addressed to the respective party at the appropriate facsimile number or address as set forth below or to such other party, facsimile number, or address as may be hereafter specified by written notice.

The State:

Mary-Margaret Collier
Director, Division of Bond Finance
State of Tennessee, Office of the Comptroller of the Treasury
505 Deaderick Street, Suite 1600
Nashville, TN 37243
(615) 747-5370
(615) 741-5986 (Fax)

The Contractor:

[NAME AND TITLE OF CONTRACTOR CONTACT PERSON]
[CONTRACTOR NAME]
[ADDRESS]
[TELEPHONE NUMBER]
[FACSIMILE NUMBER]

All instructions, notices, consents, demands, or other communications shall be considered effectively given as of the day of delivery; as of the date specified for overnight courier service delivery; as of three (3) business days after the date of mailing; or on the day the facsimile transmission is received mechanically by fax at the receiving location and receipt is verbally confirmed by the sender if prior to 4:30 p.m. CST. Any communication by facsimile transmission shall also be sent by United States mail on the same date of the facsimile transmission.

E.3. Subject to Funds Availability. The Contract is subject to the appropriation and availability of State funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate the Contract upon written notice to the Contractor. Said termination shall not be deemed a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. Should such an event occur, the Contractor shall be entitled to compensation for all satisfactory and

authorized services completed as of the termination date. Upon such termination, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

E.4. Breach. A party shall be deemed to have breached the Contract if any of the following occurs:

- Failure to perform in accordance with any term or provision of the Contract,
- Partial performance of any term or provision of the Contract,
- Any act prohibited or restricted by the Contract, or
- Violation of any warranty.

For purposes of this contract, these items shall hereinafter be referred to as a "Breach."

E.4.a. Contractor Breach— The State shall notify Contractor in writing of a Breach.

1) In event of a Breach by Contractor, the state shall have available the remedy of Actual Damages and any other remedy available at law or equity.

2) Liquidated Damages— In the event of a Breach, the State may assess Liquidated Damages. The State shall notify the Contractor of amounts to be assessed as Liquidated Damages. The parties agree that due to the complicated nature of the Contractor's obligations under this Contract it would be difficult to specifically designate a monetary amount for a Breach by Contractor as said amounts are likely to be uncertain and not easily proven. Contractor hereby represents and covenants it has carefully reviewed the Liquidated Damages contained in above referenced, Attachment 6.1 G, Performance Standards and Liquidated Damages and agree that said amounts represent a reasonable relationship between the amount and what might reasonably be expected in the event of Breach, and are a reasonable estimate of the damages that would occur from a Breach. It is hereby agreed between the parties that the Liquidated Damages represent solely the damages and injuries sustained by the State in losing the benefit of the bargain with Contractor and do not include any injury or damage sustained by a third party. The Contractor agrees that the liquidated damage amount is in addition to any amounts Contractor may owe the State pursuant to the indemnity provision or other section of this Contract.

   The State may continue to withhold the Liquidated Damages or a portion thereof until the Contractor cures the Breach, the State exercises its option to declare a Partial Default, or the State terminates the Contract. The State is not obligated to assess Liquidated Damages before availing itself of any other remedy. The State may choose to discontinue Liquidated Damages and avail itself of any other remedy available under this Contract or at law or equity; provided, however, Contractor shall receive a credit for said Liquidated Damages previously withheld except in the event of a Partial Default.

3) Partial Default— In the event of a Breach, the State may declare a Partial Default. In which case, the State shall provide the Contractor written notice of: (1) the date which Contractor shall terminate providing the service associated with the Breach; and (2) the date the State will begin to provide the service associated with the Breach. Notwithstanding the foregoing, the State may revise the time periods contained in the notice written to the Contractor.

In the event the State declares a Partial Default, the State may withhold, together with any other damages associated with the Breach, from the amounts due the Contractor the greater of: (1) amounts which would be paid the Contractor to provide the defaulted service; or (2) the cost to the State of providing the defaulted service, whether said service is provided by the State or a third party. To determine the amount the Contractor is being paid for any particular service, the Department shall be entitled to receive within

five (5) days any requested material from Contractor. The State shall make the final and binding determination of said amount.

The State may assess Liquidated Damages against the Contractor for any failure to perform which ultimately results in a Partial Default with said Liquidated Damages to cease when said Partial Default is effective. Upon Partial Default, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount. Contractor agrees to cooperate fully with the State in the event a Partial Default is taken.

4) Contract Termination— In the event of a Breach, the State may terminate the Contract immediately or in stages. The Contractor shall be notified of the termination in writing by the State. Said notice shall hereinafter be referred to as Termination Notice. The Termination Notice may specify either that the termination is to be effective immediately, on a date certain in the future, or that the Contractor shall cease operations under this Contract in stages. In the event of a termination, the State may withhold any amounts which may be due Contractor without waiver of any other remedy or damages available to the State at law or at equity. The Contractor shall be liable to the State for any and all damages incurred by the State and any and all expenses incurred by the State which exceed the amount the State would have paid Contractor under this Contract. Contractor agrees to cooperate with the State in the event of a Contract Termination or Partial Takeover.

E.4.b. State Breach— In the event of a Breach of contract by the State, the Contractor shall notify the State in writing within 30 days of any Breach of contract by the State. Said notice shall contain a description of the Breach. Failure by the Contractor to provide said written notice shall operate as an absolute waiver by the Contractor of the State's Breach. In no event shall any Breach on the part of the State excuse the Contractor from full performance under this Contract. In the event of Breach by the State, the Contractor may avail itself of any remedy at law in the forum with appropriate jurisdiction; provided, however, failure by the Contractor to give the State written notice and opportunity to cure as described herein operates as a waiver of the State's Breach. Failure by the Contractor to file a claim before the appropriate forum in Tennessee with jurisdiction to hear such claim within one (1) year of the written notice of Breach shall operate as a waiver of said claim in its entirety. It is agreed by the parties this provision establishes a contractual period of limitations for any claim brought by the Contractor.

E.5. Partial Takeover. The State may, at its convenience and without cause, exercise a partial takeover of any service which the Contractor is obligated to perform under this Contract, including but not limited to any service which is the subject of a subcontract between Contractor and a third party, although the Contractor is not in Breach (hereinafter referred to as "Partial Takeover"). Said Partial Takeover shall not be deemed a Breach of Contract by the State. Contractor shall be given at least 30 days prior written notice of said Partial Takeover with said notice to specify the area(s) of service the State will assume and the date of said assumption. Any Partial Takeover by the State shall not alter in any way Contractor's other obligations under this Contract. The State may withhold from amounts due the Contractor the amount the Contractor would have been paid to deliver the service as determined by the State. The amounts shall be withheld effective as of the date the State assumes the service. Upon Partial Takeover, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

E.6. Warranty of System Products/Services.

E.6.a. General Terms.

This warranty language shall supersede any warranty language provided by the Uniform Computer Information Transactions Act (UCITA).

The Contractor expressly warrants the DMS System, and any products or services resulting from additional work and/or enhancements produced or provided by the Contractor to the State, as being compliant in all respects with the terms of the Contract or the additional work or enhancement request, and warrants that these products or services will be free from errors, defects, deficiencies or deviations, and that the products or services will perform in such a manner as the Contract, additional work or enhancement request require, so that the intended function of the products or services is accomplished in all respects as intended by the Contract, the additional work or enhancement request, and is otherwise consistent with industry standards.

E.6.b. Warranty Periods.

The warranty period(s) shall be one (1) year, and shall apply to all software accepted by the State and to products or services resulting from additional work and enhancements related to that software, and shall begin on the following date:

The one (1) year warranty period on the applicable DMS software begins with the date the State approves in writing at the end of the implementation phase.

E.6.c. Warranty Coverage.

1) The warranty encompasses any errors, defects, deficiencies or deviations (collectively "defects") discovered in any products or services, and errors created in State data caused by such defects, to the extent that such defects and resultant data errors are not the result of State supplied hardware or software (see Contract E.6.i.2, below).

2) The warranty requires the correction by the Contractor of all products or services containing any errors, defects, deficiencies or deviations in State data caused by such. Correction is required, whether occurring in the original contract or resulting from an additional work or custom enhancement requested by the State, or that which is procured in any amendment to the Contract, or in any interfaces created, or in all training manuals and system documentation provided by the Contractor.

3) Correction of Deficiencies. Any corrections of deficiencies relating to the Contract Scope of Services requirements or deliverables and any investigation necessary to determine the source of such deficiencies shall be completed by the Contractor at no cost to the State.

E.6.d. Time Frames for Warranty Services.

1) The Contractor must promptly, at the direction of, and within the time specified by, the State, correct any errors, defects, deficiencies or deviations from specifications and all the DMS-related system errors and performance or operational delays.

2) The Contractor shall provide emergency maintenance services to correct code problems or any performance or operational problems related to the design or coding of the system software, its' functioning or interfaces on a twenty-four (24) hour, seven (7) days a week basis.

3) Products and services shall be either replaced, revised, repaired, or corrected within twenty-one (21) calendar days of written notification by the State of the errors, defects, deficiencies or deviations; provided, however, that if the continued use of a defective or deficient product or service would cause damage to the State system(s) or associated data, or would otherwise seriously impair, as determined by the State, the ability of users of the system(s) to do their jobs or the functions for which the system was established, then Contractor shall act to repair the deficiencies immediately, unless an extension is otherwise granted in writing, by the State.

4) The State will determine when any errors, defects, deficiencies, or deviations have been resolved.

E.6.e. Resources Required for Warranty Service.

The Contractor shall apply all necessary resources to correct the errors, defects, deficiencies or deviations without cost or expense to the State, and shall make these corrections within the time-frame specified by the State.

E.6.f. Failure to Provide Effective Warranty Services.

If the Contractor fails to repair an error, defect, deficiency or deviation for products or services covered by the warranty, the State may, at its option, act to correct or repair the error, defect, deficiency or deviation, and the Contractor shall be required to reimburse the State for all costs incurred to conduct the repair.

E.6.g. Contact for Warranty Services.

1) The Contractor will be the initial contact point for all warranty notifications and support requests, regardless of the perceived source of the problem.

2) The Contractor may elect to have telephone or on-site warranty repair or support services performed by subcontracted personnel; however, if this is the case, the Contractor shall be responsible for coordinating the effort so that the use of any third party support is transparent to the State and so that the State shall not have to deal directly with the subcontractor.

3) The State reserves the right to approve Subcontractors for warranty service, and such Subcontractors shall be approved in writing by the State.

4) The above notwithstanding, the State reserves the right to contact subcontractors directly if this is deemed to be in the best interest of the DMS project.

E.6.h. Maintenance of Operations and Services during Warranty Work.

The correction of errors, defects, deficiencies or deviations in work products/services shall not detract from or interfere with software maintenance or operational tasks.

E.6.i. Problems Not Caused by Contractor Fault.

1) If Contractor personnel determine that the problem is not the fault of Contractor-provided software or hardware, then the Contractor shall notify State support personnel immediately.

2) If the State agrees that the problem is due to software, hardware, or project management decisions that are the responsibility of the State, the State shall resolve the problem. However, in this case, if requested by the State, Contractor personnel shall remain onsite and/or dedicated to the problem to perform any required joint functions until the problem is resolved, and the State shall compensate the Contractor, at the rates contained in RFP Attachment 6.4, Part C, only for the time the Contractor has to remain on site.

E.7. Ownership of Materials and Rights to Knowledge Obtained. The provisions of this section E.7 shall survive the termination of this Contract.

E.7.a. Definition of Software Categories. The software provided for DMS may be comprised of the following portions:

1) Contractor-Owned Software, means commercially available application software, the rights to which are owned by the Contractor, including but not limited to commercial “off-the-shelf” software which is not developed using State’s money or resources.

2) Third-Party Software, means commercially available application software, the rights to which are owned by a Third Party, including but not limited to commercial "off-the-shelf" software which is not developed using State's money or resources.

3) Custom-Developed Application Software means customized application software developed by the Contractor solely for the State (the "Work Product").

E.7.b. Title and Rights to the Software

1) All right, title and interest in and to the Contractor-Owned Software shall at all times remain with the Contractor, subject to the license granted herein. The Contractor shall not provide the State with source code for the Contractor-Owned Software; however, such source code shall be escrowed in accordance with Contract Section E.8.

2) All right, title and interest in and to the Third-Party Software shall at all times remain with the Contractor or the Third Party, subject to the agreements between those parties. The Contractor shall not provide the State with source code for the Third-Party Software; however, such source code shall be escrowed in accordance with Contract Section E.8.

3) Contingent upon the State's payment of the final Base License Initial Licensure fee, the Contractor hereby grants the State a perpetual, royalty-free, irrevocable, unlimited, and non-exclusive right to use the Contractor-Owned Software and the Third-Party Software for the State's business purposes. The Contractor affirms that Contractor is duly authorized to grant this right.

4) In the event that the State stops paying system support fees, the Contractor may cease to provide system support services. However, in this event, the State shall still retain all rights conferred by this Section E.7, and all such rights shall survive the termination of this Contract.

5) The State shall take all reasonable steps to preserve the confidential and proprietary nature of the Contractor Proprietary Products. The State shall make reasonable efforts not to disclose or disseminate Contractor's proprietary information to any third party that is not an agent of the State. The State will not be breach of this provision by making any disclosure required by the Tennessee Public Records Act, T.C.A. 10-5-501 et seq.

6) The State shall have ownership, right, title, and interest, including ownership of copyright, in the Work Products created, designed, developed, derived, documented, installed, or delivered under this Contract subject to the provisions in this subsection below and full and final payment for the Work Products. The State shall have royalty-free and unlimited rights and license to use, disclose, reproduce, publish, distribute, modify, maintain, or create derivative works from, for any purpose whatsoever, all said Work Products.

   The State grants to the Contractor a perpetual, worldwide, fully paid up right and license to copy, prepare derivative works based on, deliver, publish, perform, display, modify, improve, use, sell and sublicense the Work Products provided under this Contract.

   Further, the Contractor retains the right to use the general ideas, concepts and know-how of Contractor developed during performance of this Contract, without obligation of notice or accounting to the State.

   This Contract shall not preclude Contractor from (1) independently developing materials outside this Contract that are competitive, irrespective of their similarity to materials which might be delivered to the State hereunder; or (2) providing consulting or other

services of any kind or nature whatsoever to any individual or entity as Contractor in its sole discretion deems appropriate.

E.7.c. Acquired Knowledge and Skills. Nothing in this Contract shall prohibit the Contractor's use for its own purposes of the general knowledge, skills, experience, ideas, concepts, know-how, and techniques obtained and used during the course of providing the services requested under this Contract.

E.7.d. Development of Similar Materials. Nothing in the Contract shall prohibit the Contractor from developing for itself, or for others, materials which are similar to and/or competitive with those that are produced under this Contract.

E.8. Source Code in Escrow. As long as Contractor is fulfilling all of its obligations under this Agreement, the State shall not have a right to the source code. If for any reason during the term of the contract the Contractor becomes unable or fails to fulfill its obligations as described herein; the Contractor agrees to deliver the source code immediately to the State. In the event that the Contractor fails to deliver the source code in a timely manner, as determined by the State, the State may obtain the source code directly from the escrow agent as provided below.

E.8.a. The Contractor shall maintain copies of the DMS source code, including all updates, in escrow with an independent entity pre-approved by the State (the "escrow agent"). All costs for establishing and maintaining the source code in escrow shall be borne by the Contractor.

E.8.b. Within fifteen (15) calendar days after the execution of this Agreement, the Contractor shall submit to the State for approval the escrow agent that the Contractor intends to use. The Contractor shall provide the name, address, and full contact information for the recommended escrow agent. The State will indicate its approval or disapproval in writing. Upon approval of the escrow agent, the Contractor shall provide promptly the State with documentation from the escrow agent acknowledging the proposed escrow and confirming the State's right to obtain the source code directly from the escrow agent in the event of Contractor default as described above.

E.8.c. Within fifteen (15) calendar days after the State's written acceptance of the implementation of the DMS system, the Contractor shall place the source code in escrow with the approved escrow agent. The Contractor shall provide the State with a signed letter from the escrow agent stating that the code has been placed in escrow. Throughout the term of the contract, upon update of the source code, the Contractor shall promptly deposit the update with the escrow agent and the escrow agent will certify to the State in writing (i) that the source code has been updated. The Contractor will certify to the State in writing (i) that the source code has been updated, and (ii) that the source code in escrow is current with the State's production environment, matches the State's production version level, and includes any upgrades, enhancements, or new releases that are applied to the State's system.

E.9. State Furnished Property. The Contractor shall be responsible for the correct use, maintenance, and protection of all articles of nonexpendable, tangible, personal property furnished by the State for the Contractor's temporary use under this Contract. Upon termination of this Contract, all property furnished shall be returned to the State in good order and condition as when received, reasonable use and wear thereof excepted. Should the property be destroyed, lost, or stolen, the Contractor shall be responsible to the State for the residual value of the property at the time of loss.

The State shall provide office space and meeting room space to the Contractor. The State shall also provide connectivity to the Internet. The State shall provide access to the State's computer network as necessary for this contract. The State shall not supply pagers, or cell phones.

E.10. Incorporation of Additional Documents. Included in this Contract by reference are the following documents:

a) The Contract document and its attachments
b) Contract Addendum: additional terms and conditions excerpted from contractor's software development and license agreement, and standard software maintenance and support agreement.
c) All Clarifications and addenda made to the Contractor's Proposal;
d) The Request for Proposal and its associated amendments;
e) Technical Specifications provided to the Contractor;
f) The Contractor's Proposal

In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these documents shall govern in order of precedence detailed above.

E.11. Lobbying. The Contractor certifies, to the best of its knowledge and belief, that:

No federally appropriated funds have been paid or will be paid, by or on behalf of the Contractor, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement, the Contractor shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

The Contractor shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-grants, subcontracts, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients of federally appropriated funds shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into and is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

E.12. Prohibited Advertising. The Contractor shall not refer to this Contract or the Contractor's relationship with the State hereunder in commercial advertising in such a manner as to state or imply that the Contractor or the Contractor's services are endorsed by the State of Tennessee.

E.13. Confidentiality of Records. Strict standards of confidentiality of records shall be maintained in accordance with the law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State shall be regarded as confidential information in accordance with the provisions of State law and ethical standards and shall not be disclosed, and all necessary steps shall be taken by the Contractor to safeguard the confidentiality of such material or information in conformance with State law and ethical standards.

The Contractor will be deemed to have satisfied its obligations under this section by exercising the same level of care to preserve the confidentiality of the State's information as

the Contractor exercises to protect its own confidential information so long as such standard of care does not violate the applicable provisions of the first paragraph of this section.

The Contractor's obligations under this section do not apply to information in the public domain; entering the public domain but not from a breach by the Contractor of this Contract; previously possessed by the Contractor without written obligations to the State to protect it; acquired by the Contractor without written restrictions against disclosure from a third party which, to the Contractor's knowledge, is free to disclose the information; independently developed by the Contractor without the use of the State's information; or, disclosed by the State to others without restrictions against disclosure.

It is expressly understood and agreed the obligations set forth in this section shall survive the termination of this Contract.

E.14. Copyrights and Patents. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims or suits which may be brought against the State for infringement of any laws regarding patents or copyrights which may arise from the Contractor's performance of this Contract. In any such action brought against the State, the Contractor shall satisfy and indemnify the State for the amount of any final judgment for infringement. The Contractor further agrees it shall be liable for the reasonable fees of attorneys for the State in the event such service is necessitated to enforce the terms of this Contract or otherwise enforce the obligations of the Contractor to the State. The State shall give the Contractor written notice of any such claim or suit and full right and opportunity to conduct the Contractor's own defense thereof.

E.15. Tennessee Consolidated Retirement System. The Contractor acknowledges and understands that, subject to statutory exceptions contained in **Tennessee Code Annotated**, Section 8-36-801, et. seq., the law governing the Tennessee Consolidated Retirement System, provides that if a retired member returns to State employment, the member's retirement allowance is suspended during the period of the employment. Accordingly and notwithstanding any provision of this Contract to the contrary, the Contractor agrees that if it is later determined that the true nature of the working relationship between the Contractor and the State under this Contract is that of "employee/employer" and not that of an independent contractor, the Contractor may be required to repay to the Tennessee Consolidated Retirement System the amount of retirement benefits the Contractor received from the Retirement System during the period of this Contract.

E.16. Contractor Personnel. The Contractor shall assign all key personnel identified in Pro Forma Contract Attachment H of its proposal to complete all of their planned and assigned responsibilities in connection with performance of the obligations of the Contractor under this contract. The State shall have the right to approve the assignment and replacement by the Contractor of all key personnel assigned to provide services, including, without limitation, the project team manager, other individuals named or described in the Contractor's proposal, and individuals assigned significant managerial responsibilities as mutually agreed by the parties. Before assigning an individual to any of these positions, the Contractor shall notify the State of the proposed assignment, shall introduce the individual to the appropriate representatives of the State, and shall provide to the State a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting approval.

The unauthorized removal of key personnel by the Contractor shall be considered by the state as a material breach of contract and is subject to the terms of Pro Forma Contract Attachment E, Performance Standards and Liquidated Damages.

In the event any one of the Key Personnel is reassigned, becomes incapacitated, or ceases to be employed by Contractor and therefore becomes unable to perform the functions or responsibilities assigned to him or her, Contractor shall (i) within forty-eight (48) hours, temporarily replace such person with another person properly qualified to perform the

functions of such replaced person, and (ii) within one (1) month, permanently replace such replaced person with another person approved by the State and properly qualified to perform the functions of such replaced person.

The State reserves the right to require the Contractor to replace Contractor and/or subcontractor employees whom the State judges to be incompetent, careless, unsuitable or otherwise objectionable, or whose continued use is deemed contrary to the best interests of the State. Before a written request is issued, authorized representatives of the State and the Contractor will discuss the circumstances. Upon receipt of a written request from an authorized representative of the State, the Contractor shall be required to proceed with the replacement. The replacement request will include the desired replacement date and the reason for the request. The Contractor shall use its best efforts to effect the replacement in a manner that does not degrade service quality. This provision will not be deemed to give the State the right to require the Contractor to terminate any Contractor employee's employment. Rather, this provision is intended to give the State only the right to require that the Contractor discontinue using an employee in the performance of services for the State.

E.17. Contractor Employment of State Personnel Restricted. The Contractor shall not solicit for purposes of employment, make an offer of employment, or employ any current or former State of Tennessee employee whose work responsibilities included participating in the DMS project, as either a full time assignment or as part of their duties, until one (1) year after the individual in question is no longer deemed to be a State employee. For purposes of applying this rule, an individual shall be deemed a State employee until such time as all salary, termination pay and payments representing annual leave have been made.

E.18. Contractor Commitment to Diversity. The Contractor shall comply with and make reasonable business efforts to exceed the commitment to diversity represented by the Contractor's proposal responding to RFP-307.07-001-07 (Attachment 6.3, Section B, Item B.11.) and resulting in this Contract. The Contractor shall assist the State in monitoring the Contractor's performance of this commitment by providing, as requested, a quarterly report of participation in the performance of this Contract by small business enterprises and businesses owned by minorities, women, and persons with a disability. Such reports shall be provided to the state of Tennessee Governor's Office of Business Diversity Enterprise in form and substance as required by said office.

E.19. Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it and its principals:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal or State department or agency;

b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offence in connection with obtaining attempting to obtain, or performing a public (Federal, State, or Local) transaction or grant under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;

c. are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or Local) with commission of any of the offenses detailed in section b. of this certification; and

d. have not within a three (3) year period preceding this Contract had one or more public transactions (Federal, State, or Local) terminated for cause or default.

E.20. Limitation of Liability. The parties agree that the total liability of the Contractor for breach of this Contract shall not exceed two (2) times the value of this contract. The value shall be established by the Contract Maximum Liability in Section C.1 and increased by subsequent

amendments if any. The foregoing provision shall not limit the contractor's liability for intentional torts, criminal acts or fraudulent conduct.

E.21. Performance Bond. Upon approval of the Contract by all appropriate State officials in accordance with applicable State laws and regulations, the Contractor shall furnish a performance bond in the amount equal to TWENTY PERCENT (20%) of the total contract, guaranteeing full and faithful performance of all undertakings and obligations under this Contract for the initial Contract term and all extensions thereof. The bond shall be in the manner and form prescribed by the State and must be issued through a company licensed to issue such a bond in the State of Tennessee.

The Contractor shall obtain the required performance bond in form and substance acceptable to the State and provide it to the State no later than April 8, 2008. Failure to provide the performance bond prior to the deadline as required shall result in contract termination.

E.22. The Contractor must confirm that the firm will be available to commence work on the project within 15 days of the signing of the contract.

IN WITNESS WHEREOF:	
[CONTRACTOR LEGAL ENTITY NAME]:	
[NAME AND TITLE]	Date
COMPTROLLER OF THE TREASURY	
John G. Morgan, Comptroller of the Treasury	**Date**
APPROVED:	
DEPARTMENT OF FINANCE AND ADMINISTRATION:	
M. D. Goetz, Jr., Commissioner	**Date**
DEPARTMENT OF HUMAN RESOURCES:	
Deborah E. Story, Commissioner	**Date**
COMPTROLLER OF THE TREASURY:	
John G. Morgan, Comptroller of the Treasury	**Date**

Contract Attachment A – Software Licensure Contract

As required, Vendor software agreement(s) will be inserted here when proposal is submitted.

Contract Attachment B – DMS Project and Product Scope

B.1 Description of Project

Currently, the Division of Bond Finance utilizes multiple spreadsheets, various computer reports, and numerous manual processes to manage the State's debt. The proposed system must be capable of automating and integrating all data to manage the following processes:

- Managing New Debt Issues – To provide data to enable staff to bring new debt to market in a timely manner
- Administering Debt – To administer the debt until final maturity and provide compliance with the tax and securities laws during the life of the debt.
- Administering Loans – To account for the disbursement of loan proceeds and collection of loan payments to repay the bond and loan obligations.
- Reporting – Produce standard and ad hoc reports.
- Analyzing Refunding Opportunities/Administering the Bond Refunding Process – To identify and analyze the refunding various bond maturities when the present value savings and the option value pricing models indicate sufficient savings, or there is a need to change bond covenants.
- Modeling – To model proposed bond issues, refunding opportunities, and structure loan repayments.
- Retaining records – To maintain hardcopy and electronic database records for up to 36 years.
- Providing the ability for additional users, such as, Financial Advisors and Bond Council to access the system.

The business requirements have been categorized into the following key business functions:

- Program Level Management – Tracks all debt-related activity for a given program. For accounting purposes, each program is identified by an accounting fund number. Sub accounts may also be used to further identify and account for unique activities within a program. (Mandatory)
- Debt Level Management – Provides information for a specific debt issue including sources and uses of funds, public and private use, amortization schedules, tracks portions of bonds refunded, and data required to maintain compliance with arbitrage management. (Mandatory)
- Project Management – Provides detailed information about specific projects including individual amortization schedules and any unique changes to the schedule. (Mandatory)
- Legislative Authorizations of the Debt – Tracks the dates and amounts of legislative authorization to issue debt at the project and debt level. Calculates the amounts of authorized and unissued debt. (Mandatory)
- Cash and Investment Management – Tracks investment of operating funds, debt proceeds, and interest earned, refunding escrows and reinvestment thereof. (Mandatory)
- Derivative Management – Tracks information relating to swaps or other interest rate hedges for the life of the hedge. (Desired)
- Modeling – Allows user to calculate pro forma amortization schedules at the bond or project level to determine the effect of the action on other debt outstanding by the borrower. (Desired)
- Reporting – Prepares standard and ad hoc reports related to the data included in the other modules. (Mandatory)
- Record Retention – electronically maintaining records such as bond transcripts, loan contracts, and tax questionnaires. (Mandatory)

BACKGROUND

The purpose of the Division of Bond Finance is to access the capital markets efficiently and timely to provide funding for capital projects authorized by the General Assembly, to account for and repay debt and to respond to the informational needs of the bondholders. In order to fulfill its purpose, the Division of Bond Finance manages the State's debt, including issuance of all bonds, notes and payment of such debt. It performs the financial management functions for both the Clean Water and Safe Drinking Water State Revolving Funds. Monthly, it issues Investor Updates as a part of its continuing disclosure obligation. The division serves as staff responsible for the issuance of debt for the Tennessee State Funding Board, Tennessee Local Development Authority and Tennessee State School Bond Authority, as described below.

- Tennessee State Funding Board ("SFB") — The SFB has responsibility for issuing all state general obligation bonds and notes authorized by the General Assembly and administering and accounting for payment of principal and interest on such debt. The SFB is authorized to establish the State's cash management policy and investment policy. It is required to comment on the reasonableness of the estimated growth rate of the State's economy as presented in the Tennessee econometric model. Annually, the Board conducts public hearings to develop consensus estimates of state revenues as part of the budgetary process. The Board receives and reports on certain information received from other debt issuers. It is further authorized to make loans for the relocation of certain utility system distribution lines. It will be responsible for issuing any debt related to toll road bonds if such bonds are authorized.

- Tennessee Local Development Authority ("TLDA") —The TLDA is delegated the responsibility for issuing its debt obligations to provide funds for the following purposes:

  - to make loans to local governments for the State Loan Programs, including water and sewer improvements and for capital projects;
  - to make loans to certain small business concerns for pollution control facilities;
  - to make loans to farmers for certain capital improvements;
  - to make loans to counties for the acquisition of equipment for use by county or volunteer fire departments serving unincorporated areas of the counties;
  - to make loans to airport authorities and municipal airports; and
  - to make loans to mental health/mental retardation/alcohol and drug facilities (the "Community Provider Pooled Loan Program").

  To date, the Authority has issued debt only to fund the State Loan Programs and the Community Provider Pooled Loan Program. All outstanding indebtedness relating to the Community Provider Pooled Loan Program has been refunded by issuance of State of Tennessee general obligations, and no additional Authority debt will be incurred for the program.

  The Tennessee Local Development Authority, in conjunction with the Department of Environment and Conservation, administers the State's Revolving Loan Fund Programs established pursuant to the Federal Clean Water Act as amended by the Water Quality Act of 1987 and the State Wastewater Facilities Act of 1987. In addition, the Tennessee Local Development Authority manages the State's Revolving Loan Fund for water facilities established pursuant to the Federal Safe Drinking Water Act and the State Drinking Water Revolving Loan Fund Act of 1997.

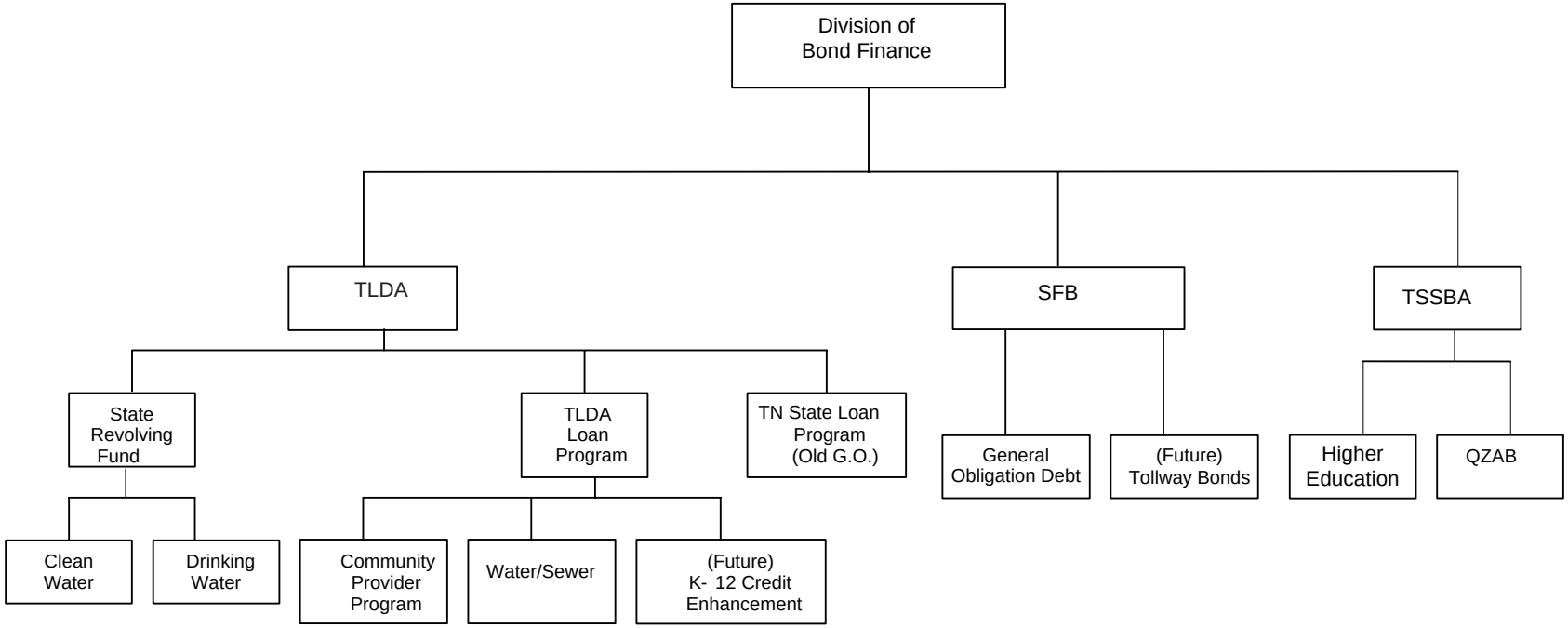
  The Division of Bond Finance serves as the registrar and/or paying agent for Authority debt.

- Tennessee State School Bond Authority ("TSSBA") — The TSSBA is delegated the responsibility for issuing bonds and notes to provide funds (1) to make loans to state institutions of higher learning to construct income-producing facilities and (2) to make funds available to the Tennessee Student Assistance Corporation for student loans under the Guaranteed Student Loan Program. The Authority is also responsible for the

administration of the Qualified Zone Academy Bond program, a federal tax credit program originally established through the Taxpayer's Relief Act of 1997. Qualified Zone Academy Bonds are used to provide funds to make loans to local governments for certain educational projects.

Amounts presented below are for comparative purposes to demonstrate current volume and potential growth in established programs. A program to issue toll road bonds was established by the General Assembly in June 2007. However, no bonds have been authorized at this time. Additional programs may be established for time to time by the General Assembly. The General Assembly and the federal government may authorize additional debt or loans to be issued under these programs on an annual basis. Data provided below is as of May 31, 2007.

Statistic	TLDA	CWSRF	DWSRF	G.O.	Higher Education	QZAB	Total
Number of Outstanding Debt Issues	4	n/a	n/a	18	20	5	47
Average number of new debt issues per year	1	n/a	n/a	1	1	1	4
Currently Authorized but Unissued Debt	$155,948,658	n/a	n/a	$1,841,717,581	$885,815,170	$20,500,000	$2,903,981,409
Current SRF Unobligated Balance	n/a	$46,058,456	$6,760,032	n/a	n/a	n/a	$52,818,488
Long-Term Debt Outstanding	$59,725,000	n/a	n/a	$1,099,480,000	$551,679,000	$57,210,000	$1,768,094,000
Short-Term Debt Outstanding	$57,800,000	n/a	n/a	$130,924,000	$152,195,000	$0	$340,919,000
Total Debt Outstanding	$117,525,000	$0	$0	$1,230,404,000	$703,874,000	$57,210,000	$2,109,013,000
Dollar Amount of Cash and Investments held by Treasury (SPIF, LGIP)	$38,513,848	$230,631,090	$22,905,484	n/a	$23,132,793	$37,826,127	$353,009,343
Dollar Amount of Cash and Investments with Trustee (not Defeased)	$0	$0	$0	n/a	$2,994,258	$1,285,391	$4,279,649
Total Dollar Amount of Cash and Investments (not Defeased)	$38,513,848	$230,631,090	$22,905,484	$0	$26,127,051	$39,111,518	$357,288,992
Dollar Amount of Cash and Investments– Defeased Debt	$0	n/a	n/a	$260,178,061	$241,941,284	$0	$502,119,345
Dollar Amount of Loans Receivable	$92,038,208	$420,576,332	$60,118,170	n/a	$713,882,489	$29,840,269	$1,316,455,468
Number of Outstanding Loans/ Projects	72	142	51	1,100	216	23	1,604
Average number of new projects authorized per year	1	12	10	130	25	6	184


Division of
Bond Finance
TLDA
SFB
TSSBA
State
Revolving
Fund
TLDA
Loan
Program
TN State Loan
Program
(Old G.O.)
General
Obligation Debt
(Future)
Tollway Bonds
Higher
Education
QZAB
Clean
Water
Drinking
Water
Community
Provider
Program
Water/Sewer
(Future)
K- 12 Credit
Enhancement

Contract Attachment C – Acceptable Use Policy

STATE OF TENNESSEE

Acceptable Use Policy
Network Access Rights and Obligations

Purpose:
To establish guidelines for State-owned hardware and software, computer network access and usage, Internet and email usage, telephony, and security and privacy for users of the State of Tennessee Wide Area Network.

Reference:
Tennessee Code Annotated, Section 4-3-5501, et seq., effective May 10, 1994.
Tennessee Code Annotated, Section 10-7-512, effective July 1, 2000.
Tennessee Code Annotated, Section 10-7-504, effective July 1, 2001.
State of Tennessee Security Policies.

Objectives:
- Ensure the protection of proprietary, personal, privileged, or otherwise sensitive data and resources that may be processed in any manner by the State, or any agent for the State.
- Provide uninterrupted network resources to users.
- Ensure proper usage of networked information, programs and facilities offered by the State of Tennessee networks.
- Maintain security of and access to networked data and resources on an authorized basis.
- Secure email from unauthorized access.
- Protect the confidentiality and integrity of files and programs from unauthorized users.
- Inform users there is no expectation of privacy in their use of State-owned hardware, software, or computer network access and usage.
- Provide Internet and email access to the users of the State of Tennessee networks.

Scope:
This Acceptable Use Policy applies to all individuals who have been provided access rights to the State of Tennessee networks, State provided email, and/or Internet via agency issued network or system User ID's. The scope does not include State phone systems, fax machines, copiers; State issued cell phones or pagers unless those services are delivered over the State's IP network.

Use and Prohibitions:

A. Network Resources
State employees, vendors/business partners/sub recipients, local governments, and other governmental agencies may be authorized to access state network resources to perform business functions with or on behalf of the State. Users must be acting within the scope of their employment or contractual relationship with the State and must agree to abide by the terms of this agreement as evidenced by his/her signature. It is recognized that there may be incidental personal use of State Network Resources. This practice is not encouraged and employees should be aware that all usage may be monitored and that there is no right to privacy. Various transactions resulting from network usage are the property of the state and are thus subject to open records laws.

Prohibitions
- Sending or sharing with unauthorized persons any information that is confidential by law, rule or regulation.
- Installing software that has not been authorized by the Office for Information Resources of the Department of Finance and Administration.

- Attaching processing devices that have not been authorized by the Office for Information Resources of the Department of Finance and Administration.
- Using network resources to play or download games, music, or videos that are not in support of business functions.
- Leaving workstation unattended without engaging password protection for the keyboard or workstation.
- Utilizing unauthorized peer-to-peer networking or peer-to-peer file sharing.
- Using network resources in support of unlawful activities as defined by federal, state, and local law.
- Utilizing network resources for activities that violate conduct policies established by the Department of Personnel or the Agency where the user is employed or under contract.

B. Email
Email and calendar functions are provided to expedite and improve communications among network users.

Prohibitions

- Sending unsolicited junk email or chain letters (e.g. “spam”) to any users of the network.
- Sending any material that contains viruses, Trojan horses, worms, time bombs, cancel bots, or any other harmful or deleterious programs.
- Sending copyrighted materials via email that is either not within the fair use guidelines or without prior permission from the author or publisher.
- Sending or receiving communications that violate conduct policies established by the Department of Personnel or the Agency where the user is employed or under contract.
- Sending confidential material to an unauthorized recipient or sending confidential e-mail without the proper security standards (including encryption if necessary) being met.

Email created, sent, or received in conjunction with the transaction of official business are public records in accordance with T.C.A 10-7-301 through 10-7-308, and the rules of the Public Records Commission. A public record is defined as follows:

“Public record(s)” or “state record(s)” means all documents, papers, letters, maps, books, photographs, microfilms, electronic data processing files and output, films, sound recordings or other material, regardless of physical form or characteristics made or received pursuant to law or ordinance or in connection with the transaction of official business by any governmental agency. T.C.A. 10-7-301 (6).

State records are open to public inspection unless they are protected by State or Federal law, rule, or regulation. Because a court could interpret state records to include draft letters, working drafts of reports, and what are intended to be casual comments, be aware that anything sent as electronic mail could be made available to the public.

C. Internet Access
Internet access is provided to network users to assist them in performing the duties and responsibilities associated with their positions.

Prohibitions

- Using the Internet to access non-State provided web email services.
- Using Instant Messaging or Internet Relay Chat (IRC).
- Using the Internet for broadcast audio for non-business use.
- Utilizing unauthorized peer-to-peer networking or peer-to-peer file sharing.
- Using the Internet when it violates any federal, state or local law.

Statement of Consequences
Noncompliance with this policy may constitute a legal risk to the State of Tennessee, an organizational risk to the State of Tennessee in terms of potential harm to employees or citizen security, or a security risk to the State of Tennessee’s Network Operations and the user community, and/or a potential personal liability. The presence of unauthorized data in the State

network could lead to liability on the part of the State as well as the individuals responsible for obtaining it.

Statement of Enforcement

Noncompliance with this policy may result in the following immediate actions.

1. Written notification will be sent to the Agency Head and to designated points of contact in the User Agency's Human Resources and Information Technology Resource Offices to identify the user and the nature of the noncompliance as "cause". In the case of a vendor, sub recipient, or contractor, the contract administrator will be notified.
2. User access may be terminated immediately by the Systems Administrator, and the user may be subject to subsequent review and action as determined by the agency, department, board, or commission leadership, or contract administrator.

STATE OF TENNESSEE

Acceptable Use Policy
Network Access Rights and Obligations
User Agreement Acknowledgement

As a user of State of Tennessee data and resources, I agree to abide by the Acceptable Use Network Access Rights and Obligations Policy and the following promises and guidelines as they relate to the policy established:

1. I will protect State confidential data, facilities, and systems against unauthorized disclosure and/or use.
2. I will maintain all computer access codes in the strictest of confidence; immediately change them if I suspect their secrecy has been compromised, and will report activity that is contrary to the provisions of this agreement to my supervisor or a State-authorized Security Administrator.
3. I will be accountable for all transactions performed using my computer access codes.
4. I will not disclose any confidential information other than to persons authorized to access such information as identified by my section supervisor.
5. I agree to report to the Office for Information Resources (OIR) any suspicious network activity or security breach.

Privacy Expectations

The State of Tennessee actively monitors network services and resources, including, but not limited to, real time monitoring. Users should have no expectation of privacy. These communications are considered to be State property and may be examined by management for any reason including, but not limited to, security and/or employee conduct.

I acknowledge that I must adhere to this policy as a condition for receiving access to State of Tennessee data and resources.

I acknowledge that I have read the Computer Crimes Act and the State of Tennessee Security Policy 4.00 Access. I understand the willful violation or disregard of any of these guidelines, statute or policies may result in my loss of access and disciplinary action, up to and including termination of my employment, termination of my business relationship with the State of Tennessee, and any other appropriate legal action, including possible prosecution under the provisions of the Computer Crimes Act as cited at TCA 39-14-601 et seq., and other applicable laws.

I have read and agree to comply with the policy set forth herein.

_____ _____

Type or Print Name | Last 4 digits of Social Security Number

_____ _____

Signature | Date

Contract Attachment D – Tennessee Information Resources Architecture

This is a placeholder for the Tennessee Information Resources Architecture, which will be inserted at contract execution.

Contract Attachment E – Performance Standards and Liquidated Damages

E.1 Contractor Performance

As described in Contract Section A.13.a, the Contractor shall comply with minimum system and procedural performance requirements. At the first incident of failure to meet one or more of the defined performance standards, the State, at its discretion, may request a corrective action plan and establish an extension date by which the Contractor shall correct the deficiency. Continued failure to meet performance standards may result in imposition of the liquidated damages assessments established in the table below and/or additional remedies provided under the contract or at law.

The following table defines the required standards for Contractor performance for the Debt Management System Project:

Performance Area	Performance Item	Liquidated and Additional Damages
Software Support	Failure to respond to problems, requests for technical support, or requests for information as stated in Section A.4.	Urgent - $2,000 per Day
Debt Transaction Closing	During Year One of Production System Implementation, the system fails to perform and accurately produce the reports and calculations necessary for Bond Finance to successfully close a debt transaction.	$10,000 per day
Software Operation	Failure of the operation of any software program prepared by the Contractor, or the provision of incorrect instructions by Contractor given for the implementation/operation/use of any software programs, or the failure of the Contractor to repair or have repaired defects known to the Contractor in any hardware under the direction or control of the Contractor, any of which results in the incorrect processing of, the incorrect information/text being printed on reports, messages or forms from the DMS system.	All cost associated with correcting the defects
Warranty	Failure to correct any defects covered by the warranty in E.6 within the timeframes stated in Section E.6.d.	Urgent - $2,000 per day
Key Staff	Unauthorized removal of Key Staff during the contract term without the written approval of the State. See Contract Section E.18 regarding terms and conditions of key staff.	$10,000 per occurrence

Contract Attachment F – Business Requirements

The Debt Management System Business Requirements included in this Contract Attachment F includes general instructions and the detailed requirements.

Contract Attachment F – Business Requirements

The DMS Business Requirements included in this Contract Attachment F include general instructions and the detailed requirements.

Business Requirements Matrix Instructions

Proposers must indicate whether their proposed offering meets the listed requirements by providing a response to each individual requirement using the legend that follows. Areas in gray represent information provided to structure or add context to the requirements and a response code should not be entered. Any requirements that are left blank, or requirements for which responses other than the responses listed below are given, will be evaluated as an "N".

Y – Standard Function

The proposed software provides the requested functionality (data entry, inquiry, report, form, etc.) without screen, code, or design changes. The proposed product can satisfy the requirement without any modification to the standard baseline software offering. Only use Y if the software fully meets the requirement.
Vendors should not be tempted to answer “Y” to all questions to ensure higher compliance.

M – Modification Required

Screen, code, or design modifications must be made to the standard offering to satisfy the specified requirement. A brief explanation must be required to explain any proposed modification. Explanations must be provided in the “Comments” section of the matrix. The explanation must include an assessment of the impact of the modifications on system performance. The fixed fee cost proposal must include the cost associated with all “M” responses including design, coding, testing, installation, and all other costs associated with the modification.

N – Cannot Meet Requirement

The requirement is not available as existing functionality and a modification is not being proposed.

THE VENDOR CANNOT ANSWER "N" TO A MANDATORY REQUIREMENT.

Q – Query Report/Inquiry

Used as an applicable response, the proposed solution cannot satisfy the reporting/inquiry requirement in the standard baseline software offering as delivered; however, the requirement can be met through the development of a query report using proposed ad hoc reporting tools. This code is listed as an applicable response only in the "Reports, Business Requirements" section.

The maximum score for each section is listed at the beginning of each section.

How To fill Out the Response Table

the State has provided an Excel spreadsheet that the vendor must use to respond to Contract Attachment F. The vendor must fill in the following, and only the following, items:

- Vendor Name
- Vendor Response
- Comments (NOTE: this is only required when the vendor has entered “M” in the Vendor Response column)
- Hours to Modify (NOTE: this is only required when the vendor has entered “M” in the Vendor Response column)

All other columns are for State use only.

After the vendor has completed all responses to Contract Attachment F, the vendor will include the response in its Technical Proposal by doing the following:

1. Copy the final version, in Excel format, of the Vendor’s response to the CD copies of the Technical Proposal.
2. Print a hard copy version of the same spreadsheet that was copied to the CD, and include it with the vendor’s written Technical Proposal response. NOTE: the content of the CD copy and the hard copy must be the same. In the event of a discrepancy between the two, or the inability of the State to access the electronic version of the spreadsheet, the hard copy shall be deemed the official response for evaluation purposes.

NO COSTS ARE TO BE INCLUDED IN THIS SCHEDULE. IF THEY ARE INCLUDED, THIS WILL BE CAUSE FOR PROPOSAL REJECTION.					
Reference Number	**Requirement Classification**	**Business Requirements**	**Proposer Response**	**Comments**	**Hours to Modify**
		Global Business Requirements			
		This Section has a maximum score of 40			
G-1	M	The system must be able to enter and update data after each new issue, to review, correct and edit the same.			
G-2	M	The *data* stored in the system must be structured and stored in such a way to ensure timely and efficient processing of information and real time reporting.			
G-3	M	The system must have the ability to search one or more selected fields for a specific value or partial value.			
G-4	M	The system must have the ability to accept added and changed simple formulas and/or general business process rules.			
G-5	M	The system must have the ability to set switches or to manually override functionality (i.e. turn on and off) to provide for exceptions to simple formulas and/or general business process rules.			
G-6	M	The system must allow for the establishment of accounting codes which conform to the State's accounting system. These codes include:			
G-6.1	M	Fund Number (at least 5 bytes)			
G-6.2	M	Program Number (at least 5 bytes)			
G-6.3	M	Department Number (at least 10 bytes)		State department, agency, or entity that "owns" project.	

Proposer cannot answer "N" to a Mandatory Requirement.
"Hours to Modify" have no impact on the requirement score

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
G-6.4	M	Project Number (at least 15 bytes)			
G-6.5	M	Location Number (at least 4 bytes)		Generally a specific state building	
G-6.6	M	General Ledger Account Number (at least 8 bytes)			
G-7	M	The system must have a notification or reminder functionality with narrative explanations that can be set for certain actions in the system.			
G-8	M	The system must allow the user to define notification or reminder events in all modules of the system.			
G-9	M	The system must have the ability to designate a proxy for notifications or reminders to use when the main person is out of the office.			
G-10	M	The system must have the ability to record numeric data with or without decimal places.			
G-11	M	The system must allow numeric fields to store up to 6 decimal places.			
G-12	M	The system must allow the user to define how many decimals will be used to subtotal or total amounts.			
G-13	M	The system must provide numeric fields to be displayed with commas, excluding percentages or interest rates.			
G-14	M	The system must provide rules on how to handle rounding, including the option to truncate.			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
G-15	M	The system must allow data from text files, spreadsheets, or database tables, to be imported and stored in the system. An example would be a debt schedule produced in Microsoft Excel.			
G-16	M	The system must have the ability to sort and report on any data field.			
G-17	M	The system must provide user-defined fields and the ability to name these user-defined fields so that they appear on the screens as desired by the State.			
G-18	M	The system must be able to use fields which are defined as date fields in calculations.			
G-19	M	The system must be able to use fields which are numeric in calculations.			
G-20	M	The system must have the ability to consolidate information within and across funds for both specified time periods and as of a specific date. This includes all information relating to programs, legislative authorizations, projects, debt, cash/investments, and derivatives.		e. g., provide all information relating to activity at a specific location such as Rutherford County. May be MTSU, Murfreesboro City Schools, Murfreesboro utilities, Town of Smyrna.	
G-21	M	The system must be able to roll-up funds to report information for both time periods and as of a specific date.			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
G-22	M	The system must be able to roll-up programs to report information for both time periods and as of a specific date.			
G-23	M	The system must be able to roll-up legislative authorizations to report information for both time periods and as of a specific date.			
G-24	M	The system must be able to roll-up debt to report information for both time periods and as of a specific date.			
G-25	M	The system must be able to roll-up projects to report information for both time periods and as of a specific date.			
G-26	M	The system must be able to roll-up cash/investments to report information for both time periods and as of a specific date.			
G-27	M	The system must be able to roll-up derivatives to report information for both time periods and as of a specific date.			
G-28	M	The system must have the ability to attach or link to “supporting documentation” in any module and include the document name and type of document, and date, time, and user id.			
G-29	M	The system must allow notes to be linked to supporting documents.			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
G-30	M	Deletion of supporting documents and/or notes must require proper security clearance, and a log showing user id, date and time.			
G-31	M	The system must be completely integrated with the other system modules to provide real-time transactional information.			
G-32	M	The system must display negative amounts in brackets.			
G-33	M	The system must be able to maintain and track information over multiple years.			
Transaction History					
G-34	M	**LINK**: The system must maintain a history of debt obligation activity from the "*Authorization*" through final payoff and 3 years thereafter. Approximate maximum number of years to be maintained is 33-35 years.			
G-35	M	The system must be able to maintain the history of the transaction activity changes for such things as (but not limited to):			
G-35.1	M	Legislative Authorization Amounts and Dates			
G-35.2	M	Project Status and Dates Changed			
G-35.3	M	Project Authorization Amounts and Dates Changed			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
G-35.4	M	Tax Status and Dates Changed			
G-35.5	M	Questionnaire and Declaration of Intent to Reimburse Information			
G-35.6	M	Project Funding Information–linked information between projects, debt, and cash			
G-35.7	M	Project Disbursement Information			
G-35.8	M	Project Repayment Information			
G-35.9	M	Debt Maturity Redeemed and Refunded Information			
G-35.10	M	Commercial Paper information			
G-35.11	M	Arbitrage Filing Information			
G-35.12	M	Interest Rates and Dates Changed			
G-35.13	M	Investment Information			
Contact Module					
G-36	M	The system must allow a directory of contacts to be established, and maintain key pieces of information including but not limited to:			
G-36.1	M	Contact Identification Number			
G-36.2	M	Contact Category		e. g. customer/borrower, underwriter, rating agency, state agency, financial advisor, legal counsel, vendor, etc.	
G-36.3	M	Contact Sub-Category		e. g. for a given customer/borrower the sub-category would be city, county, utility district, water authority, local school system, university, community college, technology center	
G-36.4	M	Contact Sub-sub Category			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
G-36.5	M	Contact name			
G-36.6	M	Contact title/position			
G-36.7	M	Contact organization		e. g. City of ABC, Univ. of TN, PFM, Dept. of Education, Morgan Keegan, Moody's, etc.	
G-36.8	M	Contact mailing address			
G-36.9	M	Contact phone number			
G-36.10	M	Contact fax number			
G-36.11	M	Contact e-mail address			
G-36.12	M	Contact Organization's Federal Identification Number		May not be needed in Edison	
G-36.13	M	Contact Organization's Vendor Number		For processing payments in Edison	
G-36.14	M	State Shared Taxes by fiscal year		Import; maintain history; maintain for disclosure/reporting purposes on city and county government borrowers	
G-36.15	M	Contact notes			
G-37	M	The system must allow multiple titles/positions per contact.			
G-38	M	The system should be able to send e-mails to contacts as a notification or reminder.			
G-39	M	The system should allow e-mails to be sent to titles/positions in addition to individuals.			
G-40	M	The system should allow unlimited categories, sub-categories and sub-sub-categories of contacts.			
Controls					
G-41	M	The system must have security to allow different levels of access, for example, inquiry versus update.			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
G-42	M	The system must have workflow functionality to allow for final review and approval of transactions or documents entered that preserves the integrity of the data.			
G-43	M	The system must provide methods for basic data integrity checks, such as balancing and verifying that required information has been entered accurately.			

NO COSTS ARE TO BE INCLUDED IN THIS SCHEDULE. IF THEY ARE INCLUDED, THIS WILL BE CAUSE FOR PROPOSAL REJECTION.

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
		Fund and Program Management Requirements			
Funds are a component of the State's accounting system chart of accounts. A Program is a subset of a Fund based on a primary function (e.g. General Obligation Bonds, Higher Education Facilities, QZAB, Water/Sewer, and Community Providers.) A Program will include projects and a portfolio of cash, commercial paper, notes, and/or bonds. There can be one or more Programs in a Fund based on statutory authority. The Fund numbers will always match the Fund numbers in the State's accounting system.					
		This Section has a maximum score of 40			
Fund					
FP-1	M	The system must be able to establish and track a Fund by maintaining key pieces of information about the Fund, including but not limited to:			
FP-1.1	M	Fund Number		Agrees to the State's accounting system	
FP-1.2	M	Fund Name		e.g., GO, TLDA, TSSBA, SRF	
FP-1.3	M	Date Fund Established		Date format	
FP-1.4	M	Enacting Fund Authorization (Statute)			
FP-1.5	M	Oversight Board			
FP-1.6	M	Fund Notes			
FP-2	M	Fund must be a component of the State's accounting code.			
FP-3	M	**EDIT**: The system must not allow programs, projects, or debt to cross or be assigned to more than one fund.			
FP-4	M	The system must be able to roll-up programs to report information at the fund level for both time periods and as of a specific date.		Roll-up	

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
FP-5	M	The system must be able to roll-up all legislative authorizations to report information at the fund level for both time periods and as of a specific date.		Roll-up	
FP-6	M	The system must be able to roll-up debt to report information at the fund level for both time periods and as of a specific date.		Roll-up	
FP-7	M	The system must be able to roll-up projects to report information at the fund level for both time periods and as of a specific date.		Roll-up	
FP-8	M	The system must be able to roll-up cash/investments to report information at the fund level for both time periods and as of a specific date.		Roll-up	
FP-9	M	The system must be able to roll-up derivatives to report information at the fund level for both time periods and as of a specific date.		Roll-up	
Program					
FP-10	M	The system must be able to establish and track a program by maintaining key pieces of information about the program, including but not limited to:			
FP-10.1	M	Fund Number		LINK to Fund info	
FP-10.2	M	Program Number		Multiple occurrences	
FP-10.3	M	Program Name			
FP-10.4	M	Date Program Established		Date format	
FP-10.5	M	Enacting Program Authorization (Statute)			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
FP-10.6	M	Authorized Program Amount		This is a dollar amount which will only be used for TLDA.	
FP-10.7	M	Program Owner		LINK to contacts	
FP-10.8	M	Program Co-owner		LINK to contacts	
FP-10.9	M	Percentage of Completion Notification Value		**Rule** for projects within program to trigger notification. Refers to PM-12. For TLDA, SRF, and TSSBA	
FP-10.10	M	Percent of Federal Participation		**Rule** for project calculations	
FP-10.11	M	Administrative Fee Percentage		**Rule** for project calculations	
FP-10.12	M	Administrative Fee Basis (Principal outstanding or total amount loaned)		**Rule** for project calculations	
FP-10.13	M	Program Notes			
FP-11	M	**EDIT**: The system should not allow projects or debt to cross or be assigned to more than one program.			
FP-12	M	The system must be able to roll-up legislative authorizations to report information at the program level for both time periods and as of a specific date.		Roll-up	
FP-13	M	The system must be able to roll-up debt to report information at the program level for both time periods and as of a specific date.		Roll-up	
FP-14	M	The system must be able to roll-up projects to report information at the program level for both time periods and as of a specific date.		Roll-up	
FP-15	M	The system must be able to roll-up cash/investments to report information at the program level for both time periods and as of a specific date.		Roll-up	

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
FP-16	M	The system must be able to roll-up derivatives to report information at the program level for both time periods and as of a specific date.		Roll-up	
FP-17	D	The system must maintain an index of the number, date and issue for each 8038G tax form filed for each Program.			

NO COSTS ARE TO BE INCLUDED IN THIS SCHEDULE. IF THEY ARE INCLUDED, THIS WILL BE CAUSE FOR PROPOSAL REJECTION.

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
		Legislative Authorization Requirements			
This section establishes a mechanism where system users can assign Legislative Authorization as well as monitor available					
Legislative Authorization.					
		This Section has a maximum score of 75			
Overall Legislative Authorization					
LA-1	M	The system must be able to establish and track a legislative authorization by maintaining key pieces of information about the legislative authorization, including but not limited to:			
LA-1.1	M	Legislative Authorization Identification Number		This is a combination of the Legislative Authorization Year field and Public Chapter field. It will be used to link to the Debt, Fund, Program, and Project data.	
LA-1.2	M	Legislative Authorization Year		Public Act/Federal Allocation e. g., 2007	
LA-1.3	M	Public Chapter number		e. g., Chapter 591	
LA-1.4	M	Fund number		Link to Fund info	
LA-1.5	M	Program number		Link to Program info	
LA-1.6	M	Original Legislative Authorization Amount (Fixed amount)			
LA-1.7	M	Effective Date		Date format	
LA-1.8	M	Expiration Date		Date format	
LA-1.9	M	Unissued Legislative Authorization Amount		The system must calculate the amount of unissued legislative authorization by adding up the unissued category amounts for the related legislative authorization. Roll up LA-7.11	
LA-1.10	M	Legislative Authorization Notes			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
LA-2	M	The system must allow multiple projects to be linked to one legislative authorization and legislative authorization category.			
LA-3	M	The system must allow one project to be linked to multiple legislative authorizations.		Note: A project will only be in one Legislative Authorization category.	
LA-4	M	The system must be able to roll-up projects to report information at the legislative authorization level and category level for both time period and as of a specific date.		Roll-up	
LA-5	M	The system must allow the flexibility for a program not to use legislative authorization.			
LA-6	M	The system must allow the flexibility for a program not to use the legislative authorization categories.			
Authorization Categories					
LA-7	M	The system must allow categories to be established within a legislative authorization by maintaining key pieces of information, including but not limited to:			
LA-7.1	M	Legislative Authorization Identification Number		Link to Legislative Authorization info	
LA-7.2	M	Legislative Authorization Category		e. g., Finance & Administration, FRF, Highways. Multiple occurrences.	
LA-7.3	M	Original Authorized Category Amount			
LA-7.4	M	Category Increase Amount		Maintain history	
LA-7.5	M	Category Increase Date		Maintain history; date format	
LA-7.6	M	Category Increase Reason		Maintain history	
LA-7.7	M	Category Cancellation Amount		Maintain history	

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
LA-7.8	M	Category Cancellation Date		Maintain history; date format	
LA-7.9	M	Category Cancellation Reason		Maintain history	
LA-7.10	M	New Authorized Category Amount		Maintain history; changes with every category change.	
LA-7.11	M	Unissued Category Amount		The system must calculate the amount of unissued legislative authorizations by category by taking the original legislative authorization amount for a category (LA-7.3) plus category increases (LA-7.4), less the amount of category cancellations (LA-7.7), and less the Amount of Debt Issued by Category (DM-1.54) related to the Legislative Authorization Identification Number.	
LA-7.12	M	Legislative Authorization Category Notes			
LA-8	M	The system must be able to cancel Authorizations by Legislative Authorization and Category; recording the date canceled.		See LA-7.7 and LA-7.8	
LA-9	M	The system must also record the reason for an authorization cancellation (LA-7.9), such as: 1) expiration, 2) bonds sold, 3) legal authorization, 4) bond premium used, 5) redeemed in commercial paper, 6) funded from other sources.			

NO COSTS ARE TO BE INCLUDED IN THIS SCHEDULE. IF THEY ARE INCLUDED, THIS WILL BE CAUSE FOR PROPOSAL REJECTION.

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
Project Management Requirements					
This section describes the items that are required to account for, track and bill for individual Projects within a Program. Projects within a Program may be funded by one or more sources (multiple bond issues, short term financing, grants, or other funding); may require billings over the life of the bond issues or loans; and may require the payment of construction invoices. Project rules may vary by program. Project Numbers will conform to the Project Numbers in the State's accounting system.					
		This Section has a maximum score of 75			
General Project Requirements					
PM-1	M	The system must be able to establish and track a project by maintaining key pieces of information about the project, including but not limited to:			
		General Project Information			
PM-1.1	M	Fund Number		Link to Fund info	
PM-1.2	M	Program Number		Link to Program info	
PM-1.3	M	Department Number		10 digit number used in State's accounting system to identify State department, agency, or entity that "owns" project.	
PM-1.4	M	Project Number		Number used in state's accounting system	
PM-1.5	M	Project Name			
PM-1.6	M	Project Description			
PM-1.7	M	Additional/Alternate Project Number		e. g., SBC number in GO or E&C number in TLDA	
PM-1.8	M	Sub-Project Number			
PM-1.9	M	Sub-Project Name			
PM-1.10	M	Project Type		e. g., Water, Sewer, Dormitory, Library, Office Bldg., Grant	
PM-1.11	M	Location Number		Edison field; generally a specific state building	

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
PM-1.12	M	City/County Code Number for Location		Might not be used in all programs	
PM-1.13	M	City of Project		Name	
PM-1.14	M	County of Project		Name	
PM-1.15	M	Project Contact		Link to Contacts; multiple occurrences	
PM-1.16	M	Estimated Useful Life of Asset			
PM-1.17.A	M	Project Status		e. g., On Hold, Inactive, Construction In Process, In Repayment, Paid in Full, Cancelled, Completed; Maintain History	
PM-1.17.B	M	Project Status Change Date		Maintain History	
PM-1.18	M	Required Borrower Security Deposit Amount (Debt Service Reserve Fund)		Input or identified as maximum annual debt service requirement for any year remaining on borrower repayment schedule	
PM-1.19	M	Borrower Security Deposit–Date Established		Date format	
PM-1.20	M	Borrower Security Deposit–Provision Method		Cash, Insurance, Bond Proceeds	
PM-1.21	M	Cash sub-account where borrower's Security Deposit invested		Link to Cash/Investments	
PM-1.22	M	Unspent Project Authorization		Calculated by subtracting the total amount loaned (PM-1.65) from the project cost authorized (PM-1.30b), if used, or by the total contract amount authorized (PM-1.30a)	
PM-1.23	M	Percent complete		Calculated by dividing the total amount loaned (PM-1.65) by the project cost authorized (PM-1.30b), if used, or by the total contract amount authorized (PM-1.30a)	
PM-1.24	M	Certificate of Completion Date (Asset Completion)		Date format	
PM-1.25	M	General Project Notes			
		Project Authorization Information		Multiple occurrences of these fields	

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
PM-1.26	M	Legislative Authorization Identification Number		Link to Legislative Authorization; multiple occurrences	
PM-1.27	M	Legislative Authorization Category		Link to Legislative Authorization Category	
PM-1.28	M	Primary Project Authorizing Authority		TSSBA, SBC, TLDA	
PM-1.29	M	Primary Date Project Authorized		Date format	
PM-1.30	M	Project Authorization Amount:			
PM-1.30a	M	Total Contract		Total amount authorized for project; maintain history	
	M	Sub-Authorization for:		Not all programs will use Sub-Authorizations	
PM-1.30b	M	Project Cost		maintain history	
PM-1.30c	M	Maximum Annual Debt Service (Borrower Security Deposit)		maintain history	
PM-1.30d	M	Issuance Fee		maintain history	
PM-1.30e	M	Capitalized Interest		maintain history	
PM-1.30f	M	Contingency		maintain history	
PM-1.31	M	Additional Project Authorization Name		SBC for TSSBA	
PM-1.32	M	Additional Project Authorization Date		Date format	
PM-1.33	M	Reason for Change in Project Authorization		Change may be positive or negative; maintain history	
PM-1.34	M	Date Change Authorized by Primary Authority		Date format; maintain history	
PM-1.35	M	Date Change Authorized by Additional Authority		Date format; maintain history	
PM-1.36	M	Project Authorization Notes			
		Questionnaire/Tax Status Information			
PM-1.37	M	Questionnaire on File		Y/N	
PM-1.38	M	Date of Questionnaire		Date Agency signs off; date format; maintain history	
PM-1.39	M	Bond Counsel Public/Private Usage Approval Date		Date format; maintain history	
PM-1.40	M	Public Use Percentage		Maintain history	

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
PM-1.41	M	Private Use Percentage–5% Rule		Maintain history	
PM-1.42	M	Private Use Percentage–10% Rule		Maintain history	
PM-1.43	M	Tax Status		Maintain history	
PM-1.44	M	Tax Status Change Date		Date format	
PM-1.45	M	Cash/Investment Identification Number for short-term funding pool		Link to Cash/Investments; selection based on program (PM-1.2) and tax status of project (PM-1.43)	
PM-1.46	M	Date of Declaration of Intent to Reimburse		Date format; maintain history	
PM-1.47	M	Declaration of Intent Amount		Maintain history	
PM-1.48	M	Questionnaire/Tax Status Notes			
		Project Payment/Disbursement Information (Debit to Loan Receivable – Money Out; may be for construction vendor payments; borrower reimbursements, administrative costs, allocated costs, capitalized interest, capitalized security deposit, etc.)			
PM-1.49	M	Fund Number		Link to Fund info	
PM-1.50	M	Program Number		Link to Program info	
PM-1.51	M	Department Number		10 digit number used in State's accounting system to identify State department, agency, or entity that "owns" project.	
PM-1.52	M	Project Number		Link to Project info	
PM-1.53	M	Payment Amount		Maintain history	
PM-1.54	M	Payment Date		Maintain history; date format	
PM-1.55	M	Disbursement Payee–Borrower or Vendor Name		Maintain history	
PM-1.56	M	Disbursement Payee Number–Borrower or Vendor Number		Maintain history	
PM-1.57	M	Cash sub-account charged		Maintain history; selected by system based on rule PM-25; may be manually selected	
PM-1.58	M	Payment Description		Maintain history; payment number, invoice number, etc.	

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
PM-1.59	M	Payment Sub-Authorization category		Maintain history; if the Sub-Authorizations (PM 1.30b->PM-1.30f) are used, payments may default to "project cost" but the option to apply a different Sub-Authorization must be available.	
PM-1.60	M	General Ledger Account Number for type of expenses – equipment, construction, overhead, etc.		Maintain history; agrees to the State's accounting system; may not be needed if TSSBA can record like TLDA	
PM-1.61	M	Warrant Number/Wire Number/Transaction Information from Edison		Maintain history; import	
PM-1.62	M	Federal Reimbursement Requested Y/N		Maintain history; input–will use to complete Municipal Audit YE report	
PM-1.63	M	Project Payment/Disbursement Notes			
		Project Repayment/Billing Information			
PM-1.64	M	Project Repayment Term		System should give a choice to enter either months or years	
PM-1.65	M	Total Amount Loaned		Sum of all Payments (PM-1.53) including all "non-disbursement" transactions (See PM-22 and PM-23).	
PM-1.66	M	Total Amount Loaned by Debt Issue		Above (PM-1.65) by linked Debt Issue	
PM-1.67	M	Pledged Revenue Source for Project Repayment		Multiple occurrences	
PM-1.68	M	Pledged Revenue Type		Multiple occurrences	
PM-1.69	M	Pledged Revenue Dollar Amount		Multiple occurrences	
PM-1.70	M	Total Pledged Revenue		Sum of multiple pledged revenue sources (PM-1.68) for overall project repayment resources.	
PM-1.71	M	Repayment Begin Date (1st Payment Due)		Date format; multiple occurrences when project funded by multiple debt issues.	
PM-1.72	M	Borrower's Interest Rate		Link to Debt (DM-1.60, DM-1.120). Multiple occurrences.	

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
PM-1.73	M	Date Borrower's Interest Rate Changed		Link to Debt (DM-1.61, DM-1.121). Date format. Multiple occurrences.	
PM-1.74	M	Project Repayment Schedule fields should include:			
PM-1.74a	M	Principal Due from Borrowers (Ability to input or import)			
PM-1.74b	M	Interest Due from Borrowers			
PM-1.74c	M	Administrative or other "scheduled" fee due			
PM-1.74d	M	Total Debt Service Due			
PM-1.74e	M	Payment Due Date		Date format.	
PM-1.75	M	Receipt fields should include:		May be imported from Edison	
PM-1.75a	M	Fund Number		Link to Fund info	
PM-1.75b	M	Program Number		Link to Program info	
PM-1.75c	M	Project Number		Link to Project info	
PM-1.75d	M	Debt Identification Number		Link to Debt info	
PM-1.75e	M	Total Amount repaid by borrower		Multiple occurrences; maintain history	
PM-1.75f	M	Date of Repayment		Multiple occurrences; maintain history; date format.	
PM-1.75g	M	Borrower's transaction/check number (use is optional)		Multiple occurrences; maintain history	
PM-1.75h	M	Principal repaid		Multiple occurrences; maintain history	
PM-1.75i	M	Interest repaid		Multiple occurrences; maintain history	
PM-1.75j	M	Amount of fee paid		Multiple occurrences; maintain history	
PM-1.75k	M	Type of fee paid		Multiple occurrences; maintain history	
PM-1.75l	M	Amount of overpayment		Multiple occurrences; maintain history	
PM-1.76	M	Outstanding Principal Balance		Calculated; multiple occurrences when funded by multiple debt issues.	
PM-1.77	M	Project Repayment/Billing Notes			
General Project					
PM-2	M	**LINK:** The system must provide the ability to link project activity to the program.			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
PM-3	M	**LINK:** The system must be able to link projects to the Legislative Authorizations.			
PM-4	M	**LINK:** The system must be able to link projects to the Legislative Authorization **category**.			
PM-5	M	**LINK**: The system must be able to record and store the history of the Legislative Authorization, amount authorized, and the dates the authorized amount changed at the project level.			
PM-6	M	**LINK:** Multiple Legislative Authorizations may be used to fund a single project and must be linked to the Project ID.			
PM-7	M	**EDIT:** The system must ensure that the sum of all Project Authorizations does not exceed the linked Legislative Authorization.			
PM-8	M	**EDIT:** If the Sub-Authorizations are used in the Project Authorization, the system must verify that the Total Contract amount equals the sum of the Project Cost, Maximum Annual Debt Service, Issuance Fee, Capitalized Interest, and Contingency.		PM-1.30a = sum of PM-1.30b through PM-1.30f	
PM-9	M	**LINK:** The system must be able to link projects across multiple, different debt issues. Projects may receive funding from multiple debt issues.			
PM-10	M	**LINK:** The system must be able to link projects to multiple cash sub-accounts.			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
PM-11	M	**EDIT:** The system must not allow the Project Repayment Term (PM-1.64) to exceed the Estimated Useful Life of the Asset (PM-1.16) without appropriate override authority.			
PM-12	M	The system must send the owner/user a notification when the percent complete (PM-1.23) equals or exceeds the percentage of completion value set at the program level (FP-10.9) if the project status is equal to construction in progress (PM-1.17).			
PM-13	M	The system must allow the ability to change the percentage of public/private use, and maintain a history of those changes including percentage change, date, and other questionnaire notes as needed.			
PM-14	M	**EDIT:** The system must validate that the Public Use Percentage (PM-1.40) plus the Private Use Percentage–10% Rule (PM-1.42) equals 100%.			
Project Payment/Disbursements					
PM-15	M	The system must be able to track the disbursements by project.			
PM-16	M	The system must be able to compare project disbursements to amounts authorized at the sub-authorization level (if used).			
PM-17	M	The system must be able to flag an overcharged Project Authorization.			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
PM-18	M	The system must be able to calculate the unspent project authorization at the sub-authorization level (if used). (PM-1.22)			
PM-19	M	The system must provide the ability to view the amount remaining by Authorization (and Sub-Authorization) at the Project level.			
PM-20	M	The system must be able to flag a Declaration of Intent Amount (PM-1.47) that is less than the Project Authorization Amount (PM-1.30).			
PM-21	M	The system must be able to flag a payment date (PM-1.54) that predates the Date of Declaration of Intent to Reimburse (PM-1.46).			
PM-22	M	The system must be able to increase the total amount loaned (PM-1.65) for “non-disbursement” transactions such as the capitalization of construction period interest.			
PM-23	M	The system must be able to increase the total amount loaned (PM-1.65) by the amount of any additional financed amounts that are applied at the time of permanent financing such as a required security deposit or financing fee.			
PM-24	M	**EDIT:** The system must ensure that the sum of the Total Amount Loaned by Debt Issue (PM-1.66) equals the Total Amount Loaned (PM-1.65).			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
PM-25	M	The system must be able to charge the appropriate cash sub-account based on the following hierarchy (default action) and also allow the option to select a different cash sub-account.		Rule for application of Cash Sub-accounts (PM-1.57) for payment transactions.	
	M	1. Apply any balance available in the Project Proceeds cash sub-account (DM-1.127) for this project for any debt issue linked to the project. (This is unspent proceeds.)			
	M	2. Once there are no unspent project proceeds linked to this project, fund the payment from the applicable short-term pool linked to this project (PM-1.45).			
	M	3. If the short-term pool is insufficient to fund the disbursement, alert the user to manually select a different cash sub-account (most likely program funds.)			
Project Repayment/Billing					
PM-26	M	The system must calculate Project Repayment Schedules using level principal for each project linked to each of its debt issues and derivatives. Repayment Schedules may be for any defined period.		Requirement is mandatory except for use of derivative information which is desired, not mandatory.	
PM-27	M	The system must be able to import Project Repayment Schedules and other Project information as needed.			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
PM-28	M	For projects with funding from temporary/short-term debt (DM-1.5), the system must calculate Interest Due From Borrowers as the borrower's Outstanding Principal Balance (PM-1.76) multiplied by the borrower's interest rate for the specific dates in the period (DM-1.60, DM-1.120 CP) times the number of days in the period divided by the number of days in the calendar year (365 or 366).		This requirement is necessary for billing borrowers with loans funded by temporary/short-term debt for which there is no repayment schedule. Similar capabilities are necessary to bill borrowers with loans funded by variable rate debt.	
PM-29	M	For projects with funding from temporary/short-term debt (DM-1.5), the system must be able to calculate the periodic repayment due. This is typically just the Interest Due from Borrowers (PM-28), but on occasion may also include principal. The principal calculation will generally be a level principal amount over the Project Repayment Term (PM-1.64).		This requirement is necessary for billing borrowers with loans funded by temporary/short-term debt for which there is no repayment schedule. Similar capabilities are necessary to bill borrowers with loans funded by variable rate debt.	
PM-30	M	The system must be able to calculate an administrative fee based on the Administrative Fee Percentage (FP-10.11) and the Administrative Fee Basis (FP-10.12) as defined for the program and/or a manually entered amount for the administrative fee.			
PM-31	M	The system must be able to calculate and/or record any other fees or charges to the borrower.			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
PM-32	M	The system must be able to calculate fees for variable rate debt such as LOC fees, remarketing fees, and administrative fees for any period of time at the Project level.			
PM-33	D	The system must be able to calculate financial costs relating to one or more Swaps, if any, for any time at the Project level.		Link to Derivative info. Desired	
PM-34	M	The system must be able to calculate billing credits including interest earnings on cash sub-accounts. See CI-12.			
PM-35	M	The system must be able to calculate any excess funds (interest earnings, unspent project proceeds, overpayments, or decreases in the required borrower security deposit) and flag them to be considered for use as a borrower repayment.			
PM-36	M	The system must be able to generate a bill to the borrower using the Project Repayment Schedule (PM-26, PM-27) and the information calculated above (PM-28->PM-35) or manually input amounts. Note: Credits represent a reduction of the amount due.			
PM-37	M	The system must be able to generate a bill to the borrower for any specified period of time.			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
PM-38	M	**EDIT:** The system must ensure that the sum of the “elements” of the periodic repayments (PM-1.82->PM-1.86) equals the total amount repaid by the borrower (PM-80).			
PM-39	M	The system must be able to allocate the periodic repayments received into interest, principal, overpayments, or other, and record the date received.		This information may be imported from Edison. Maintain history.	
PM-40	M	The system must be able to link the periodic repayments received to the applicable cash-sub-account.			
PM-41	M	The system must be able to track the monthly past due amounts broken out by interest, principal, and total.			
PM-42	M	The system must be able to show the repayments which are scheduled to be received.			
PM-43	M	The system must calculate and recalculate over time, the Required Borrower Security Deposit (maximum annual debt service) (PM-1.18) and flag changes.			

NO COSTS ARE TO BE INCLUDED IN THIS SCHEDULE. IF THEY ARE INCLUDED, THIS WILL BE CAUSE FOR PROPOSAL REJECTION.

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
		Debt Level Management Requirements			
This section details information needed to track and account for different debt issuances within a Program including the relationship between refunded and refunding debt. The system allows users the ability to easily identify maturities eligible for refunding as well as make post-refunding adjustments to Project Repayment Schedules. This section also includes the information needed to manage and track activity to ensure compliance with IRS arbitrage limitations for the State's debt issues. (Not actually calculating arbitrage rebate liability.)					
		This Section has a maximum score of 75			
DM-1	M	The system must be able to establish and track debt at the debt level and maturity level, by maintaining key pieces of information about the debt, including but not limited to:			
Debt Level Issue Information					
DM-1.1	M	Type of Debt		e. g., Bond, Note, Commercial Paper	
DM-1.2	M	Debt Identification Number		Assigned by user	
DM-1.3	M	Debt Name of Series		Specific Issue or CP Pool; e. g., 2006 Series A	
DM-1.4	M	Tax Status of Debt Issue		Taxable or Tax-Exempt	
DM-1.5	M	Intention of Issue		Permanent financing (long-term) or temporary financing (short-term)	
DM-1.6	M	Fund Number		Link to fund info	
DM-1.7	M	Program Number		Link to program info	
DM-1.8	M	Legislative Authorization Identification Number		Link to Legislative Authorization info; Multiple occurrences	
DM-1.9	M	General Resolution Date		Date format	
DM-1.10	M	Supplemental Resolution Date		Date the Resolution was passed. Date format	
DM-1.11	M	Par Amount of Debt Issuance		Input. See DM-3	
DM-1.12	M	Authorized Denominations		e. g., $5,000 denomination	
DM-1.13	M	Debt Registration Provisions		BEO or Registered	

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
DM-1.14	M	Fixed or Variable Interest		F or V	
DM-1.15	M	True Interest Cost		TIC	
DM-1.16	M	Type of Sale		Competitive or Negotiated	
DM-1.17	M	Debt Sale Date		Date format	
DM-1.18	M	Dated Date		Official Statement Date; Date format	
DM-1.19	M	Delivery (Closing) Date		Date format	
DM-1.20	M	Term of Debt Issued		e. g., 30 (Refers to a 30 year bond)	
DM-1.21	M	First Principal Payment Date		Date format	
DM-1.22	M	First Interest Payment Date		Date format	
DM-1.23	M	Principal Due Date		Date format; Multiple occurrences	
DM-1.24	M	Interest Due Date		Date format; Multiple occurrences	
DM-1.25	M	Final Maturity Date		Included for Arbitrage. Date format	
DM-1.26	M	Call Provisions		Multiple occurrences. Call price of the debt expressed as a percent of par.	
DM-1.27	M	Call Date		Multiple occurrences. Date format	
DM-1.28	M	Debt Service Reserve Fund Amount		Input	
DM-1.29	M	Net Premium/Discount		Input. If amount is Discount or is negative, show amount in brackets. See DM 6 and DM-7	
DM-1.29a	M	Total Premium		Sum of the Premium of all maturities related to this debt. (DM 1.71).	
DM-1.29b	M	Total Discount		Sum of the Discount of all maturities related to this debt. (DM 1.71).	
DM-1.30	M	Amount of Accrued Interest, if applicable			
DM-1.31	M	Type of Issuance Cost		e. g., Underwriter's Discount, Rating Firm, Printing, Advertising, etc. Multiple occurrences.	
DM-1.32	M	Amount of Issuance Cost (actual)		Multiple occurrences.	
DM-1.33	M	Issuance Cost Vendor Name		Multiple occurrences. Link to Contact.	
DM-1.34	M	Date Issuance Cost Paid		Date format	
DM-1.35	M	Date Issuance Cost Redeemed		Date issuance cost check/warrant redeemed. Date format	

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
DM-1.36	M	Type of Ongoing Cost		Multiple occurrences. Ongoing costs are related to variable rate debt.	
DM-1.37	M	Amount of Ongoing Cost		Multiple occurrences	
DM-1.38	M	Frequency of Ongoing Cost		Multiple occurrences	
DM-1.39	M	Rating		Multiple occurrences (Must have at least 3)	
DM-1.40	M	Rating Firm		Multiple occurrences (Must have at least 3)	
DM-1.41	M	Rating Analyst		Link to contact; multiple occurrences	
DM-1.42	M	Financial Advisor Name		Link to contact	
DM-1.43	M	Book-running Manager Name		Link to contact	
DM-1.44	M	Senior Manager Name		Link to contact; multiple occurrences	
DM-1.45	M	Bond Counsel Name		Link to contact	
DM-1.46	M	Tax Counsel Name		Link to contact	
DM-1.47	M	Surety Bond Provider		Link to contact	
DM-1.48	M	Bond Trustee		Link to contact	
DM-1.49	M	Refunding Trustee		Link to contact	
DM-1.50	M	Refunding Verification Agent		Link to contact	
DM-1.51	M	Name of Credit Enhancement Provider		Link to contact	
DM-1.52	M	Edison G/L Account Number		Multiple occurrences	
DM-1.53	M	Total Issued for Projects		Input. See PM-5	
DM-1.54	M	Total Issued by Category		Calculated. Sum of Project Amount in Maturity (DM-1.76) based on the category assigned to the related projects (PM-1.26) for all projects and maturities related to this debt. Multiple occurrences.	
DM-1.55	M	Actual Private Use Amount–5 % Rule		Calculated. First, for each project in this debt issue, multiply the sum of Project Amount in Maturity (DM-1.76) for all maturities by the Private Use Percentage–5% Rule (PM 1.41) for the related project. Then, sum the results for all projects in the debt issue.	

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
DM-1.56	M	Actual Private Use Amount–10% Rule		Calculated. First, for each project in this debt issue, multiply the sum of Project Amount in Maturity (DM-1.76) for all maturities by the Private Use Percentage–5% Rule (PM 1.42) for the related project. Then, sum the results for all projects in the debt issue.	
DM-1.57	M	Permitted Private Use Amount–5% Rule		Calculated: [Par amount of Debt Issued (DM-1.11)+ premium (DM-1.29a)] * 5%	
DM-1.58	M	Permitted Private Use Amount–10% Rule		Calculated: [Par amount of Debt Issued (DM-1.11)+ premium (DM-1.29a)] * 10%	
DM-1.59	M	Total Required Borrower Security Deposit Amount		Sum of Borrower Required Security Deposit amounts associated with this Debt (PM-1.18).	
DM-1.60	M	Borrower's Interest Rate		Link to Project info. This will be used for billing purposes. Maintain History.	
DM-1.61	M	Date Borrower's Interest Rate Changed		Link to Project info. This will be used for billing purposes. Date format. Maintain History.	
DM-1.62	M	Total Redeemed		Input	
DM-1.63	M	Total Refunded		Input	
DM-1.64	M	Total Outstanding		Calculated. Sum of the Amount Maturity Outstanding of all maturities related to this debt (DM 1.87).	
DM-1.65	M	Debt Notes			
Maturity Level Information (Refers to a maturity within a bond series)					
DM-1.66	M	Debt Identification Number			
DM-1.67	M	CUSIP Number		Specific to maturity	
DM-1.68	M	Maturity Date		Date format	
DM-1.69	M	Principal Amount of Maturity		Input. The amount will remain constant.	
DM-1.70	M	Interest/Coupon Rate of Maturity			
DM-1.71	M	Premium/Discount for Maturity		If amount is discount or is negative, show the amount in brackets.	

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
DM-1.72	M	Component		Identifies each maturity as serial, term, or CAB.	
DM-1.73	M	Intent		This is used to define the intent of the issue by maturity as: New-Money, Forward Refunding, Current Refunding, or Advance Refunding. Multiple occurrences. This field must not change from the initial intent.	
DM-1.74	M	Amount by Intent		Par amount by Intent. Multiple occurrences.	
DM-1.75	M	Project Number		Link to Project info; multiple occurrences; maintain history	
DM-1.76	M	Project Amount in Maturity		The amount issued for the project.	
DM-1.77	M	Callable Y/N		Indicator based on DM-1.27	
DM-1.78	M	Project Number Redeemed		Link to Project info; multiple occurrences; maintain history	
DM-1.79	M	Amount of Project Redeemed		Input. Maintain History	
DM-1.80	M	Total Amount of Maturity Redeemed		Input. Maintain History	
DM-1.81	M	Date of Redemption		Maintain History. Date format	
DM-1.82	M	Refunded Indicator		Choices will be C, A, F or blank if it hasn't been refunded. Multiple occurrences	
DM-1.83	M	Refunded Maturity CUSIP		Link to Maturity info, multiple occurrences.	
DM-1.84	M	Project Number Refunded		Link to Project info; multiple occurrences; maintain history	
DM-1.85	M	Amount of Project Refunded		Input. Maintain History; this is the amount of the refunded debt – the refunding amount for the project will be linked to the refunding issue.	
DM-1.86	M	Total Amount of Maturity Refunded		Input. Multiple occurrences.	
DM-1.87	M	Amount of Maturity Outstanding		Calculated. Principal Amount (DM-1.69) less Amount Redeemed (DM-1.80) less Amount Refunded (DM-1.86).	
DM-1.88	M	Maturity Notes			
Commercial Paper Information					
DM-1.89	M	Debt Identification Number		Link to Debt info.	

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
DM-1.90	M	Debt Name of Series		Link to Debt info.	
DM-1.91	M	Fund Number		Link to Fund info.	
DM-1.92	M	Program Number		Link to Program info.	
DM-1.93	M	Commercial Paper General Resolution Date		Date format	
DM-1.94	M	Commercial Paper Resolution Amendment Date		Maintain History. Date format	
DM-1.95	M	Authorized Commercial Paper Amount		e. g., $250,000,000	
DM-1.96	M	Commercial Paper Rating		Multiple occurrences; maintain history	
DM-1.97	M	Effective Dates for Commercial Paper Rating		Multiple occurrences; maintain history	
DM-1.98	M	Commercial Paper Rating Firm		Link to Contact info; multiple occurrences; maintain history	
DM-1.99	M	Commercial Paper Dealer		Link to Contact info; multiple occurrences; maintain history	
DM-1.100	M	Effective Dates for Dealer		This is the effective dates for which specific dealers have been designated for this commercial paper program. Date format; multiple occurrences; maintain history.	
DM-1.101	M	Commercial Paper Paying Agent		Link to Contact info; multiple occurrences; maintain history	
DM-1.102	M	Effective Date for Commercial Paper Paying Agent		Date format; multiple occurrences; maintain history	
DM-1.103	M	Commercial Paper Liquidity Agent		Link to Contact info; multiple occurrences; maintain history	
DM-1.104	M	Effective Date for Commercial Paper Liquidity Agent		Date format; multiple occurrences; maintain history	

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
DM-1.105	M	Total Amount of Commercial Paper Outstanding		e. g., $100,000,000 (This amount will be recalculated after each draw or redemption.) This will equal the total of the Amount of Taxable Commercial Paper Outstanding (DM-1.106) plus the Amount of Tax-Exempt Commercial Paper Outstanding (DM-1.107)	
DM-1.106	M	Amount of Taxable Commercial Paper Outstanding		(The program's taxable CP payable balance.) e. g., $25,000,000	
DM-1.107	M	Amount of Tax-Exempt Commercial Paper Outstanding		(The program's tax-exempt CP payable balance.) e. g., $75,000,000	
DM-1.108	M	Amount of Commercial Paper Available to Draw		Calculation: Authorized Commercial Paper Amount (DM-1.95) less Total Amount of Commercial Paper Outstanding (DM-1.105). [$250,000,000 - $100,000,000 = $150,000,000] This represents the amount of additional CP the program may draw.	
DM-1.109	M	Taxable Commercial Paper Pool Balance (Available to spend)		Calculated field. Taxable CP Outstanding (DM-1.106) less payments from projects linked to this pool for short-term funding (PM-1.45) with a tax status of Taxable (PM-1.43).	
DM-1.110	M	Tax-Exempt Commercial Paper Pool Balance (Available to spend)		Calculated field. Tax-Exempt CP Outstanding (DM-1.107) less payments from projects linked to this pool for short-term funding (PM-1.45) with a tax status of Taxable-Exempt (PM-1.43).	
DM-1.111	M	Date of Commercial Paper Draw or Redemption		Maintain history. Date format	
DM-1.112	M	Amount of Commercial Paper Draw or Redemption		Maintain history. Dollar amount. Redemption amount will be negative.	
DM-1.113	M	Tax Status of Commercial Paper Draw or Redemption		Taxable or tax-exempt to link to appropriate CP pool (DM-1.106 or DM-1.107).	
DM-1.114	M	Project Number		Link to Project info; multiple occurrences	

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
DM-1.115	M	Project Amount in Commercial Paper		Link to Project info; multiple occurrences	
DM-1.116	M	Commercial Paper Private Use Amount–5 % Rule		Calculated. First, for each project in this program's tax-exempt CP pool, multiply the Project Amount in Commercial Paper (DM-1.115) by the Private Use Percentage–5% Rule (PM 1.41) for the related project. Then, sum the results for all projects in the pool.	
DM-1.117	M	Commercial Paper Private Use Amount–10% Rule		Calculated. First, for each project in this program's tax-exempt CP pool, multiply the Project Amount in Commercial Paper (DM-1.115) by the Private Use Percentage–10% Rule (PM 1.42) for the related project. Then, sum the results for all projects in the pool.	
DM-1.118	M	Commercial Paper Permitted Private Use Amount–5% Rule		Calculated: [Total amount of Commercial Paper Tax-Exempt Pool (DM-1.107)] * 5%	
DM-1.119	M	Commercial Paper Permitted Private Use Amount–10% Rule		Calculated: [Total amount of Commercial Paper Tax-Exempt Pool (DM-1.107)] * 10%	
DM-1.120	M	Borrower's CP Interest Rate		Link to Project info. This will be used for billing purposes. Maintain History.	
DM-1.121	M	Date Borrower's CP Interest Rate Changed		Link to Project info. This will be used for billing purposes. Date format. Maintain History.	
DM-1.122	M	Commercial Paper Notes			
Arbitrage Related Information					
DM-1.123	M	Debt Identification Number		Link to Debt info.	
DM-1.124	M	Bond year definition		e. g., March 1 (First date of Bond year). Date format	
DM-1.125	M	Arbitrage Yield			
DM-1.126	M	Amount of gross proceeds (including interest earnings)			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
DM-1.127	M	Project Proceeds cash sub-account. (This is the "construction fund" or the "available" funds in a temporary/short-term debt issue—project assignment of these funds is not known when the debt is issued. In a permanent/long-term issue, these are the funds used to refund prior permanent or temporary financing at the project level. Any funds assigned to the project in excess of the temporary/short-term amount refunded represent Unspent Proceeds.)		Link to Cash sub-account. See (DM-1.5) for intention (Permanent/Long-term or Temporary/short-term.)	
DM-1.128	M	Amount to Project Proceeds cash sub-account		**DEPOSIT** to linked Cash sub-account	
DM-1.129	M	Temporary period for Project Proceeds			
DM-1.130	M	Date when all Project Proceeds spent		Date format	
DM-1.131	M	Costs of Issuance cash sub-account		Link to Cash sub-account	
DM-1.132	M	Amount to Costs of Issuance cash sub-account		**DEPOSIT** to linked Cash sub-account	
DM-1.133	M	Temporary period for Costs of Issuance			
DM-1.134	M	Date when all Costs of Issuance proceeds spent		Date format	
DM-1.135	M	Debt Service Reserve Fund cash sub-account		Link to Cash sub-account	
DM-1.136	M	Amount to Debt Service Reserve Fund cash sub-account		**DEPOSIT** to linked Cash sub-account	
DM-1.137	M	Required Escrow cash sub-account		Link to Cash sub-account. Multiple occurrences.	

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
DM-1.138	M	Amount to Escrow cash sub-account		**DEPOSIT** to linked Cash sub-account. Multiple occurrences	
DM-1.139	M	Cash sub-account for other distribution of gross proceeds		Link to Cash sub-account. Multiple occurrences.	
DM-1.140	M	Amount to cash sub-account for other distribution of gross proceeds		**DEPOSIT** to linked Cash sub-account. Multiple occurrences	
DM-1.141	M	Transferred Proceeds Amount		Amount transferred into this debt issue	
DM-1.142	M	Transferred Proceeds Deadline Date		Date you have to transfer proceeds from old yield to debt. Date format	
DM-1.143	M	IRS Form 8038-G Number			
DM-1.144	M	IRS Form 8038-G Date Submitted		Date format	
DM-1.145	M	IRS Form 8038-T Due Date		Multiple occurrences. Date format	
DM-1.146	M	IRS Form 8038-T Number		8038-T filings occur every 5 years. Maintain History	
DM-1.147	M	IRS Form 8038-T Date Submitted		Maintain History. Date format	
DM-1.148	M	IRS Form 8038-T Amount Paid		Maintain History.	
DM-1.149	M	Estimated Costs of Issuance		This will be a total amount only and not broken out by type of cost; used for allocation to projects in some programs.	
DM-1.150	M	Amount of Unspent Debt Proceeds		Summation from project levels.	
DM-1.151	M	Remaining Days to Spend Proceeds		Calculate	
DM-1.152	M	Percent of Unspent Debt Proceeds		Calculation: Unspent/Par	
DM-1.153	M	Date Debt Proceeds Must be Spent		Date format	
DM-1.154	M	Date all debt proceeds spent		Date format	
DM-1.155	M	Arbitrage Notes			
DM-2	M	The system must ensure that the Par Amount of the Debt Issue (DM-1.11) for all issues linked to the same Legislative Authorization do not exceed the applicable Legislative Authorization (DM-1.8).			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
DM-3	M	**EDIT:** Verify that the Par Amount of the Debt Issue (DM-1.11) equals the sum of the Principal Amount of Maturity for all maturities in this debt. (DM 1.69)			
DM-4	M	**EDIT:** Verify that the Principal Amount of Maturity (DM-1.69) equals the sum of the Project Amount in Maturity for all projects in the maturity related to this debt. (DM 1.76)			
DM-5	M	**EDIT:** Verify that the Total Issued for Projects (DM-1.53) equals the sum of the Project Amount in Maturity for all projects and maturities related to this debt. (DM 1.76)			
DM-6	M	**EDIT:** Verify that the Net Premium/Discount for the Issue (DM-1.29) equals the sum of the Premium/Discount for Maturity for all maturities related to this debt. (DM 1.71)			
DM-7	M	**EDIT:** Verify that the Net Premium/Discount for the Issue (DM-1.29) equals the Total Premium (DM-1.29a) less the Total Discount (DM-1.29b) of all maturities related to this debt.			
DM-8	M	**EDIT:** Verify that the Total Redeemed (DM-1.62) equals the sum of the Amount of Maturity Redeemed for all maturities related to this debt (DM 1.80).			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
DM-9	M	**EDIT:** Verify that the Total Refunded (DM-1.63) equals the sum of the Amount of Maturity Refunded for all maturities related to this debt (DM 1.86).			
DM-10	M	**EDIT:** Verify that the Amount of Maturity Redeemed (DM 1.80) equals the sum of the Amount of Project Redeemed (DM-1.79) for all projects related to this debt.			
DM-11	M	**EDIT:** Verify that the Amount of Maturity Refunded (DM 1.86) equals the sum of the Amount of Project Refunded (DM-1.85) for all projects related to this debt.			
DM-12	M	**EDIT:** When initially recording a debt issue, verify that the sum of all project Outstanding Principal Balances (PM-1.76) linked to any maturity equals the Amount of Maturity Outstanding (DM-1.87) for the debt issue to which it is linked.		Note: As borrowers make periodic repayments of principal and interest, the project outstanding principal balance will decrease. The Amount of Maturity Outstanding will not decrease until a debt service payment is made.	
DM-13	M	Debt that has matured or has a refunded indicator (DM-1.82) will no longer be considered Outstanding. This must be reflected in reports.			
DM-14	M	**LINK:** The system must allow one project to be linked to multiple debt issues.			
DM-15	M	**LINK:** The system must allow each maturity to be linked to a debt issue.			
DM-16	M	**LINK:** The system must allow multiple maturities to be linked to a single debt issue.			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
DM-17	M	**LINK**: The system must allow for multiple projects to be linked with multiple debt issues.			
DM-18	M	**LINK:** The system must allow a project to be linked to one or more maturities.			
DM-19	M	**LINK:** The system must allow for multiple projects to be linked to multiple maturities.			
DM-20	M	The system must allow multiple types of fees to be included in the actual cost of issuance.			
DM-21	M	The system must be able to import Debt Service Schedules for each debt issue.		Import	
DM-22	M	The system must be able to import the project maturity amounts from a file **or** roll it up from the multiple project repayment schedules generated by the system.		Import. Roll-up.	
DM-23	M	The system must be able to roll up all the Project Repayment Schedules and compare to the applicable debt service schedule at the debt level.		Roll-up. Related to Requirement G-8.	
DM-24	M	The system must be able to roll up from the Project level the amount of private use.			
DM-25	M	The system must be able to compare the Permitted Private Use Amount–5% Rule (DM-1.57) to the Actual Private Use Amount–5% Rule (DM-1.55).			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
DM-26	M	The system must send a notification if the Actual Private Use Amount–5% Rule is within 75% of the Permitted Private Use Amount–5% Rule. (See DM-25)			
DM-27	M	The system must be able to compare the Permitted Private Use Amount–10% Rule (DM-1.58) to the Actual Private Use Amount–10% Rule (DM-1.56).			
DM-28	M	The system must send a notification if the Actual Private Use Amount–10% Rule is within 75% of the Permitted Private Use Amount–10% Rule. (See DM-27).			
Refunding Management					
DM-29	M	**Decision Making:** For a specific Delivery date, the system must be able to identify outstanding maturities as eligible candidates for Forward, Advance, or Current Refunding.		Review call dates/Callable indicator (DM-1.77) and refunded indicator (DM-1.82)	
Managing Refunded Debt					
Note: When any part of a debt issue is refunded, the owner/user will complete fields DM-1.82-> DM-1.86 under the refunded issue identification number.					
DM-30	M	For any refunding issue, information needs to be maintained on the debt refunded.			
DM-31	M	The system must allow a maturity to be refunded by one or more refunding debt issues.			
DM-32	M	The system must allow a maturity to be partially refunded.			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
DM-33	M	**LINK**: The system must be able to link the new Debt Service Schedule back to the old Project at the proper maturity level.			
Managing Refunding Debt					
DM-34	M	Post refunding, the system must allow new, refunding debt to be linked to each Project that was linked to each maturity of the refunded debt.			
DM-34.1	M	At the Program level, the system must be able to track and report the principal amount of each maturity of each prior debt issue that was refunded by the refunding debt.			
DM-34.2	M	**LINK:** The system must also show the debt issue used to refund the outstanding debt.			
DM-35	M	**LINK:** The system must be able to link the maturities of the refunded debt to the refunding debt; this may be either a many-to-one relationship or a one-to-one relationship.			
DM-36	M	The system must be able to reflect the refunding activity in the corresponding cash sub-accounts based on the changes in the projects.			
DM-37	M	Post refunding, the system must have the ability to transfer the link of cash/investment accounts from the refunded debt to the refunding debt.			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
DM-38	M	The system must be able to calculate revised Repayment Schedules for each Project. In addition to the refunding debt, outstanding debt will include prior debt that was not refunded.			
Arbitrage					
DM-39	M	**LINK**: The arbitrage detail must link to the related Debt issue.			
DM-40	M	The system must be able to provide notification on the number of days remaining by which the unspent debt proceeds must be spent. The amount remaining must also be shown with the option of a notification in advance. The data presented must include: percent, number of days remaining, date on which the proceeds must be spent (calculated field), and amount that should be spent (calculated field).		Multiple occurrences.	
DM-41	M	The system must, at any time, create a report that provides the next critical date for arbitrage compliance for each debt issue.			

NO COSTS ARE TO BE INCLUDED IN THIS SCHEDULE. IF THEY ARE INCLUDED, THIS WILL BE CAUSE FOR PROPOSAL REJECTION.

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
		Cash and Investment Management Requirements			
This section relates to the management of operating funds, debt proceeds, reserve funds, security deposits, Debt Service funds, interest earnings, reinvestment escrows and other monies and investments related to the Programs. The use and allocation of investment information varies depending on the Program. The types of functionality described in this section may not be used consistently across all types of investments.					
		This section has a maximum score of 75			
"Major" Accounts					
CI-1	M	The system must be able to establish and track any cash account or investment purchased by maintaining key pieces of information including, but not limited to:			
CI-1.1	M	Fund Number		Link to Fund info	
CI-1.2	M	Program Number		Link to Program info	
CI-1.3	M	Cash/Investment Identification Number			
CI-1.4	M	Cash/Investment Description		Including State Pooled Investment Fund (SPIF), Local Government Investment Pool (LGIP), SLG, US Treasury Note, Forward Deliver Agreement, etc.	
CI-1.5	M	Long-term or Short term indicator			
CI-1.6	M	Location where the cash/investment is held		Link to Contact	
CI-1.7	M	Account number used by location holding cash/investment			
CI-1.8	M	Contact person at location		Link to Contact	
CI-1.9	M	Par amount of Investment			
CI-1.10	M	Investment purchase price			
CI-1.11	M	Investment purchase date		Date format	
CI-1.12	M	Purchased interest amount			
CI-1.13	M	Yield on Investment			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
CI-1.14	M	Investment coupon rate			
CI-1.15	M	Investment Maturity date		Date format	
CI-1.16	M	Fair Market Value of Investment		Maintain history	
CI-1.17	M	FMV Valuation Date		Date format; maintain history	
CI-1.18	M	Interest Earnings Rate		Typically used for cash accounts; Maintain history	
CI-1.19	M	Effective Date of Interest Earning Rate		Date format; maintain history	
CI-1.20	M	Amount of interest earnings to allocate to the sub-accounts		Input. May not be used if interest earnings rate is used (CI-1.18); maintain history	
CI-1.21	M	Effective Date of interest earnings amount		Date format; maintain history	
CI-1.22	M	Edison G/L account for this cash/investment account			
CI-1.23	M	Total Current balance in cash/investment account		Sum of Current Balance in Sub-account for all sub-accounts relating to this account.(CI-3.15)	
CI-1.24	M	Cash/Investment Notes			
Sub-accounts					
CI-2	M	Within each cash/investment account, the system must be able to establish and track activity in one or more sub-accounts.			
CI-3	M	The system must be able to establish and track activity in sub-accounts by maintaining key pieces of information about the sub-account, including but not limited to:			
CI-3.1	M	Cash/Investment Identification Number		Link to Cash/Investment info	
CI-3.2	M	Sub-account Identification Number		Multiple occurrences	
CI-3.3	M	Debt Identification Number		Link to Debt info; n/a for Program funds	
CI-3.4	M	Debt Name of Series		Link to Debt info	

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
CI-3.5	M	Sub-account Description		e.g., Project Proceeds, Cost of Issuance, Debt Service Reserve, Borrower Security Deposit, Borrower Repayments, Program Funds, etc.	
CI-3.6	M	Project Number		Link to Project info; multiple occurrences; Certain sub-accounts (such as program funds) will not have linked projects	
CI-3.7	M	Calculated amount of interest earnings to allocate to projects in the sub-account		Calculation result (CI-10, 10.1, 10.2); maintain history	
CI-3.8	M	Beginning balance in sub-account			
CI-3.9	M	Amount of increase to sub-account balance		Maintain history; See CI-6,CI-7	
CI-3.10	M	Date of increase to sub-account balance		Maintain history; See CI-6,CI-7	
CI-3.11	M	Description of transaction increasing sub-account balance		Maintain history; See CI-6,CI-7	
CI-3.12	M	Amount of decrease to sub-account balance		Maintain history; See CI-6,CI-7	
CI-3.13	M	Date of decrease to sub-account balance		Maintain history; See CI-6,CI-7	
CI-3.14	M	Description of transaction decreasing sub-account balance		Maintain history; See CI-6,CI-7	
CI-3.15	M	Current balance in sub-account		Calculated based on beginning balance (CI-3.8) +/- activity to date (CI-3.9, CI-3.12)	
CI-3.16	M	Sub-account Notes			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
CI-4	M	The system must compare the activity in the sub-accounts with the activity in the related Edison cash/investment account, identify any differences, and allow the user to accept/import selected transactions into this system, adding any additional information not available in Edison (such as the applicable sub-account number.)			
CI-5	M	**EDIT**: The system must ensure that the current balance in the cash/investment account (CI-1.23) equals the balance in the related Edison G/L account (CI-1.22).			
CI-6	M	The system must be able to record activity in the cash/investment accounts/sub-accounts (CI-3.9 through CI-3.14) generated through other modules in the system (primarily the Project or Debt Modules).		e. g., proceeds of debt issuances; payment of debt service; payments on projects or issuance of loans to borrowers; collection of borrower repayments; etc.	
CI-7	M	The system must allow manual recording of activity in the cash/investment accounts/sub-accounts that is not generated through other modules of the system.		e. g., payment of operating expenses, receipt of non-debt revenues (SRF funds); etc.	
CI-8	M	The system must compare the yield on investment (CI-1.13) or the interest earnings rate (CI-1.18) to the arbitrage yield of the related debt issue (DM-1.125), and alert the user if the investment yield or interest earnings rate is greater than the arbitrage yield.			
Distribution of Interest Earnings					

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
CI-9	M	The system must be able to calculate the average daily balance of all sub-accounts for any specified period of time.			
CI-10	M	The system must be able to distribute interest earnings to all sub-accounts in the account. The distribution will be based on either an allocation or a calculation as follows:		Calculation for CI-3.7.	
CI-10.1	M	The system must be able to allocate the interest earnings amount (CI-1.20) to all sub-accounts in the account based on the pro-rata share of the sub-account's average daily balance to the total account's average daily balance.			
CI-10.2	M	The system must be able to apply the yield on investment (CI-1.13) or the interest earnings rate (CI-1.18) to the sub-account's average daily balance to calculate the sub-account's amount of interest earned.			
CI-11	M	The system must be able to calculate the average daily balance of all projects in a sub-account for any specified period of time.			
CI-12	M	The system must be able to distribute interest earnings to all projects in a sub-account. The distribution will be based on either an allocation or a calculation as follows:			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
CI-12.1	M	The system must be able to allocate the interest earnings amount (CI-3.7) to all projects in the sub-account based on the pro-rata share of the project's average daily balance to the total sub-account's average daily balance.			
CI-12.2	M	The system must be able to apply the yield on investment (CI-1.13) or the interest earnings rate (CI-1.18) to the project's average daily balance to calculate the project's amount of interest earned.			
CI-12.3	M	If the yield on investment (CI-1.13) or the interest earnings rate (CI-1.18) exceeds the arbitrage yield of the related debt issue (DM-1.125), the system must allow the user to substitute the arbitrage yield in calculating the interest earnings distribution to the projects in the sub-account.			
CI-12.4	M	If the arbitrage yield of the related debt issue (DM-1.125) is substituted for the yield on investment (CI-1.13) or the interest earnings rate (CI-1.18) (see CI-12.3), the full amount of interest earnings to allocate to projects in the sub-account (CI-3.7) will not be allocated. The user should be prompted to select (or create) the sub-account for distribution of the difference.			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
CI-13	M	The system must have the ability to redirect a project's share of interest earnings to a different sub-account or project.		Need to ALLOCATE to all. May redirect (or not pay) earnings to certain projects.	

NO COSTS ARE TO BE INCLUDED IN THIS SCHEDULE. IF THEY ARE INCLUDED, THIS WILL BE CAUSE FOR PROPOSAL REJECTION.

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
		Derivative Management Requirements			
This section allows system users to maintain an inventory of derivative products and link multiple derivative products to Debt Issues. It serves as a recording tool only. It does not serve as a valuation or structuring tool.					
		This Section has a maximum score of 25			
D-1	D	The system must be able to establish and track derivatives by maintaining key pieces of information about the derivative, including but not limited to:			
D-1.1	D	Fund Number			
D-1.2	D	Program Number			
D-1.3	D	Derivative Number			
D-1.4	D	Derivative Description/purpose			
D-1.5	D	Type		e. g., Forward Delivery, Variable to Fixed Swap, Fixed to Variable Swap	
D-1.6	D	Debt Identification Number		Link to Debt Issuance info; multiple occurrences	
D-1.7	D	Maturity CUSIP Number		Link to Debt Maturity info; multiple occurrences	
D-1.8	D	Authorization Date of Derivative (Effective Date)		Date format	
D-1.9	D	Commencement Date of payments			
D-1.10	D	Payment exchange date(s)		Multiple occurrences. Date format	
D-1.11	D	Notional amount			
D-1.12	D	Underlying Index Name		e. g., LIBOR or SIFMA (BMA)	
D-1.13	D	Underlying Index Rate			
D-1.14	D	Underlying Index Rate Date		Date format	
D-1.15	D	Underlying Formula			
D-1.16	D	Guaranteed interest rate			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
D-1.17	D	Scheduled Termination date of Derivative		Date format	
D-1.18	D	Effective hedge – yes or no		Will include attached documentation of method and calculation used to determine effectiveness. Maintain History	
D-1.19	D	Hedge Evaluation Date		Date format. Maintain History	
D-1.20	D	Provider (Counterparty)		Link to contacts. Maintain History	
D-1.21	D	Effective Date of Provider		Date format. Maintain History	
D-1.22	D	Provider Credit rating		Multiple occurrences. Maintain History	
D-1.23	D	Provider Rating Firm		Multiple occurrences. Maintain History	
D-1.24	D	Fair Market Value		Maintain History.	
D-1.25	D	Fair Market Value Date		Date format. Maintain History.	
D-1.26	D	Unwinding amount (payment)		Input at time of early termination or default	
D-1.27	D	Unwinding date		Date format	
D-1.28	D	Derivative Notes			
D-2	D	**LINK**: The derivative must link to one or more debt issues.			
D-3	D	**LINK**: The derivative must link to one or more specific maturities by using the CUSIP Number.			
D-4	D	The system must be able to track layering of multiple swaps on one or more debt issues.			

NO COSTS ARE TO BE INCLUDED IN THIS SCHEDULE. IF THEY ARE INCLUDED, THIS WILL BE CAUSE FOR PROPOSAL REJECTION.

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
		Modeling Requirements			
This section describes tools to select, extract and subsequently manipulate data through user-friendly methods that are outside the production database. The modeling module should allow the users the ability to monitor the data for potential refunding opportunities and respond to inquiries.					
		This Section has a maximum score of 25			
M-1	D	All fields in the production database must be available in the modeling module.			
M-2	D	The system must be able to establish and track additional information needed to perform various modeling scenarios, including but not limited to:			
M-2.1	D	Issuance Status			
M-2.2	D	Planned Issue Date		Date format	
M-2.3	D	Estimated Capitalized Interest Period			
M-2.4	D	Estimated Capitalized Interest Amount			
M-2.5	D	Estimated Capitalized Interest Rate			
M-2.6	D	Notes			
General					
M-3	D	The system should provide a method to select, extract and subsequently manipulate data through user-friendly methods, such as drop down lists or other selection methods, which do not impact production data.			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
M-4	D	The system should allow the user to run a report or query based on certain criteria and then bring the results into the modeling module.			
M-5	D	The system should have the ability to perform an unlimited number of "what-if" scenarios.			
M-6	D	The system should have the ability to save multiple versions of models.			
M-7	D	The system should allow the user to run a report based on certain criteria and then bring the results into the modeling module.			
M-8	D	The system should provide the ability to move the finalized modeling scenario results into the production database.			
Project Feasibility					
M-9	D	The system should have the ability to calculate the estimated debt service for a project.			
M-10	D	The system should have the ability to structure debt assuming level Debt Service, equal Principal amounts, or based on a revenue stream.			
M-11	D	The system should have the ability to properly size a debt issue based on the following factors:		Jacque's Excel model	
	D	1. Project requirements;			
	D	2. Expenses;			
	D	3. Debt Service Reserve requirements;			
	D	4. Capitalized interest requirements; and			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
	D	5. Equity or other additional source of funding.			
M-12	D	The system should have the ability to calculate the estimated amount of capitalized interest.			
M-13	D	The capitalized interest period and interest rate should be user defined.			
M-14	D	The system should have the ability to size a Debt Service Reserve Fund/Security Deposit requirement based on user defined criteria including but not limited to maximum annual debt service.			
M-15	D	The system should have the ability to calculate expenses that will be paid upfront or over time. For example, administration fees should be calculated as a percentage of debt outstanding and paid as interest is paid.			

NO COSTS ARE TO BE INCLUDED IN THIS SCHEDULE. IF THEY ARE INCLUDED, THIS WILL BE CAUSE FOR PROPOSAL REJECTION.

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
		Reporting Module			
This section defines needs for both ad hoc reporting as well as standard reports.					
		This Section has a maximum score of 50			
General Reporting Requirements					
R-1	M	The system must be capable of producing a report within and across all borrowers, programs, funds, departments, geographic locations, projects, etc. for both specified time periods and as of a specific date.			
R-2	M	The system must allow drill-down reporting capability.			
R-3	M	The system must have the ability to roll-up data at a variety of levels, based on a hierarchy or other tag/flag mechanism.			
R-4	M	All report generation must reference the system security settings and the security clearance of the user requesting the report.			
R-5	M	The system must provide the ability to protect and maintain different versions of reports.			
R-6	M	The system must allow the ability to add footnotes and comments to reports.			
R-7	M	The system must provide the ability to publish reports to a web site in PDF and HTML format.			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
R-8	M	The system must operate in an environment with features and qualities like Microsoft Office tools, for example ability to modify font color, style, bold, etc.			
R-9	M	The system must have the ability to cut/copy and paste from reports into MS Word, Excel, and Access formats.			
R-10	M	The system must provide the ability to extract or export data into a standard format, such as comma delimited and MS Word, Excel, and Access formats.			
R-11	M	The system must provide the ability to allow the user to modify any existing report or query, and save customized versions of standard reports for that user.			
R-12	M	The system must be able to print a blank version of any report.			
Ad Hoc Reporting Requirements					
R-13	M	The system must provide a user-friendly, logical report writer for ad hoc queries and reports. Ad hoc reporting should have the ability to use common word processing/editing features such as wrap around text, font size, etc.			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
R-14	M	The system must allow the ability to produce ad hoc reports, which must include the ability to: select an unlimited number of fields from all the fields in the database, sort on any field, have the ability to have multiple sorts, input selection criteria, select a specific date or range of dates, totaling and subtotaling, ability to create calculated fields.			
R-15	M	The system must provide a report wizard or similar tool to assist users in creating ad hoc reports.			
R-16	M	The system must have the ability to perform queries of the database using any variable and screen-print the results.			
Standard Report Requirements					
R-17	M	The system must provide a set of standard reports at both the debt or project level, including but not limited to the following:			
R-17.1	M	Amortization Schedules:			
R-17.1a	M	Amortization of Premium, Discount, Costs of Issuance, etc.			
R-17.1b	M	Project Repayment Schedule (our receivable)			
R-17.1c	M	Debt Service Schedule for Debt Issue (our payable)			
R-17.1d	M	Debt Service Schedule by Project (our payable)			
R-17.2	M	Arbitrage Calendar			
R-17.3	M	Arbitrage Summary			
R-17.4	M	Authorized but Unissued Debt			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
R-17.5	M	Bill/Invoice to Borrower			
R-17.6	M	Billing Activity Report			
R-17.7	M	Billing Summary			
R-17.8	M	Borrower Five Year History of State Shared Taxes			
R-17.9	M	Borrower Past Due Aging			
R-17.10	M	Calendar of Significant Dates			
R-17.11	M	Call Schedule/Calendar			
R-17.12	M	Cash/Investment Activity Report			
R-17.13	M	Cash/Investment Inventory			
R-17.14	M	Cash/Investment Summary			
R-17.15	M	Collections Activity			
R-17.16	M	Collections Summary			
R-17.17	M	Commercial Paper Activity			
R-17.18	M	Commercial Paper Interest Billing Summary			
R-17.19	M	Commercial Paper Summary			
R-17.20	M	Contact Directory			
R-17.21	M	Current Status of Debt			
R-17.22	M	Current Status of Projects			
R-17.23	M	Debt Activity			
R-17.24	M	Debt Inventory			
R-17.25	M	Debt Service Due			
R-17.26	M	Delinquent Loans			
R-17.27	M	Derivative Activity			
R-17.28	M	Derivative Inventory			
R-17.29	M	Derivative Summary			
R-17.30	M	Disbursements/Payment Activity			
R-17.31	M	Disbursements/Payment Summary			
R-17.32	M	Legislative Authorization Activity			
R-17.33	M	Legislative Authorization Summary			
R-17.34	M	Master Bond Schedule			
R-17.35	M	Maturity Schedule			

Reference Number	Requirement Classification	Business Requirements	Proposer Response	Comments	Hours to Modify
R-17.36	M	Project Activity			
R-17.37	M	Project Authorization Activity			
R-17.38	M	Project Authorization Summary			
R-17.39	M	Project Inventory			
R-17.40	M	Project Summary			
R-17.41	M	Projects on Hold			
R-17.42	M	Projects with expenditures eligible for permanent/long-term financing			
R-17.43	M	Public/Private Use Summary			
R-17.44	M	Receivable Summary			
R-17.45	M	Refunded Summary			
	M	Refunding Maturity (Eligibility for Refunding)			
R-17.46	M	Refunding Summary			
R-17.47	M	Sources and Uses Schedule			
R-17.48	M	Standardized Bill/invoice			
R-17.49	M	Underwriter Activity			
R-17.50	M	"F&A Commissioner Report"		Reports projects in a debt issue by Legislative Authorization Year and Public Chapter.	
R-17.51	M	"Comptroller Report"		Reports department activity by Legislative Authorization Year and Public Chapter including original amount authorized, bonds issued previously, notes repaid decreasing authorization, authorizations rescinded, remaining authorization, commercial paper repaid.	
R-17.52	M	System Reports:			
R-17.52a	M	Interface control report			
R-17.52b	M	Exception report			
R-17.52c	M	Error report			

Contract Attachment G – General Systems Requirements

The Debt Management System General Systems Requirements included in this Contract Attachment G includes general instructions and the detailed requirements.

Contract Attachment G – General Systems Requirements

The DMS General Systems Requirements included in this Contract Attachment G include general instructions and the detailed requirements.

General Systems Requirements Matrix Instructions

Proposers must indicate whether their proposed offering meets the listed requirements by providing a response to each individual requirement using the legend that follows. Areas in gray represent information provided to structure or add context to the requirements and a response code should not be entered. Any requirements that are left blank, or requirements for which responses other than the responses listed below are given, will be evaluated as an "N".

Y – Standard Function

The proposed software provides the requested functionality (data entry, inquiry, report, form, etc.) without screen, code, or design changes. The proposed product can satisfy the requirement without any modification to the standard baseline software offering. Only use Y if the software fully meets the requirement.
Proposers should not be tempted to answer “Y” to all questions to ensure higher compliance.

M – Modification Required

Screen, code, or design modifications must be made to the standard offering to satisfy the specified requirement. A brief explanation must be required to explain any proposed modification. Explanations must be provided in the “Comments” section of the matrix. The explanation must include an assessment of the impact of the modifications on system performance. The fixed fee cost proposal must include the cost associated with all “M” responses including design, coding, testing, installation, and all other costs associated with the modification.

N – Cannot Meet Requirement

The requirement is not available as existing functionality and a modification is not being proposed.

THE PROPOSER CANNOT ANSWER "N" TO A MANDATORY REQUIREMENT.

Q – Query Report/Inquiry

Used as an applicable response, the proposed solution cannot satisfy the reporting/inquiry requirement in the standard baseline software offering as delivered; however, the requirement can be met through the development of a query report using proposed ad hoc reporting tools. This code is listed as an applicable response only in the "Reports, Business Requirements" section.

The Calculation for each Section is:

WEIGHT * PROPOSER RESPONSE VALUE

The number of points given for each Proposer Response is listed in the footer on each requirements page.

How To fill Out the Response Table

the State has provided an Excel spreadsheet that the vendor must use to respond to Contract Attachment G. The proposer must fill in the following, and only the following, items:

- Proposer Name
- Proposer Response
- Comments (NOTE: this is only required when the proposer has entered “M” in the Proposer Response column)
- Hours to Modify (NOTE: this is only required when the proposer has entered “M” in the Proposer Response column)

All other columns are for State use only.

After the proposer has completed all responses to Contract Attachment G, the proposer will include the response in its Technical Proposal by doing the following:

1. Copy the final version, in Excel format, of the Proposer’s response to the CD copies of the Technical Proposal.
2. Print a hard copy version of the same spreadsheet that was copied to the CD, and include it with the proposer’s written Technical Proposal response. NOTE: the content of the CD copy and the hard copy must be the same. In the event of a discrepancy between the two, or the inability of the State to access the electronic version of the spreadsheet, the hard copy shall be deemed the official response for evaluation purposes.

Reference Number	Business Requirements	Weight (Rank)	Proposer Response	Comments
	Online Help Capabilities	**4**		
GS-1	The system shall include an extensive online help capability.			
GS-2	The system's online help capability must be easily accessible.			
GS-3	The system's online help capability must be easily modified by authorized users.			
GS-4	The system must have window level help.			
GS-5	The system must have field level help.			
GS-6	The system must provide indexed help.			
GS-7	The system's online help shall allow a user to print any information when requested.			
	Error Messages	**3**		
GS-8	Error messages should appear in a consistent format across all system modules, for both batch and on-line processing. Specifically, error messages should have like codes, text and screen locations.			
GS-9	The error messages should be integrated with online help function.			
GS-10	The system shall include an extensive online error message capability, which shall be easily accessible and modified by an authorized administrator.			
GS-11	The system shall have detailed error message description.			
	Documentation	**5**		
GS-12	The documentation should include:			
GS-12.1	System documentation, including narrative and flowcharts.			
GS-12.2	System administration procedures, including installation documentation			
GS-12.3	Software upgrades and software patches, must include documentation.			
GS-12.4	Database documentation, including Entity Relationship Diagram, data dictionary, database layout, database set-up procedures.			
GS-12.5	Functional documentation, including narrative and flowcharts.			
GS-12.6	Business procedural documentation			
GS-12.7	Electronic user manual			
	Auditing	**5**		
GS-13	The system must provide the ability to create audit logs of transactions. Each transaction should include, but not limited to, user id, date and time.			

GS-14	The system must provide the ability to produce reports from the audit logs of transactions.			
	Workflow	**5**		
GS-15	The system has the ability for electronic approval process implementation.			
GS-16	The system has the ability for electronic notification of tasks routed for action.			
GS-17	The system has the ability to configure a sequence of events, routing, and users related to each process.			
GS-18	The workflow must work across the integrated modules.			
GS-19	The transaction is not finalized until the approval workflows are complete.			
GS-20	The system should provide an "inbox" for each user with workflow items to be reviewed.			
GS-21	The system must provide for the routing of rejected transactions to any prior approver.			
GS-22	The system must support electronic signature for approvals and rejections.			
GS-23	The system should provide tracking of workflow approvals and rejections.			
GS-24	The system must support user defined transaction status, including approved, rejected, pending, and under consideration.			
GS-25	The workflow destination may be specified as specific users or classes of users within the department or other user defined criteria.			
GS-26	The system must provide for approval authority to be delegated to another user for a specified period of time (to cover vacations, etc.)			
	Data retention	**5**		
GS-27	Data must be available for reporting purposes for a minimum of 5 years and maximum of 35 years.			
GS-28	The system must allow data to be offloaded to storage devices which will allow reporting indefinitely.			
	Data	**4**		
GS-29	The system must allow access to real-time data for all modules.			
GS-30	The system modules are fully integrated. Data must only be required to be input one time.			
GS-31	The system must be structured to allow a hierarchical relationship between funds, programs, authorizations, projects, debt, loans, derivatives and arbitrage, and investments.			

	System Interfaces	**5**		
GS-32	The system must be capable of importing and exporting data between multiple State systems, such as the Treasury system and the Enterprise Resource Planning system.			
GS-33	The system must provide an interface to an ERP system to facilitate the management of invoicing and collection of repayments and allocation and collection of reimbursable expenses from projects.			
GS-34	The system must provide programs which populate all appropriate fields in the database, including replicated data, from interface files created in other systems.			
GS-35	The system must be capable of sharing data files with financial advisor, bond counsel, issuer's counsel and others deemed appropriate.			
	Interfacing with Other Applications	**4**		
GS-36	The system must allow for interfacing with other applications, such as :			
GS-36.1	Third Party Report Generators, such as Crystal Reports			
GS-36.2	Microsoft Excel			
GS-36.3	Microsoft Access, or other database products			
GS-37	The system should provide automatic reconciliation of all exported/imported data.			
GS-38	The system should provide a detailed job activity log.			
GS-39	The system must provide click-through content access to documents created in Microsoft Word or Excel. The system record displays hyperlinks to all associated content items and provides the capability to click-through on the hyperlinks and display the selected content for the transaction.			
GS-40	The system must be compatible with the State's standard imaging software: FileNet Capture Professional 4.x or higher.In addition, the system must be able to link/integrate with IBM/FileNet Content Manager 3.5 or greater. IBM/FileNet software runs on the FileNet P8 platform. See RFP-Attachment 6.1 J.			
GS-41	The system must be capable of integration utilizing the P8 Toolkit for Content Manager with the FileNet-maintained content and/or data through the following FileNet-compatible options:			

GS-41.1	Content Engine: Integration through a Java API.			
GS-41.2	Process Engine:Integration through a Java API.			
GS-41.3	Content/Data in the two previous FileNet environments should also be able to be integrated through Web Service/SOAP-compliant means.			
	General	**3**		
GS-42	The system must perform data validation, calculations, and data lookups consistently through the application.			
GS-43	When entering a code, the system must provide look-up capability. If a code is not currently in the system, the system should inform the user that the code needs to be added and give the user the option to be routed to that screen, given that they have the appropriate security.			
GS-44	The system must provide the ability to add user defined fields as needed over time.			
GS-45	The system must provide for simultaneous usage by at least 15 concurrent users.			
GS-46	The system must accommodate the export of data into a standard format, such as comma delimited, text files, and MS Word, Excel, and Access formats.			
GS-47	The system must provide standard query language capabilities for database queries.			
GS-48	The system must provide a “tickler” function to notify when a call date is approaching, utilizing Groupwise.			
GS-49	The system must provide a "tickler" file function to report on critical reporting and action dates.			
GS-50	The system must be able to send email through the State of Tennessee's existing SMTP email gateway.			
GS-51	The system must be compatible with GroupWise 6.5 or later for external email. Post Office Protocol version 3 (POP3) or Internet Message Access Protocol version 4 (IMAP4) is allowed as long as the application is behind the firewall and uses a Secure Sockets Layer (SSL) scheme.			

GS-52	The system must be able to edit transactions for compliance with procedures, rules, and guidelines of the Comptroller of the Treasury, the State of Tennessee, the Governmental Accounting Standards Board, Department of Treasury, Securities and Exchange Commission, and the Internal Revenue Service.			
GS-53	The system must allow users to save uncompleted information in the event that they are interrupted. The user should be able to return to the screen and finish the transaction.			
GS-54	The system must provide a calendar function for all date fields.			
GS-55	A performance standard of less than 1.5 second transaction response time from screen to screen for 95% of all transactions and less than .5 seconds from field to field is required during User Acceptance Testing and during the first month of each implementation of a production version.			
	Security	**5**		
GS-56	The system must conform to International Standards Organization (ISO) standards, National Institute of Standards, and the American National Standards Institute.			
GS-57	The system must provide a common security function across all modules.			
GS-58	The system should accommodate centralized security administration.			
GS-59	The system must provide multi-level security controls to prevent unauthorized use of system and corruption of data, restrict access to the database, maintain database process controls, and log all database transactions. Support access restriction capability to:			
GS-59.1	Application module			
GS-59.2	Screens or processes by assigned user roles			
GS-59.3	Role based (Functions performed by personnel)			
GS-59.4	Data Elements			

GS-59.5	User roles and responsibility levels apply to data entry, viewing, reporting, and database access.			
GS-59.6	Electronic Documents			
GS-59.7	Business Events			
GS-60	Standard reports and reports generated by the ad hoc report writer comply with the user's security profile and not display data that would violate that profile.			
GS-61	The system must have the ability to create a User ID with a fixed activation and expiration date.			
GS-62	The system must have the capablity to restrict access by an individual user ID and password.			
GS-63	The system security must provide the ability for non-state personnel to access the System, such as the Financial Advisor or Bond Counsel.			
GS-64	The system must provide the ability for the security administrator to log out users when necessary.			
GS-65	The system security must provide the ability for security administrator to inquire on the various objects that a specific user can access.			
GS-66	The system security must provide the ability for security administrator to view the users' specific access rights or levels.			
GS-67	The system security must immediately log out any user who attempts to breach any predefined security parameter.			
GS-68	The system should automatically generate a report to the security administrator when a user attempts to breach predefined system security parameters.			
GS-69	The system must record Unsuccessful Logon attempts, and retain the information for the length of time predefined by the security administrator.			
GS-70	The system must issue an alert to the user and notify the security administrator after a predefined number of unauthorized log on attempts.			
GS-71	The system shall disable a logon if an unsuccessful password entry is attempted after a predefined number of unsuccessful attempts.			
GS-72	The system shall automatically inactivate a system User ID after a predefined period of inactivity (days/weeks).			
GS-73	The system shall provide the ability to integrate with network security to allow single signon system access through the network and the application.			

GS-74	The system must provide the ability to automatically suspend all user access when a User ID is terminated.			
GS-75	The system must include the ability to define user security roles.			
GS-76	The system must allow the ability to assign multiple users to a single role.			
GS-77	The system must require a User password.			
GS-78	The password should be encrypted so that it is not viewed when entered.			
GS-79	The security table will be encrypted and not allow for viewing of password information.			
GS-80	The system allows a security administrator-defined timeframe for which passwords will expire if not changed.			
GS-81	The system must provide password expiration prompt at least five (5) days prior to actual expiration.			
GS-82	Once a password has expired, the system allows the user (with a final warning) one more login attempt to change their password.			
GS-83	The system allows the Security Administrator to reset passwords without knowing the existing password.			
GS-84	The software must be able to be configured to have a set number of unsuccessful logins that can be attempted for a UserID.			
GS-85	The system should provide the ability for the Security Administrator to log out users when necessary to perform maintenance or other activities that require users to leave the system.			
GS-86	The system should provide the ability to inquire and report on individual User IDs and user profiles.			
GS-87	The system must log all transactions, as they are selected, by User ID.			
GS-88	The system provides historical records (log file) of updates, including the User ID who made the change and the actual change.			
GS-89	The system must provide the ablity to store user credential and security groups within an LDAP directory (Active Directory, NDS, etc.)			
GS-90	The application should utilize external security controls, such as firewalls, port protection devices, and host-based authentication.			
GS-91	The application must support layered security technology and configuration based on role, risk, sensitivity, and access control rules.			

GS-92	The software must support security event monitoring and auditability.			
GS-93	The system should provide the ability to establish standard "user profiles" from which individual user ids may inherit privileges.			
GS-94	The system must provide that all transactions which transmit passwords or user account names must be encrypted.			
GS-95	The system must restrict technical administrative functions to a non-root user level or administrator-equivalent level.			
GS-96	The system must provide a record or file encryption using 3DES (Triple DES) standards.			
	Availability/Accessibility	**2**		
GS-97	The system must be accessible to the system users 24 by 7, except for normal downtime for maintenance.			
GS-98	The system will be accessible from all state offices of the Comptroller of the Treasury throughout the state.			
GS-99	The system must be accessible from remote locations, including an employee's home.			
GS-100	The system must allow an employee to access the system from any computer across the state on the network.			
GS-101	The system must be capable of being accessed by the financial advisor, bond counsel, issuer’s counsel and others deemed appropriate, with the appropriate security settings.			
	Scalability / Flexibility	**4**		
GS-102	A single installation of the system must accommodate any number of programs and reporting entities.			
GS-103	The system should be able to perform efficiently with an unlimited number of projects. There are currently 3000 projects. The life of a project can be 30 years. Approximately 150 new projects are added per year. The system must have the capacity to perform given these statistics.			
GS-104	Business rules and methods must be implemented in a manner to allow for the addition of rules and methods without impacting upon previously established or customized selections.			

GS-105	The software architecture and database design should allow the unlimited addition or deletion of list values for table-driven fields by the users.			
	Hardware	**3**		
GS-106	The hardware required for the operation of this application must be compatible with State of Tennessee standard hardware. See RFP Attachment 6.1 D.			
	Software	**3**		
GS-107	Any additional software required for this system must be compatible with the State of Tennessee standard software and network.See RFP Attachment 6.1 D.			
GS-108	The system must provide for load balancing.			
	Database Management	**5**		
GS-109	The system should have the ability to lock records at row level in the database.			
GS-110	The system must use relational database technology.			
GS-111	The software must use the State standard network databases, Oracle or MS SQL Server. Databases such as Microsoft Access or FoxPro are unacceptable.			
GS-112	The database management software required for the system shall rely on stored procedures, triggers to support data integrity, referential integrity, replication, security, and access rights.			
GS-113	The system shall provide for automatic full backups of both file systems and database tables.			
GS-114	Parent and child transactions shall be linked for the purpose of data entry and inquiry, and provides the ability to go directly to the source through the use of a relational database structure.			
	Architecture	**3**		
GS-115	The application should operate in a Windows environment, utilizing an n-tier architecture.			
GS-116	The application should utilize the thin client architecture.			
GS-117	The system must support:			
GS-117.1	Standard message based API's			
GS-117.2	Graphical User Interface			
GS-117.3	Enterprise Workflow			
GS-117.4	Application Server			

GS-117.5	Report Server			
GS-118	The system must use State standard TCP/IP communication protocol.			
GS-119	The system must be able to accommodate deployment of the database on a physically separate database server behind the State's firewall accessible only via the application.			
	User Interface	**4**		
GS-120	The system should provide a consistent graphical user interface for all components of the system.			
GS-121	The system should have consistent use of controls.			
GS-122	The system should allow for paging backwards or forwards through screens.			
GS-123	Within a menu, the user should be able to return to the previous screen or menu.			
GS-124	The system must provide the authorized user with the online capability to "drill down" from summary information to supporting detail information where appropriate.			
GS-125	The system should use a standard and consistent format for date fields and any other replicated field across all screens.			
GS-126	The system should use drop-down lists of valid values for applicable fields.			
GS-127	The system should provide automatic input from popup tables.			
GS-128	The system should support cut and paste for copying data between windows.			
GS-129	The system should provide user-defined fields for the capture of data specific to the needs of the Comptroller of the Treasury.			
GS-130	The system should contain an on-line calculator tool which can insert a calculated value into a numeric value field.			
GS-131	The system should allow other electronic documents to be attached to input screens within the system, such as the Official Statement.			
GS-132	The system must allow complete validation and editing of data at the point of entry based on user defined criteria.			

Contract Attachment H – Project Management Services

Scope of Proposer Project Management Services

The Proposer shall address its approach and provide a narrative response regarding the following services in its proposal. Complete specifications for the services addressed by the RFP are detailed in Section A, Scope of Services, of RFP Attachment 6.1, *Pro Forma* Contract.

H.1. Project Management

Project Management Approach

The Proposer shall describe its approach to project management including the provision for an experienced Project Manager who will be accountable for the services and deliverables provided under the contract resulting from this RFP, and who will report to the State's project manager and work closely with the State's program manager to ensure the on-time quality delivery and successful implementation of a system that meets the State's requirements.

The Proposer shall describe the following: The project management tools, standards, controls, and procedures that will be utilized to create a proven, reliable process to deploy the system and a brief description of the Proposer's approach for managing the project on a daily basis.

The Proposer shall align with the Comptroller's IT Project Methodology in the development of its approach to the DMS Project. Please see Contract Attachment 6.11, Comptroller of the Treasury IT Project Methodology, for information regarding the project methodology and associated deliverables.

The Proposer shall describe how it will deploy its Project Methodology in the framework of the Comptroller's project methodology, particularly as it relates to the implementation of commercial off-the-shelf product implementations.

The Proposer's description of the approach shall address all Proposer staffing for the Initiation/Planning, Design, Construction, and Implementation phases identified by the State in RFP Section A, Scope of Services. Each resource identified in Section H.2 shall have a resume included with their experience relevant to this type of project. A list of their skills shall also be included. It will reflect how the Proposer would best plan and direct team resources to best deliver the goals and objectives of the project as provided by the State in RFP Attachment 6.1.B, and the deliverables of the project as defined in Pro Forma Contract Section A.

The Proposer's completion of the "Project Schedule", using the form provided in Section H.2. Information about the project and the State's plans are included in RFP Section 1.0 and RFP Attachments 6.1 B.

The intent of this discussion is to provide assurance to the State, of the Proposer's demonstrated ability to manage large, complex software projects in a manner that ensures quality, project success, long-term viability, and optimal cost of ownership.

H.2 Project Schedule

The Proposer must provide a realistic schedule for implementing the Debt Management System. It is the State's goal to have a Go-Live date of July 1, 2009.

ID	Deliverable	Start Date	Initial Delivery Date	Final Signoff Date	Total Hours	Resource Name	Resource Role	Resource Hours
	Initiation/Planning Phase							
1.1	Master Project Workplan							
1.2	Project Plan							
1.3	Product Requirements Document							
1.4	Product Test Plan							
1.5	Fit/Gap Analysis							
1.6	Business Process Workflow Analysis							
1.7	Quality Management Plan							
	Design Phase							
2.1	Base Software Installation							
2.2	System Administration Procedures							
2.3	Design Specifications							
2.4	Implementation Plan							
2.5	Training Plan							
	Construction Phase							
3.1	Support & Maintenance Plan							
3.2	Training Materials							
3.3	Technical & User Documentation							
3.4	Fully Functional Software Installation							
	Implementation Phase							
4.1	Training and evaluations completed							
4.2	Closure Report							
4.3	Ongoing Support Organization Structure and Job Descriptions							
4.4	State Acceptance & Written Approval Form							

Instructions:

For each of the key deliverables per phase listed above, the key dates and all the proposer resources that help prepare the deliverables must be identified. A definition of each column is as follows:

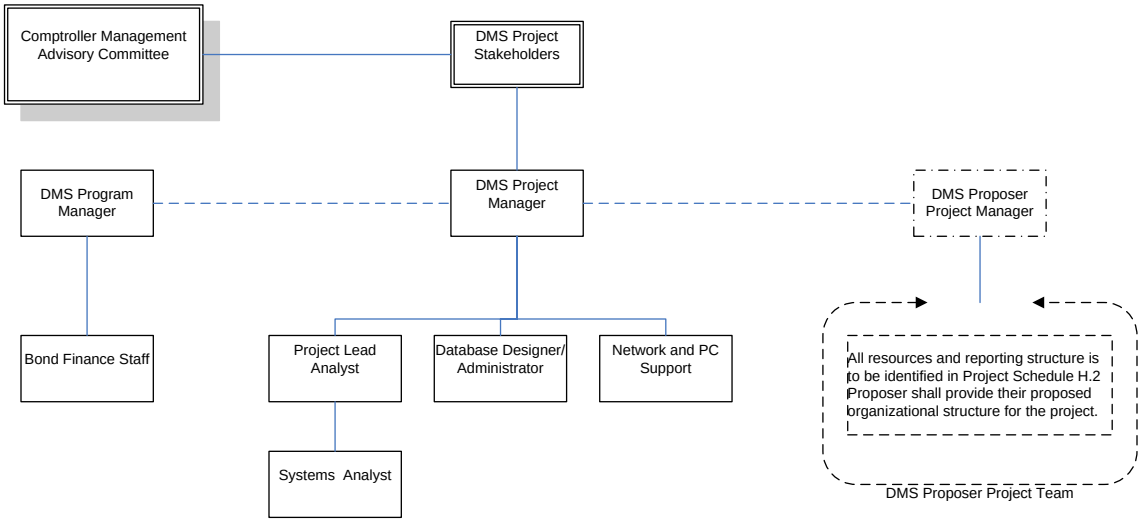
Column Name	Definition
ID	The letter identifying the deliverable.
Deliverable Name	The name of the deliverable
Start Date	The proposer's proposed start date for this document.
Initial Delivery Date	The date the completed deliverable is initially provided to the State of Tennessee's project team.
Final Signoff Date	The date the finalized document is approved by the State of Tennessee's project team.
Total Hours	The total number of actual hours the proposer estimates will be needed to prepare the deliverable.
Resource Name	The name of the resource from the Proposer's project team assigned to the deliverable. If multiple resources are assigned to a task, they should be listed on separate lines.
Resource Role	The role of the Proposer's project team resource. Examples of roles are Project Manager, Programmer, or Database Designer.
Resource Hours	The number of hours that the proposer estimates that a resource/role will work on the deliverable. The total number of the Resource Hours should equal the Total number of Hours.

Sample:

A sample partial Project Schedule is as follows:

ID	Phase	Start Date	Initial Delivery Date	Final Signoff Date	Total Hours	Resource Name	Resource Role	Resource Hours
	Initiation/Planning Phase							
1.1	Master Project Workplan	4/1/08	4/8/08	4/22/08	40	John Smith	Project Manager	30
						Joe Jones	Programmer/Analyst	10
1.2	Project Plan	4/14/08	4/17/08	4/30/08	40	John Smith	Project Manager	40

H.3 Project Organization



- A FileNet P8 Certified Developer is required as a member of the DMS Proposer Project Team to develop all interfaces to the ECM system which is referred to in General Systems Requirement GS-40 – GS 41.3.

H.4 Project Management Responsibilities

Description of Project Management Responsibilities

The Proposer's Project Manager shall work closely with the State Project Manager and Program Manager to ensure that the project is appropriately planned and tasked within the documented scope, that the tasks are executed in a cost-conscious manner to ensure quality and timeliness, and that all project goals are met.

The responsibilities of the Proposer's Project Manager include, but are not limited to:

- Acts as the principal point of contact for the Vendor Product and Vendor Services for the Initiation/Planning, Design, Construction, and Implementation Phases.
- Coordinates with the State Project Manager and Program Manager to establish project communications between the Vendor and the project team.
- Manages overall execution of the Vendor Contract.
- Ensures consistency between engagement objectives and project plan.
- Reviews prior planning documents, proving or disproving earlier assumptions to move the project forward.
- Defines the detail plan for implementation of the Proposer Contract during the Design and Construction phases, identifying Proposer resources, schedule, and performance measures.
- Obtains appropriate Proposer resources for the project as needed.
- Reports project status to the State Project Manager and Program Manager.
- Monitors and reports compliance with the proposed project schedule and associated commitments defined in this RFP document (Contract Attachment D).
- Assists with and guides State in transition of all elements necessary for a fully functioning system in the Production environment, including software, data, and processes.
- Oversees the quality of Proposer training to ensure that State employees are prepared to operate and maintain the system at transition.

- Mentors State staff to ensure adequate State experience and knowledge of the system by the transition time.

- Required Knowledge/Skills
  - Management skills
  - Strong leadership, communication, and listening skills
  - Manages people in stressful situations
  - Integration between functional, technical and support teams
  - Leader and a coach to project team members

H.5 Project Phases

The Proposer shall describe its approach to the Initiation/Planning, Design, Construction, and Implementation Phases. The Proposer shall also describe the nature of any post-implementation (Warranty Period) and ongoing support. The description should describe:

- the resources which will be assigned to complete those deliverables outlined in Section H.2
- the methodology which will be used to complete those deliverables.
- the job descriptions and organization structure for roles and responsibilities to support the system from the Division of Bond Finance and Office of Management Services Information Technology.

H.6 Approach to Modifications

The Proposer shall describe its approach to modifying their software in order to meet the State's mandatory requirements.

H.7 Approach to Verify Staff Credentials

The Proposer shall describe its approach used to verify the credentials of perspective staff.

Contract Attachment I – Attestation Re Personnel Used in Contract Performance

ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE

SUBJECT CONTRACT NUMBER:	
CONTRACTOR LEGAL ENTITY NAME:	
FEDERAL EMPLOYER IDENTIFICATION NUMBER: (or Social Security Number)	

The Contractor, identified above, does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.

_____

SIGNATURE & DATE:
NOTICE: This attestation MUST be signed by an individual empowered to contractually bind the Contractor. If said individual is not the chief executive or president, this document shall attach evidence showing the individual's authority to contractually bind the Contractor.

Contract Attachment J – Enterprise Content Management (Filenet P8 Content Manager Suite)

Enterprise Content Management, ECM, is an Enterprise System managed and maintained by the Finance & Administration Office for Information Resources. This system was built using the FileNet P8 Content Manager Suite of products. The current environments include the following core components:

Content Manager 3.5.2
Business Process Manager 3.5.2
Forms Manager 3.5

FileNet Capture Professional 5.1 is the current standard for acquiring and indexing digital and paper-based content. Customized Capture applications will be required to utilize the Capture development toolkit.

A development, test, production, and disaster recovery environment are provided as a part of the ECM environment. The environments are infrastructure only environments and do not house any custom applications.

ATTACHMENT 6.2

PROPOSAL TRANSMITTAL AND STATEMENT OF CERTIFICATIONS AND ASSURANCES

The Proposer must complete and sign this Proposal Transmittal and Certifications and Assurances. It must be signed, in the space below, by an individual empowered to bind the proposing entity to the provisions of this RFP and any contract awarded pursuant to it. If said individual is not the Proposer's chief executive or president, this document shall attach evidence showing the individual's authority to bind the proposing entity.

Any contract resulting from this RFP process shall incorporate this *Proposal Transmittal and Statement of Certifications and Assurances* by reference as a part of said contract (refer to *pro forma* contract "Special Terms and Conditions").

PROPOSER LEGAL ENTITY NAME:	
PROPOSER FEDERAL EMPLOYER IDENTIFICATION NUMBER: (or Social Security Number)	

The Proposer does hereby affirm and expressly declare confirmation, certification, and assurance of the following:

1) This proposal constitutes a commitment to provide all services as defined in the RFP Attachment 6.1, *Pro Forma* Contract Scope of Services for the total contract period and confirmation that the Proposer shall comply with all of the provisions in this RFP and shall accept all terms and conditions set out in the RFP Attachment 6.1, *Pro Forma* Contract.
2) The information detailed in the proposal submitted herewith in response to the subject RFP is accurate.
3) The proposal submitted herewith in response to the subject RFP shall remain valid for at least 120 days subsequent to the date of the Cost Proposal opening and thereafter in accordance with any contract pursuant to the RFP.
4) The Proposers shall comply with:
   a) the laws of the State of Tennessee;
   b) Title VI of the federal Civil Rights Act of 1964;
   c) Title IX of the federal Education Amendments Act of 1972;
   d) the Equal Employment Opportunity Act and the regulations issued there under by the federal government;
   e) the Americans with Disabilities Act of 1990 and the regulations issued there under by the federal government;
   f) the condition that the submitted proposal was independently arrived at, without collusion, under penalty of perjury; and,
   g) the condition that no amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Proposer in connection with the Procurement under this RFP.
5) The Proposer shall provide a performance bond in accordance with the requirements of the RFP.

PRINTED NAME:		**DATE:**	

SIGNATURE & TITLE:

Signature Title

ATTACHMENT 6.3

TECHNICAL PROPOSAL & EVALUATION GUIDE — SECTION A	
PROPOSER NAME:	

SECTION A — MANDATORY REQUIREMENTS

The Proposer must address ALL Mandatory Requirements section items and provide, in sequence, the information and documentation as required (referenced with the associated item references). The RFP Coordinator will review all general mandatory requirements, including but not limited to the following:

- **Proposal received on or before the Proposal Deadline.**
- **Technical Proposal copies and Cost Proposal packaged separately.**
- **Technical Proposal contains NO cost data.**
- **Proposer did NOT submit alternate proposals.**
- **Proposer did NOT submit multiple proposals in a different form.**
- **Technical Proposal does NOT contain any restrictions of the rights of the State or other qualification of the proposal.**

The RFP Coordinator will also review the proposal to determine if the Mandatory Requirement Items (below) are met and mark each with pass or fail. For each requirement that is not met, the Proposal Evaluation Team must review the proposal and attach a written determination.

Any contract resulting from this RFP process shall incorporate by reference the respective proposal responses to all items below as a part of said contract (refer to *pro forma* contract "Special Terms and Conditions").

NOTICE: In addition to these requirements, the State will also evaluate compliance with ALL RFP requirements.

Proposal Page # (to be completed by Proposer)	Mandatory Requirement Items	State Use ONLY Pass/Fail
	A.1 Provide the Proposal Transmittal and Statement of Certifications and Assurances (detailed in RFP Attachment 6.2) completed and signed, in the space provided, by an individual empowered to bind the Proposer to the provisions of this RFP and any resulting contract. ***Each Proposer <u>must</u> sign the Proposal Transmittal and Statement of Certifications and Assurances without exception or qualification.***	
	A.2 Provide the following as documentation of financial responsibility and stability. • a current written bank reference, in the form of a standard business letter, indicating that the proposer's business relationship with the financial institution is in positive standing • two current written, positive credit references, in the form of standard business letters, from vendors with which the proposer has done business or, documentation of a positive credit rating determined by a accredited credit bureau within the last 6 months	

	A.3 Provide a statement of whether the Proposer or any individual who shall perform work under the contract has a possible conflict of interest (*e.g.,* employment by the State of Tennessee) and, if so, the nature of that conflict. ***Any questions of conflict of interest shall be solely within the discretion of the State, and the State reserves the right to cancel any award.***	

TECHNCIAL PROPOSAL & EVALUATION GUIDE — SECTION B	
PROPOSER NAME:	
SECTION B — QUALIFICATIONS & EXPERIENCE	
The Proposer must address ALL Qualifications and Experience section items and provide, in sequence, the information and documentation as required (referenced with the associated item references). **The Proposer must address ALL Technical Approach section items and provide, in sequence, the information and documentation as required (referenced with the associated item references). A Proposal Evaluation Team, made up of three or more State employees, will independently evaluate and score the proposal's response to each item. Each evaluator will use the following whole number, raw point scale for scoring each item:** **0 = little value 1=poor 2=fair 3=satisfactory 4=good 5=excellent** **THE STATE RESERVES THE RIGHT TO REJECT ANY OR ALL PROPOSALS BASED ON APPARENT RISK.** **Any contract resulting from this RFP process shall incorporate by reference the respective proposal responses to all items below as a part of said contract (refer to *pro forma* contract "Special Terms and Conditions").**	
Proposal Page # (to be completed by Proposer)	**Qualifications & Experience Items**
	B.1 Business Identification and Structure **B.1-A** Describe the Proposer's form of business (*i.e.*, individual, sole proprietor, corporation, non-profit corporation, partnership, limited liability company). **B.1-B** Describe the Proposer organization's number of employees, client base, and location of offices. **B.1-C** Detail the name, mailing address, and telephone number of the person the Comptroller of the Treasury should contact regarding the proposal. There must be one primary contact for the proposal.
	B.2 Mergers and Acquisitions Provide a statement of whether there have been any mergers, acquisitions, or sales of the Proposer company within the last ten years, and if so, an explanation providing relevant details.
	B.3 Provide a statement of whether the Proposer or any of the Proposer's employees, agents, independent contractors, or subcontractors have been convicted of, pled guilty to, or pled *nolo contendere* to any felony, and if so, an explanation providing relevant details.

Proposal Page # (to be completed by Proposer)	Qualifications & Experience Items
	B.4 Litigation Provide a statement of whether there is any pending litigation against the Proposer; and if such litigation exists, an attached opinion of counsel as to whether the pending litigation will impair the Proposer's performance in a contract under this FP.
	B.5 Financial Condition Provide a statement of whether, in the last ten years, the Proposer company has filed (or had filed against it) any bankruptcy or insolvency proceeding, whether voluntary or involuntary, or undergone the appointment of a receiver, trustee, or assignee for the benefit of creditors, and if so, an explanation providing relevant details.
	B.6 Provide a statement of whether there are any pending Securities & Exchange Commission investigations involving the Proposer, and if such are pending or in progress, an explanation providing relevant details and an attached opinion of counsel as to whether the pending investigation(s) will impair the Proposer's performance in a contract under this RFP.
	B.7 Credentials and Qualifications Provide a brief, descriptive statement indicating the Proposer's credentials to deliver the services sought under this RFP.
	B.8 Experience Briefly describe how long the Proposer has been performing the services required by this RFP and include the number of years in business.
	B.9 Business Recovery Provide a statement of whether the Proposer has a current business resumption plan? How often is the plan reviewed and updated?
	B.10 Subcontractor Responsibility Provide a statement of whether the Proposer intends to use subcontractors, and if so, the names and mailing addresses of the committed subcontractors and a description of the scope and portions of the work the subcontractors will perform.

Proposal Page # (to be completed by Proposer)	Qualifications & Experience Items
	B.11 Diversity Provide documentation of Proposer commitment to diversity as represented by its business strategy, business relationships, and workforce — this documentation should detail: ▪ a description of the Proposer's existing programs and procedures designed to encourage and foster commerce with business enterprises owned by minorities, women, persons with a disability and small business enterprises ▪ a listing of the Proposer's current contracts with business enterprises owned by minorities, women, persons with a disability and small business enterprises, including the following information: o contract description and total value o contractor name and ownership characteristics (*i.e.*, ethnicity, sex, disability) o contractor contact and telephone number ▪ an estimate of the level of participation by business enterprises owned by minorities, women, persons with a disability and small business enterprises in a contract awarded to the Proposer pursuant to this RFP, including the following information: o participation estimate (expressed as a percent of the total contract value that will be dedicated to business with subcontractors and supply contractors having such ownership characteristics) o descriptions of anticipated contracts o names and ownership characteristics (*i.e.*, ethnicity, sex, disability) of anticipated subcontractors and supply contractors anticipated ▪ the percent of the Proposer's total current employees by ethnicity, sex, and disability ***Proposers that demonstrate a commitment to diversity will advance State efforts to expand opportunity to do business with the State as contractors and sub-contractors. Proposal evaluations will recognize the positive qualifications and experience of a Proposer that does business with enterprises owned by minorities, women, persons with a disability and small business enterprises and that offers a diverse workforce to meet service needs.***
	B.12 References Provide at least three (3), <u>but no more than six (6)</u>, customer references for similar projects. At least one (1) of these references must be for the Proposer submitting a proposal under this RFP. If the Proposer is using one or more subcontractors, the Proposer must provide at least one (1) reference for each subcontractor proposed. To the extent possible, these references should be selected to represent projects of similar size and complexity to the project described in this RFP. All references submitted must be for projects either currently underway, or, if the project is complete, it must have been completed within the last five (5) years. The Proposer may **NOT** submit more than six (6) references in response to this section. If the Proposer does submit more than six references, the State will **<u>randomly</u>** select six for evaluation purposes. Note that for purposes of applying

Proposal Page # (to be completed by Proposer)	Qualifications & Experience Items
	this limit, State of Tennessee references, which are described in Item B.13 below, are not included in the count. **The State of Tennessee references, if any, are in <u>addition</u> to the six references provided.** As long as the Proposer meets the requirements stated above, the Proposer may submit any combination or number of references (up to the limit of six) for itself and its subcontractors, that the Proposer believes best represents the qualifications of the Proposer's project team. The references shall be provided to the State in the form of two questionnaires that have been fully completed by the individual providing the reference. The State has included the reference questionnaires to be used, as RFP Attachments 6.7. **The Proposer must use the appropriate form(s) for each project, or exact duplicates thereof.** The Proposer will be solely responsible for obtaining the fully completed reference questionnaires, and for including them with the Proposer's sealed Technical Proposal. In order to obtain and submit the completed reference questionnaires, the Proposer shall follow the process detailed below exactly: 1. Proposer makes an exact duplicate of the State's forms, as they appear in RFP Attachment 6.7; Proposer sends the copy of the form to the reference it has chosen, along with a new, standard #10 envelope; 2. Proposer directs the person completing the reference questionnaire to complete the form in its entirety, sign and date it, and seal it within the provided envelope. The person may prepare a manual document or complete the exact duplicate Word document and print the completed copy for submission. After sealing the envelope, the person providing the reference <u>must sign his or her name in ink across the sealed portion of the envelope</u> and return it directly to the Proposer. The Proposer will give the reference provider a deadline, such that the Proposer will be able to collect all references in time to include them within the sealed Technical Proposal. 3. When the Proposer receives the sealed envelopes from the reference providers, the Proposer will not open them. Instead, the Proposer will enclose all of the unopened reference envelopes in an easily identifiable larger envelope and will include this envelope as a part of the written Technical Proposal. Therefore, when the State opens the Technical Proposal box, the State will find a clearly labeled envelope enclosed, which contains all of the sealed reference envelopes. The State will base its reference evaluation on the contents of these envelopes. **<u>The State will not accept late references or references submitted through any other channel of submission or medium, whether written, electronic, verbal, or otherwise.</u>** **<u>The State reserves the right to contact any reference with questions to clarify the information provided in the questionnaire.</u>**
	B.13 Current Contracts with the State of Tennessee Provide a list, if any, of all current contracts with the State of Tennessee including those completed within the previous five-year period. This request applies to the primary Proposer and any subcontractors that are included in the proposal. The list of contracts with the State of Tennessee must include: 1. the procuring state agency for each reference; and

Proposal Page # (to be completed by Proposer)	Qualifications & Experience Items
	2. the contract term; and 3. the contract number; and 4. the name, title, telephone number, and e-mail address of the person responding (a State contact knowledgeable about the project work); and 5. a brief description of the service provided and the period of service. ***Each evaluator will generally consider the results of reference inquiries by the State regarding all references provided (both state and non-state). Current or prior contracts with the State are not a prerequisite and are not required for the maximum evaluation score possible. The existence of such contracts with the State will not automatically result in the addition or deduction of evaluation points.***
(*Maximum Section B Score = 100*)	
SCORE *(for all Section B items above, B.1 through B.13)*:	

PROPOSAL & EVALUATION GUIDE — SECTION C

PROPOSER NAME:	

SECTION C — TECHNICAL APPROACH – PART A (General Systems Requirements)

The Proposer must respond to RFP Attachment Detail Level General Systems Requirements, Attachment 6.1 G. For this section, the Proposer must provide its response in the Excel file provided, and must provide both an electronic submission of the file in Excel format, and a printed copy of the same Excel file in its proposal. The permissible responses for each requirement and other required information for submission are shown on the worksheet. The permissible vendor response codes are: Y=Standard Function, M=Modification Required, N=Cannot Meet, Q=Query Report/Inquiry.

The Proposer must address ALL Technical Approach section items and provide, in sequence, the information and documentation as required (referenced with the associated item references). A Proposal Evaluation Team, made up of three or more State employees, will independently evaluate and score the proposal's response to each item. Each evaluator will use the following whole number, raw point scale for scoring each item:

0 = little value ***1 = poor*** ***2 = fair*** ***3 = satisfactory*** ***4 = good*** ***5 = excellent***

The RFP Coordinator will multiply each item score by the assigned weight with the product being the item's raw weighted score for purposes of calculating the section score as detailed at the end of this table.

Any contract resulting from this RFP process shall incorporate by reference the respective proposal responses to all items below as a part of said contract (refer to *pro forma* contract "Special Terms and Conditions").

Proposal Page # (to be completed by Proposer)	Technical Approach Items (General Systems Requirements)	State Use ONLY		
		Score	Item Weight	Raw Weighted Score
	C.a.1.1 Respond to the General Systems Requirements section of the RFP Attachment 6.1 G.			
	C.a.1.1.1 Respond to the **Online Help Capabilities** Requirements section of the RFP Attachment 6.1 G, General Systems Requirements		4	
	C.a.1.1.2 Respond to the **Error Messages** Requirements section of the RFP Attachment 6.1 G, General Systems Requirements		3	
	C.a.1.1.3 Respond to the **Documentation** Requirements section of the RFP Attachment 6.1 G, General Systems Requirements		5	
	C.a.1.1.4 Respond to the **Auditing** Requirements section of the RFP Attachment 6.1 G, General Systems Requirements		5	
	C.a.1.1.5 Respond to the **Workflow** Requirements section of the RFP Attachment 6.1 G, General Systems Requirements		5	

	C.a.1.1.6 Respond to the **Data Retention** Requirements section of the RFP Attachment 6.1 G, General Systems Requirements		5	
	C.a.1.1.7 Respond to the **Data** Requirements section of the RFP Attachment 6.1 G, General Systems Requirements		5	
	C.a.1.1.8 Respond to the **System Interfaces** Requirements section of the RFP Attachment 6.1 G, General Systems Requirements		5	
	C.a.1.1.9 Respond to the **Interfacing with Other Applications** Requirements section of the RFP Attachment 6.1 G, General Systems Requirements		4	
	C.a.1.1.10 Respond to the **General** Requirements section of the RFP Attachment 6.1 G, General Systems Requirements		3	
	C.a.1.1.11 Respond to the **Security** Requirements section of the RFP Attachment 6.1 G, General Systems Requirements		5	
	C.a.1.1.12 Respond to the **Availability/Accessibility** Requirements section of the RFP Attachment 6.1 G, General Systems Requirements		2	
	C.a.1.1.13 Respond to the **Scalability/Flexibility** Requirements section of the RFP Attachment 6.1 G, General Systems Requirements		4	
	C.a.1.1.14 Respond to the **Hardware** Requirements section of the RFP Attachment 6.1 G, General Systems Requirements		3	
	C.a.1.1.15 Respond to the **Software** Requirements section of the RFP Attachment 6.1 G, General Systems Requirements		3	
	C.a.1.1.16 Respond to the **Database Management** Requirements section of the RFP Attachment 6.1 G, General Systems Requirements		5	
	C.a.1.1.17 Respond to the **Architecture** Requirements section of the RFP Attachment 6.1 G, General Systems Requirements		3	
	C.a.1.1.18 Respond to the **User Interface** Requirements section of the RFP Attachment 6.1 G, General Systems Requirements		4	
Total Raw Weighted Score			73	
Total Maximum Weighted Score		**5**	73	**365**

Total Raw Weighted Score **365** **total maximum weighted score** *(i.e., 5 x the sum of item weights above)*	**X 100**	**= SCORE:**	

PROPOSAL & EVALUATION GUIDE — SECTION C

PROPOSER NAME:	

SECTION C — TECHNICAL APPROACH, PART B (Business Requirements)

The Proposer must address ALL Technical Approach Part B (Business Requirements) per Attachment 6.1 F and provide, in sequence, the information and documentation as required (referenced with the associated item references). For this section, the Proposer must provide its response in the Excel file provided, and must provide both an electronic submission of the file in Excel format, and a printed copy of the same Excel file in its proposal. The permissible responses for each requirement and other required information for submission are shown on the worksheet. The permissible vendor response codes are: Y=Standard Function, M=Modification Required, N=Cannot Meet, Q=Query Report/Inquiry .

A Proposal Evaluation Team, made up of three or more State employees, will independently evaluate and score the proposal's response to each item. Each evaluator will use the following whole number, raw point scale for scoring each item:

0 = little value ***1 = poor*** ***2 = fair*** ***3 = satisfactory*** ***4 = good*** ***5 = excellent***

The RFP Coordinator will multiply each item score by the assigned weight with the product being the item's raw weighted score for purposes of calculating the section score as detailed at the end of this table.

Any contract resulting from this RFP process shall incorporate by reference the respective proposal responses to all items below as a part of said contract (refer to *pro forma* contract "Special Terms and Conditions").

Proposal Page # (to be completed by Proposer)	Technical Approach Items (Business Requirements)	State Use ONLY		
		Score	Item Weight	Raw Weighted Score
	C.b.1 Provide a narrative that illustrates the Proposer's understanding of the Debt Management System business requirements.		4	
	C.b.1.1 Respond to the **Global** Requirements section of the RFP Attachment 6.1 F, Detail Business Requirements.		8	
	C.b.1.2 Respond to the **Fund and Program Management** Requirements section of the RFP Attachment 6.1 F, Detail Business Requirements.		8	
	C.b.1.3 Respond to the **Legislative Authorization** Requirements section of the RFP Attachment 6.1 F, Detail Business Requirements.		15	
	C.b.1.4 Respond to the **Project Management** Requirements section of the RFP Attachment 6.1 F, Detail Business Requirements.		15	
	C.b.1.5 Respond to the **Debt Level Management Requirements** section of the RFP Attachment 6.1 F, Detail Business Requirements.		15	

	C.b.1.6 Respond to the **Cash and Investment Management** Requirements section of the RFP Attachment 6.1 F, Detail Business Requirements.		15	
	C.b.1.7 Respond to the **Derivative Management** Requirements section of the RFP Attachment 6.1 F, Detail Business Requirements.		5	
	C.b.1.8 Respond to the **Modeling** Requirements section of the RFP Attachment 6.1 F, Detail Business Requirements.		5	
	C.b.1.9 Respond to the **Reporting** Requirements section of the RFP Attachment 6.1 F Detail Business Requirements.		10	
Total Raw Weighted Score: *(sum of Raw Weighted Scores above)*			100	
Total Maximum Weighted Score		5	100	500

Total Raw Weighted Score / **500** / **total maximum weighted score** *(i.e., 5 x the sum of item weights above)*	**X 350**	**= SCORE:**	

PROPOSAL & EVALUATION GUIDE — SECTION C

PROPOSER NAME:	

SECTION C — TECHNICAL APPROACH – PART C (Project Management Services)

The Proposer must address ALL Technical Approach Part C (Project Management Services) per Attachment 6.1 H and provide, in sequence, the information and documentation as required (referenced with the associated item references). A Proposal Evaluation Team, made up of three or more State employees, will independently evaluate and score the proposal's response to each item. Each evaluator will use the following whole number, raw point scale for scoring each item:

0 = little value ***1 = poor*** ***2 = fair*** ***3 = satisfactory*** ***4 = good*** ***5 = excellent***

The RFP Coordinator will multiply each item score by the assigned weight with the product being the item's raw weighted score for purposes of calculating the section score as detailed at the end of this table.

Any contract resulting from this RFP process shall incorporate by reference the respective proposal responses to all items below as a part of said contract (refer to *pro forma* contract "Special Terms and Conditions").

Proposal Page # (to be completed by Proposer)	Technical Approach Items (Project Management Services)	State Use ONLY		
		Score	Item Weight	Raw Weighted Score
	C.c.1 Provide a narrative that illustrates the Proposer's understanding of and approach to implementing the business and technical aspects of this Debt Management System. Refer to Attachment 6.1 H.1		20	
	C.c.2 Provide a proposed implementation schedule based upon the State's required objectives. Include hours and staffing. Proposer must provide Project Schedule in Format provided in Attachment 6.1 H.2 Project Schedule.		40	
	C.c.3 **Project Team** Provide a narrative description of the proposed project team, its members, and organizational structure. Provide a personnel roster and resumes of key people who shall be assigned by the Proposer to perform duties or services under the contract (include estimated number of hours to be worked on the contract for each person, and the resumes shall detail each individual's title, education, current position with the Proposer, and employment history) as well as an organizational chart highlighting the key people who shall be assigned to accomplish the work required by this RFP and illustrating the lines of authority and designate the individual responsible for the completion of each service component and deliverable of the RFP. Provide information regarding certifications that		20	

	the organization or assigned staff has received, such as the Project Management Institute (PMI) Project Management Professional (PMP) certifications, and any other pertinent certifications. Provide a description of the Proposer's practices to verify the credentials of perspective employees (i.e. – background check, review of educational transcripts, confirmation of prior employment, etc).			
	C.c.4 Provide a description of the proposed approach to modifying the software to meet the mandatory requirements.		**20**	
Total Raw Weighted Score: *(sum of Raw Weighted Scores above)*			100	
Total Maximum Weighted Score		5	100	500
Total Raw Weighted Score **500** **total maximum weighted score** *(i.e., 5 x the sum of item weights above)*		**X 150**	**= SCORE:**	

ATTACHMENT 6.4, PART A

COST PROPOSAL & SCORING GUIDE	
NOTICE TO PROPOSER: This Cost Proposal MUST be completed EXACTLY as required.	
PROPOSER NAME:	
SIGNATURE & DATE:	
NOTE: The signatory must be an individual or a company officer empowered to contractually bind the Proposer. If the Signatory is not the Proposer company president, this Statement of Certifications and Assurances SHALL attach evidence showing the Signatory's authority to bind the Proposer.	

COST PROPOSAL SCHEDULE

The proposed cost, detailed below, shall indicate the proposed price for providing the entire scope of service including all services as defined in the RFP Attachment 6.1, *Pro Forma* Contract Scope of Services for the total contract period. The proposed cost and the submitted technical proposal associated with this cost shall remain valid for at least 120 days subsequent to the date of the Cost Proposal opening and thereafter in accordance with any resulting contract between the Proposer and the State. The total costs quoted below for Years 1 – 5 shall be paid according to the terms and schedule specified in Contract Section C.3.a. All monetary amounts are United States currency.

In preparing the response to the Cost Proposal Schedules below, the Proposer must include all costs for hardware and software, including third-party products, required to operate its proposed solution, with the exception of costs for Microsoft SQL server, Oracle server, and all other State-standard hardware/software. The Proposer shall not include any costs in its Cost Proposal for required State-standard hardware or software; the State will acquire any such hardware or software through other State contracts. The list of State-standard hardware and software appears in the Tennessee Information Resources Architecture (the "Technical Architecture"), which is Attachment D as described in RFP Section 1.1, paragraph four.

In the Cost Proposal table below, all weights and descriptions of how the weights were derived are for clarification and evaluation purposes only. These weights and descriptions are in no way binding upon the State and do not commit the State to purchase services from the Contractor in any particular quantities, or to purchase any services at all.

In the Cost Proposal tables below, the Proposer may enter zero (0) in a required Proposed Cost cell; however, the Proposer must not leave any required Proposed Cost cell blank. For evaluation and contractual purposes, the State shall interpret a blank required Proposed Cost cell as zero (0).

PART A – BASE LICENSE INITIAL LICENSURE AND PROJECT PHASES

Prior to Contract execution, the amounts on this table will be entered into Contract Section C.3.a

Cost Item Description	Proposed Cost *					State Use ONLY
	Year 1	Year 2	Year 3	Year 4	Year 5	Sum
6.4.A.1. Base License Initial Licensure Cost. Option 1: A **Lump Sum total amount** to provide a site license (or "licenses") to the State that will allow up to fifteen (15) State concurrent users to use the DMS system (referred to herein as the "base license"), as detailed in Contract Section A.3 **NOTE:** The Proposer shall propose ONE option cost for Base License Initial Licensure. **NOTE:** Licenses for the database are NOT to be included in the pricing proposal for this RFP. The scope of the RFP DOES NOT include the acquisition of the database license or access licenses. The State will procure these licenses on its own through another purchasing agreement.		n/a	n/a	n/a	n/a	

6.4.A.1. Base License Initial Licensure Cost. Option 2: A concurrent or per user license cost		n/a	n/a	n/a	n/a	
6.4.A.2 Third Party Software Cost. Option 1: A **Lump Sum total amount**, as required, as detailed in Contract Section A.5 **NOTE:** Do not include any costs for State-standard software.		n/a	n/a	n/a	n/a	
6.4.A.2 Third Party Software Cost. Option 2: Concurrent or Per User License Cost		n/a	n/a	n/a	n/a	
6.4.A.3. Initiation/Planning Phase. A Lump Sum total amount including those deliverables outlined in Contract Section A.3.a.		n/a	n/a	n/a	n/a	
6.4.A.4. Design Phase. A Lump Sum total amount including those deliverables outlined in Contract Section A.3.b.		n/a	n/a	n/a	n/a	
6.4.A.5. Construction Phase. A Lump Sum total amount including those deliverables outlined in Contract Section A.3.c.		n/a	n/a	n/a	n/a	

6.4.A.6. Implementation Phase. A Lump Sum total amount including those deliverables outlined in Contract Section A.3.d.			n/a	n/a	n/a	
The RFP Coordinator shall use the evaluation cost amount derived from the proposed cost amounts above and the following formula to calculate the COST PROPOSAL SCORE. Calculations shall result in numbers rounded to two decimal places.			**TOTAL of PART A Evaluation Cost Amount: (sum of all cost amounts above)**			

PART B – BASE LICENSE SYSTEM SUPPORT, THIRD PARTY SOFTWARE SUPPORT, ADDITIONAL USERS LICENSURE, AND ADDITIONAL USERS SYSTEM SUPPORT

Prior to Contract execution, the amounts on this table will be entered into Contract Section C.3.b

Cost Item Description	Proposed Cost *					State Use ONLY
	Year 1	Year 2	Year 3	Year 4	Year 5	Sum
6.4.B.1. Base License System Support. Option 1: An **Annual amount**, including telephone support, and maintenance and automatic updates for the product, as detailed in Contract Section A.4.						
6.4.B.1. Base License System Support. Option 2 : Total of the Per User License System Support						
6.4.B.2 Third Party Software Support. Option 1: An **Annual amount**, including telephone support, and maintenance and automatic updates for the product, as detailed in Contract Section A.6.						
6.4.B.2 Third Party Software Support. Option 2: A total of the Per User License System Support Cost.						

The RFP Coordinator shall use the evaluation cost amount derived from the proposed cost amounts above and the following formula to calculate the COST PROPOSAL SCORE. Calculations shall result in numbers rounded to two decimal places.		**TOTAL of PART B Evaluation Cost Amount:** *(sum of cost amounts above)*		
		TOTAL EVALUATION COST (PART A TOTAL + PART B TOTAL)		
	Lowest Evaluation Cost Amount from <u>all</u> Proposals / **Evaluation Cost Amount Being Evaluated**	**X 280** *(maximum section score)*	**= SCORE:**	

COST PROPOSAL & SCORING GUIDE

NOTICE TO PROPOSER: This Cost Proposal MUST be completed EXACTLY as required.

PROPOSER NAME:	
SIGNATURE & DATE:	

NOTE: The signatory must be an individual or a company officer empowered to contractually bind the Proposer. If the Signatory is not a Proposer company executive (president, vice-president, CEO), this Proposer SHALL attach evidence to this Cost Proposal showing the Signatory's authority to bind the Proposer.

CONTINGENCY RATES SCHEDULE

The hourly contingency rates, detailed below, shall indicate the proposed rates for processing all State approved additional work. All monetary amounts are United States currency.

Note: The costs proposed must be fully loaded to cover travel, meal, and lodging expenses associated with providing the services; the State will not pay travel-related expenses separately.

The Proposer may enter zero (0) in a required Proposed Cost cell; however, the Proposer <u>must not</u> leave any required Proposed Cost cell blank. For evaluation and contractual purposes, the State shall interpret a blank Proposed Cost cell as zero (0).

IMPORTANT NOTE: In Contract Section C.3.b, there is an [eight percent (8 %)] cap on the total amount of Additional Work that can be procured without amending the contract for additional funds. However, this cap is for contractual purposes only and does not apply to, or in any way restrict, the contingency amounts that the vendor may propose below.

Cost Item Description	Proposed Hourly Rate					State Use		
	Year 1	Year 2	Year 3	Year 4	Year 5	Sum	Weight	Weighted Cost
Project Manager							6	
Programmer/Analyst							3	
Programmer							6	
Database Designer							6	
Trainer							1	
The RFP Coordinator shall use the evaluation cost amount derived from the proposed cost amounts above and the following formula to calculate the COST PROPOSAL SCORE. Calculations shall result in numbers rounded to two decimal places.								

		Evaluation Cost Amount: *(sum of all weighted cost amounts above)*	
Lowest Evaluation Cost Amount from <u>all</u> Proposals / **Evaluation Cost Amount being evaluated**	**x 20** *(maximum section score)*	**= PART C SCORE:**	
COST PROPOSAL SCORE (TOTAL OF PART A AND PART B)		**= SCORE:**	
		FINAL SCORE	

ATTACHMENT 6.5

PROPOSAL SCORE SUMMARY MATRIX

RFP Coordinator **Date**

Section B QUALIFICATIONS & EXPERIENCE Maximum Points: 100	**PROPOSER NAME**		**PROPOSER NAME**		**PROPOSER NAME**	
EVALUATOR NAME						
EVALUATOR NAME						
EVALUATOR NAME						
EVALUATOR NAME						
REPEAT AS NECESSARY						
	AVERAGE SCORE:		**AVERAGE SCORE:**		**AVERAGE SCORE:**	
Section C, Part A TECHNICAL APPROACH – GENERAL SYSTEMS REQUIREMENTS Maximum Points: 100						
EVALUATOR NAME						
EVALUATOR NAME						
EVALUATOR NAME						
REPEAT AS NECESSARY						
	AVERAGE SCORE:		**AVERAGE SCORE:**		**AVERAGE SCORE:**	
Section C, Part B TECHNICAL APPROACH – BUSINESS REQUIREMENTS Maximum Points: 350						
EVALUATOR NAME						
EVALUATOR NAME						
EVALUATOR NAME						
REPEAT AS NECESSARY						
	AVERAGE SCORE:		**AVERAGE SCORE:**		**AVERAGE SCORE:**	
Section C, Part C PROJECT MANAGEMENT Maximum Points: 150						

EVALUATOR NAME						
EVALUATOR NAME						
EVALUATOR NAME						
REPEAT AS NECESSARY						
	AVERAGE SCORE:		**AVERAGE SCORE:**		**AVERAGE SCORE:**	
TECHNICAL APPROACH SCORE (Sum of Part A & Part B & Part C Averages) Maximum Points: 600	**SCORE:**		**SCORE:**		**SCORE:**	
COST PROPOSAL Maximum Points: 300	**SCORE:**		**SCORE:**		**SCORE:**	
PROPOSAL SCORE Maximum Points: 1000	**TOTAL SCORE:**		**TOTAL SCORE:**		**TOTAL SCORE:**	

ATTACHMENT 6.6

SAMPLE PERFORMANCE BOND

The Surety Company issuing bond shall be licensed to transact business in the State of Tennessee by the Tennessee Department of Commerce and Insurance. Bonds shall be certified and current Power-of-Attorney for the Surety's Attorney-in-Fact attached.

KNOW ALL BY THESE PRESENTS:

That we,

_____

(Name of Principal)

_____

(Address of Principal)

as Principal, hereinafter called the Principal, and

_____

(Name of Surety)

_____

(Address of Surety)

as Surety, hereinafter call the Surety, do hereby acknowledge ourselves indebted and securely bound and held unto the State of Tennessee as Obligee, hereinafter called the Obligee, and in the penal sum of

_____

(Dollar Amount of Bond)

good and lawful money of the United States of America, for the use and benefit of those entitled thereto, for the payment of which, well and truly to be made, we bind ourselves, our heirs, our administrators, executors, successors, and assigns, jointly and severally, firmly by these presents.

BUT THE CONDITION OF THE FOREGOING OBLIGATION OR BOND IS THIS:

WHEREAS, the Obligee has engaged the Principal for a sum not to exceed

_____

(Contract Maximum Liability)

to complete Work detailed in the Scope of Services detailed in the State of Tennessee Request for Proposals bearing the RFP Number:

_____

(RFP Number)

a copy of which said Request for Proposals and the resulting Contract are by reference hereby made a part hereof, as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, if the Principal shall fully and faithfully perform all undertakings and obligations under the Contract hereinbefore referred to and shall fully indemnify and hold harmless the Obligee from all costs and damage whatsoever which it may suffer by reason of any failure on the part of the Principal to do so, and shall fully reimburse and repay the Obligee any and all outlay and expense which it may incur in making good any such default, and shall fully pay for all of the labor, material, and Work used by the Principal and any immediate or remote sub-contractor or furnisher of material under the Principal in the performance of said Contract, in lawful money of the United States of America, as the same shall become due, then this obligation or bond shall be null and void, otherwise to remain in full force and effect.

AND for value received, it is hereby stipulated and agreed that no change, extension of time, alteration, or addition to the terms of the Contract or the Work to be performed there under or the specifications accompanying the same shall in any wise affect the obligation under this bond, and notice is hereby waived of any such change, extension of time, alteration, or addition to the terms of the Contract or the Work or the specifications.

IN WITNESS WHEREOF the Principal has hereunto affixed its signature and Surety has hereunto caused to be affixed its corporate signature and seal, by its duly authorized officers, on this

_____ day of _____ , _____ .

WITNESS:

_____	_____
(Name of Principal)	(Name of Surety)
_____	_____
(Authorized Signature of Principal)	(Signature of Attorney-in-Fact)
_____	_____
(Name of Signatory)	(Name of Attorney-in-Fact)
_____	_____
(Title of Signatory)	(Tennessee License Number of Surety)

Attachment 6.7

STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY

DEBT MANAGEMENT SYSTEM (RFP # 307.07-001-07)
REFERENCE QUESTIONNAIRE REGARDING SOFTWARE AND SERVICES

Proposer's Name (Vendor): _____

Reference (Client Organization) Name: _____

Person Responding To This Request for Reference Information: _____
Printed Name

_____
Signature **(MUST BE THE SAME AS THE SIGNATURE ACROSS THE ENVELOPE SEAL)**

Date Questionnaire Completed: _____

Title: _____

Area of Responsibility:

☐ Information Systems

☐ Business Functions

☐ Other (Please Describe) _____

_____

Telephone: _____

Email: _____

NOTE: Complete responses to the items that appear on the following pages. Use as much additional space as necessary.

A. Indicate (by checking the box) the software functionality acquired from the vendor. If the "off the shelf" product required significant modification to meet your needs, check the box under "Significant Modification." If the vendor was involved in the implementation of this module, check the box under "Assisted by Vendor." If this was a module implemented using another vendor or done in-house, leave the "Assisted by Vendor" box blank. If other major functionality not listed was acquired, please list these in the blank boxes at the bottom of the table.

Acquired from Vendor	Functionality	Significant Modification	Assisted by Vendor
☐	Legislative Authorization—tracking and monitoring the statutory authorization for debt issuance.	☐	☐
☐	Debt Management—tracking and monitoring key information and activity for short and long-term debt issuance at both the debt and maturity level (both taxable and tax-exempt debt) including arbitrage and refunding information.	☐	☐
☐	Project Management—tracking and monitoring key information and activity for projects, including the project's tax status, from project authorization through construction to long-term collection of loan repayments.	☐	☐
☐	Cash and Investment Management—tracking and monitoring key information and activity for operating funds, debt proceeds, reserve funds, security deposits, debt service funds, interest earnings, reinvestment escrows, and other funds at both the cash/investment account level and subsidiary (specific purpose) level.	☐	☐
☐	Derivative Management—tracking and monitoring key information relating to derivatives.	☐	☐
☐	Modeling—manipulating select data from the production database in a user-friendly environment outside of the production database to evaluate refunding opportunities and respond to inquiries.	☐	☐
☐	Reporting—producing standard and ad hoc reports using any subset of data, for any selected time period, in a user-friendly, logical environment.	☐	☐
☐	Other (describe)	☐	☐
☐	Other (describe)	☐	☐

B. Please indicate the types of services provided by the vendor to your organization for your software implementation.

Role
☐ Project Management
☐ Installation, configuration, testing
☐ Post-implementation support
☐ Modifications
☐ Interface Development and Data Exchange
☐ Data Conversion
☐ Project Team and End User Training
☐ Documentation
☐ Help Desk and End User Support
☐ Other (describe)

C. Are there other modules/functionality that you plan to implement in the future? If so, please list.

_____

_____

_____

D. Please rate your level of agreement with the following questions (ranging from 1–strongly agree to 5–strongly disagree), and note any comments. IMPORTANT: If you disagree (4 or 5), please provide an explanation of your response.

Evaluation Question	1	2	3	4	5
1. We negotiated an equitable contract with the vendor, with the terms and conditions that were important to us. *Comments:*	1	2	3	4	5
2. The vendor has been responsive when there have been issues or problems with the contract. *Comments:*	1	2	3	4	5
3. The vendor followed through with any representations made during the sales process. *Comments:*	1	2	3	4	5
4. We are satisfied with the quality of the software that we acquired. *Comments:*	1	2	3	4	5
5. We are satisfied with the level of effort required to implement the software. *Comments:*	1	2	3	4	5
6. The software is meeting our business needs. *Comments:*	1	2	3	4	5
7. The response time of the software, specifically the user screens, is acceptable. *Comments:*	1	2	3	4	5
8. The vendor has a sound project management methodology, using a comprehensive set of tools, processes and templates. *Comments:*	1	2	3	4	5

Evaluation Question	1	2	3	4	5
9. The vendor assigned the right number of vendor personnel with the right skills for the right amount of time to our project. *Comments:*	1	2	3	4	5
10. The vendor personnel assigned to our implementation were capable and proficient in their area of technical and/or business expertise. *Comments:*	1	2	3	4	5
11. The vendor personnel assigned to our implementation understood our business and priorities. *Comments:*	1	2	3	4	5
12. The vendor personnel assigned to our implementation worked to the best needs of the project to ensure quality, cost effectiveness, and that all project goals were met. *Comments:*	1	2	3	4	5
13. The vendor personnel assigned to our implementation applied strong communication and listening skills. *Comments:*	1	2	3	4	5
14. The vendor personnel assigned to our implementation capably managed people to work well as a team. *Comments:*	1	2	3	4	5
15. The vendor personnel assigned to our implementation were able to communicate technical or complex information well to a non-technical audience. *Comments:*	1	2	3	4	5
16. The vendor personnel assigned to our implementation remained in compliance with the contract throughout their provision of services to our organization. *Comments:*	1	2	3	4	5
17. The vendor was able to complete the project on time and within budget. *Comments:*	1	2	3	4	5

Evaluation Question	1	2	3	4	5
18. The vendor has been responsive when there have been issues or problems post-production. *Comments:*	**1**	**2**	**3**	**4**	**5**
19. The user manual provided by the vendor is helpful and easy to follow. *Comments:*	**1**	**2**	**3**	**4**	**5**
20. The training provided by the vendor was adequate and timely. *Comments:*	**1**	**2**	**3**	**4**	**5**
21. The software provided by the vendor is user friendly, even for casual users who are not using the system every day. *Comments:*	**1**	**2**	**3**	**4**	**5**
22. Knowing what we know now, we would make the same decision to use this vendor for this product and these services. *Comments:*	**1**	**2**	**3**	**4**	**5**

E. What other advice do you have for the State of Tennessee?

_____

_____

_____

_____

_____

_____

F. Please provide the following information about your organization and your system if available. An estimate is sufficient, as we will use this data to improve our project budget.

Organization's operating budget: $_____

Number of employees: _____

Types of debt programs monitored or administered by the system._____

Number of outstanding debt issuances: _____

Amount of debt outstanding: $ _____

Number of new debt issues per year: _____

Number of active projects/loans: _____

Amount of loans receivable: $ _____

Attachment 6.8

Contract Language Restrictions and Non-Negotiable Contractual Language

The State of Tennessee is committed to a fair and flexible procurement process that will allow potential proposers the opportunity to have input into the terms and conditions of the contract. Our goal is to arrive at a business arrangement that is in the best interests of the State and its contractors.

However, the State is bound by its Constitution and statutes to certain terms and conditions which would not necessarily apply to private business. Such restrictions upon the state include but are not limited to the items set forth below to inform in advance that associated issues are among those that may arise in contract negotiations.

1. Limitation of Liability This includes language relating to hold harmless, indemnification, and disclaimer of warranty clauses. We recognize that proposers have an interest in limiting liability that may arise under the contract. Historically, the State of Tennessee was not allowed to accept any limitations of liability or warranty since this was considered surrendering the rights of the citizens of the State. The Tennessee General Assembly granted some relief from this doctrine in 2000 with the passage of Tennessee Code Annotated section 12-4-119, which allows the State to accept certain limitations of liability.

However, this statute does not allow the State to limit the liability of a contractor below twice the value of the contract, or to limit liability for intentional torts, criminal acts, or fraudulent conduct. Any limitation or disclaimer that the State agrees to, including a limitation of liability for consequential damages, must fit within this statutory framework.

2. Confidentiality. We recognize that proposers consider it important to restrict distribution of proprietary information. The State of Tennessee, like most government entities, is subject to an open records statute. The Tennessee statute, T.C.A. 10-7-504, has been interpreted by the courts to require that all State records be open unless there is an express exemption in a statute, and the State cannot avoid this obligation by contract.

The General Assembly has granted an exemption that provides some protection to procurements of this type. Specifically, Section 10-7-504(a) (18) provides:

> Computer programs, software, software manuals, and other types of information manufactured or marketed by persons or entities under legal right and sold, licensed, or donated to Tennessee state boards, agencies, or higher education institutions shall not be open to public inspection, provided that computer programs, software, software manuals, and other types of information produced by state or higher education employees at state expense shall be available for inspection as part of an audit or legislative review process.

However, this language may be inconsistent with confidentiality language in some proposers' form contracts.

3. Remedies. Many proposers ask their customers to agree to certain forms of relief for breaches of contract which the State cannot agree to. Tennessee Constitution Article I, Section 17, provides that the State can only surrender its sovereign immunity in circumstances permitted by the Tennessee General Assembly. In the case of State contracts, the State has consented to be sued in the Tennessee Claims Commission under T.C.A. 9-8-307 et seq. The Claims Commission can award money damages against the State and provides for appeal to the Tennessee court system. However, the State cannot agree to many forms of remedy which proposers often request, such as injunctive relief, binding arbitration or mediation, jurisdiction in any court outside Tennessee, or the payment of court costs and attorney fees.

4. Restrictions on Use of Work Product. Many information technology contractors request that the State place limitations on its use of products supplied or developed under the contract. Such arrangements are scrutinized carefully by State government regulators due to concerns that the State is placing unwarranted burdens on its right to use its own property. Another concern is that a set of complicated restrictions on use will be burdensome to enforce for a product that will be used for many purposes over many years by a large government organization. The language on use of work products in the State pro forma contract has been developed based on

considerable experience in dealing with information technology contractors. We are open to suggestions on amendments to this language but any negotiations must take the State's concerns into account.

Attachment 6.9

Glossary of Unique Business Terms

A *Glossary of Municipal Securities Terms* can be accessed at http://www.msrb.org/msrb1/glossary/

TERM	DEFINITION
ACH	Automated Clearinghouse
Allotment	Funds established for agency expenditure, in accordance with the appropriations made by the General Assembly.
Amortization	The periodic write-off/reduction of a capitalized amount (such as premium, discount, costs of issuance, or deferred amount on refunding) over the life of the related debt issuance.
Amortization Period	The period of time from the inception of the debt to the maturity of the debt.
Appropriations Bill	Annual legislation authorizing the allocation and expenditure of funds for a two-year period: the year of bill passage and the subsequent year. The bill also sets policies, assigns certain responsibilities, and at times specifies legislative intent on certain issues.
Authorization	The "Authorization" may be from legislative authorization (Public Acts and Chapter), federal government allotments, school or utility district approval, or other authorizing/approving process.
Borrower	A governmental entity financing a project through the Division of Bond Finance. Repayment of the financing is from the governmental entity.
CAFR	Comprehensive Annual Financial Reports
CUSIP Number	Committee on Uniform Securities Identification Procedures–An identification number assigned to each maturity of a debt issue intended to help facilitate the identification and clearance of securities.
Data	Recorded information, regardless of form or characteristic.
Debt Issuance	The process of authorizing, selling and delivering a new debt issue.
Debt Service	Expenses for principal and interest on bonds and other types of borrowed money.
Declaration of Intent to Reimburse	Document prepared by F & A which allows the State to reimburse itself from tax-exempt debt proceeds for expenditures for capital projects made using other current cash and to treat the debt proceeds as being immediately spent for arbitrage rebate purposes.
Edison	State of Tennessee ERP Project, includes Financial Reporting and General Ledger capabilities
ERP	Enterprise Resource Planning (System)

F&A	Department of Finance and Administration

Fund	A fund is a self-balancing set of accounts and is a component of the State's accounting system chart of accounts. There can be multiple programs per fund. The Fund Number must agree to the Fund Number in the State's accounting system.
General Fund	The fund maintained by the Treasurer into which revenues collected by the state, other than highway taxes, are deposited for appropriation by the General Assembly to support the operation of state agencies.
JV- Journal Voucher	Document for recording accounting transactions
LGIP Rate	Local Government Investment Pool rate
Program	A Program is a subset of a Fund based on a primary function (e.g. General Obligation Bonds, Higher Education Facilities, QZAB, Water/Sewer, and Community Providers.) A Program will include projects and a portfolio of cash, commercial paper, notes, and/or bonds. There can be one or more Programs in a Fund based on statutory authority. The Program numbers will always match the Program numbers in the State's accounting system.
Project	A large undertaking by a governmental entity financed through the Division of Bond Finance. Repayment of the financing is either from state appropriated funds or from the governmental entity. If the project is repaid by the governmental entity, the entity may be referred to as the borrower, and the project may be referred to as a loan. Individual projects are administered within a program, and project rules may vary by program. Project Numbers will conform to the Project Numbers in the State's accounting system.
Project Cost	The portion of a loan amount attributable to the purchase or construction of a capital asset (bricks and mortar, NOT issuance costs, capitalized interest, or security deposit) or to a capital maintenance project.
Rules and Regulations	Governing precepts and procedures made by an administrative body or agency under legislative authority that usually have the force and effect of law.
Term	The length of time until a debt instrument matures.
Warrant	Negotiable instrument issued by statewide accounting.

Attachment 6.10

Glossary of RFP Specific Terms

TERM	DEFINITION
Accountable (from Responsibility Matrices)	The Accountable party is ultimately responsible, with assistance from the Contributing party, for managing, completing, documenting, and delivering the assigned responsibility.
ANSI X.12	American National Standards Institute X.12 (EDI standard)
Appropriation	The amount authorized by the General Assembly to be allocated from a fund to an allotment code. Also, in the context of funding type, the general state revenue allocated to an allotment code by the General Assembly.
CD-ROM	Compact Disc – Read Only Memory
Configuration	Process of tailoring the software or setting parameters to meet the needs of the State. Configuration does not include writing code, utilizing user exits, altering programs, or developing reports or queries.
Contract	The documentation of the total obligation which results from the agreement executed between the State and the Integrator (Section 6.1 et al)
Contractor	One who contracts to perform work or furnish materials in accordance with a contract. In this RFP, see Proposer.
Contractual Services	Furnished under a contract in which the nature and basis for charges and other pertinent contractual terms and conditions are defined. (Ref. “Services”, “Client Services”, “Professional Services”, “Proprietary Services”.
Contributing (from Responsibility Matrices)	The Contributing party participates in the fulfillment of assigned responsibilities. However, Contributing parties are not relieved of accountability for their portion of the work and will be held fully accountable for the quality of their contributions.
Corrupt Combination, or Conspiracy in Restraint of Trade	Terms referring to an agreement between two or more businesses to stifle, control or otherwise inhibit free competition in violation of state and/or federal antitrust laws or regulations. (Ref. “Collusive Bidding”, “Price Fixing”.
CRIS	Consolidated Retirement Information System
Current Services Revenue	Program funds generated by a specific activity to support that activity. This includes fees and assessments, gifts, and interest from reserves or endowments (e.g., licenses, permit and certificate fees, inspection fees).
Damages	Compensation, usually in money, for injury to goods,

	persons, or property.
Data	Recorded information, regardless of form or characteristic.
Debarment	A shutting out or exclusion for cause (as a bidder from the list of qualified bidders).
Default	Failure by a party to contract to comply with contractual requirements; vendor failure.
Defect	A non-conformance of an item with specified requirements.
Delivery	With respect to instruments, documents of title, chattel paper or securities means voluntary transfer of possession.
Delivery Schedule	The required or agreed time, or rate, or delivery of goods or services.
Descriptive Literature	Information, such as charts, illustrations, drawings, and brochures which show the characteristics or construction of a product or explain its operation, furnished by a Proposer as a part of his/her proposal to describe the products offered in his proposal. The term includes only information required to determine acceptability of the product, and excludes other information, such as that furnished in connection with the qualifications of a proposer for use in operating or maintaining equipment.
EDI	Electronic Data Interchange
EFT	Electronic Funds Transfer
Equal, Or Equal	A phrase(s) used to indicate the substitutability of products of similar or superior function, purpose, design, and/or performance characteristics.
Ethics	See “Code of Ethics”, “Purchasing Ethics”.
Exhaustion of Administrative Remedies	A legal doctrine to the effect that where an administrative remedy is provided by statue or governing rule or regulation, relief must be first sought from the administrative body, and all attempts to obtain such administrative relief must be expended before the complaining party may look at the courts for relief.
Expedite	To hasten or to assure delivery of goods purchased in accordance with a time schedule, usually by contact by the purchaser with the vendor.
F&A	Department of Finance and Administration
Fair Market Value (FMV)	A price that would induce a willing purchaser to purchase or a willing seller to sell in an open market transaction; the price a property would bring at a fair sale between parties dealing on equal terms.
Fiscal Year	A 12-month accounting period; in Tennessee, July 1 through June 30.
Fixed Price Contract	A contract which provides for a price that does not change.
Fraud	A positive act resulting from a willful intent to deceive

	another with the purpose of depriving him of his rights or property.
FTE	Full-Time Equivalent
GAAP	Generally Accepted Accounting Principle(s)
GASB	Governmental Accounting Standards Board
Good Faith	Honesty in fact in the conduct or transaction concerned.
Goods	Anything purchased other than services or real property. (Ref. “Uniform Commercial Code”.
Guarantee	To warrant, stand behind, or ensure performance or quality, as a supplier in relating to his/her product.
GUI	Graphical User Interface
HIPAA	Health Insurance Portability and Accountability Act
IAT	Inter Agency Transfer
Inspection	Critical examination and/or testing of items to determine whether they have been received in the proper quantity and in the proper condition and to verify that they conform to the applicable specifications.
IT	Information Technology
License	A non-transferable permission granted by a government or other authority to perform an act or to engage in an enterprise that is restricted or regulated by law.
Line Item	A procurement item specified in the Request for Proposal for which the proposer is asked to give individual pricing information and which, under the terms of the proposal, is usually susceptible to a separate contract award.
Liquidated Damages	A specific sum of money set as part of a contract, to be paid by one party to the other if he/she should default on the contract.
Lump Sum	A price agreed upon between vendor and purchaser for a group of items without breakdown of individual values; a lot price.
Market (Noun)	The aggregate of forces that determine the availability, prices, and amount of trade in exchange of goods.
Market (Verb)	To carry out all activities intended to sell a product or service. Includes advertising, packaging, surveying the potential market, etc.
Material(s)	Items required to perform a function or used in a manufacturing process, particularly those incorporated into an end product or consumed in its manufacture.
Non Responsive Proposal	A proposal that does not conform to the essential requirements of the Request for Proposals, non conforming proposal, unresponsive proposal.
Offer	The act of one person that gives another person the legal power to create a contract to which both of them

	are parties; to perform such an act.
OIR	Office for Information Resources
Order	A request or command issued to a supplier for goods or services at a specified price. (Ref. “Uniform Commercial Code”)
Partnership	An agreement under which two or more persons agree to carry on a business, sharing in the profits and losses by an agreed to proportion, but each being liable for losses to the extent of all of his personal assets.
Party	As distinct from “third party” means a person who has engaged in a transaction or made an agreement within the Contract
Prequalification of Bidders	The screening of potential vendors in which a government considers such factors as financial capability, reputation, management, etc., in order to develop a list of bidders qualified to bid on government contracts. (Ref. “Bidders List”, “Qualified Bidder”)
Price	The amount of money that will purchase a definite quantity, weight, or other measure of a commodity.
Price Adjustment Provision	A condition in a solicitation and resultant contract that allows the price under the contract to decrease or increase under defined conditions; the conditions should provide for the purchaser to cancel any individual item affected, or the contract, if a request of increase is not acceptable.
Price Fixing	Agreements between competitors to sell at the same price, to adopt formulas for the computation for the computation of selling prices, to maintain specified discounts, to maintain predetermined prices differentials between different quantities, types, or other means of setting prices charged to purchasers.
Price Protection	An agreement by a vendor with a purchaser to grant any reduction in price which the vendor may establish on his goods prior to shipment of the purchaser’s order. Price protection is sometimes extended for an additional period beyond the date of shipment.
Price Rebate	A refund or allowance on price, given usually after the completion of a contract and frequently based on some relationship with the business volume.
Price Schedule	A list of prices applying to varying quantities or kind of goods.
Prime Vendor	See Proposer.
Principal	One who employs an agent; a person who has authorized another to act on his account and subject to his control.
Procurement	The process of obtaining goods or services, including all activities from the preparation and processing of a requisition, through receipt and approval of the final invoice for payment. The acts of preparing specifications, making the purchase, and administering the contracts involved.

Proposal	An offer made by one party to another as a basis for entering into a contract.
Proposer	In this RFP, the Proposer is the firm responding to this State's Request for Proposal. This will be the firm responsible for providing the services requested under this RFP. Also known as the Prime Vendor or the Contractor.
Proprietary Services	Work by independent contractors where the process is more important than the product, if any. Proprietary service contracts usually run to partnerships, firms, or corporations rather than individuals and are usually awarded through competition. Examples of proprietary service contracts include janitorial and custodial, protection and security, maintenance and repair, data processing service bureau.
Protest	A complaint about a governmental administrative action or decision brought by a bidder or vendor to the appropriate administrative section with the intention of achieving a remedial result.
Public Record	All information about government activities that is available for public inspection.
Purchase	Includes taking by sale, discount, negotiation, mortgage, pledge lien, issue or reissue, gift or any other voluntary transaction creating an interest in property.
Quality Assurance	A planned and systematic series of actions considered necessary to provide adequate confidence that a product that has been purchased will perform satisfactorily in service.
Regulations	Governing precepts and procedures made by an administrative body or agency under legislative authority that sometimes have the force and effect of law.
Remedy	Any remedial right to which an aggrieved party is entitled with or without resort to a tribunal.
Responsive Proposer	A person who has submitted a bid which conforms in all material respects to the Request for Proposals.
RFP	Request for Proposal
Rule	A regulation, standard, statement of policy or order of general application having the effect of law, issued by government agency to implement, interpret or make statute law specifics.
Service	Work performed to meet a demand, especially work that is not connected with a manufacturing process.
Service Contract	A contract that calls for a contractor's time and effort rather than for a concrete end product.
Shall	Denotes the imperative.
Surety	Includes a guarantor.
Term	That portion of an agreement which relates to a

	particular matter.
Terms and Conditions	A phrase generally applied to the rules under which all bids must be submitted and the terms that are included in most purchase contracts which are often published by purchasing authorities for the information of all potential bidders.
Testing	A procedure for critical evaluation of the completeness and compliance with specifications for a software program or system; a means of determining the quality of the item being tested
Title	The means whereby a person's ownership of property is established.
Value	Except as otherwise provided with respect to negotiable instruments and bank collections, a person gives "value" for rights if he/she acquires them: (a) in return for a binding commitment to extend credit or for the extension of immediately available credit whether or not drawn upon and whether or not a charge back is provided for in the event of difficulties in collection; or, (b) as security for or in total or partial satisfaction of a pre-existing claim; or, (c) by accepting delivery pursuant to a pre-existing contract for purchase; or, (d) generally, in return for any consideration sufficient to support a simple contract.
Vendor	A supplier.
Waiver of Bid(s)	A process authorized by law or rule whereby a government purchasing office may procure items without competitive bidding procedures because of unique circumstances related to a particular need or procurement.
Waiver of Mistake or Informality	The act of disregarding errors or technical nonconformities in the bid which do not go to the substance of the bid and will not adversely affect the competition between bidders.

Attachment 6.11

Comptroller IT Project Management Methodology Overview

Project Phase Name	Initiation	Planning	Design	Construction	Implementation	Project Closure
Description	Validate the business need, concept and feasibility for the end product and the project life.	Document the Product Requirements and define the project management.	Define the solutions that satisfies the requirements	Build the product, and validate that requirements are fully satisfied.	Satisfy the Business Need by transitioning the product to the users, and define the process to resolve any subsequent product issues.	Reconcile the final project administration, ensure Closure communications, and confirm all product issues are resolved.
Phase End Questions:	1. Has the business need been documented? 2. Are all the appropriate stakeholders involved? 3. Is project scope fully defined within boundaries? **4.** Is the project scope feasible and appropriate?	1. .Have the complete set of product requirements been documented to satisfy the business need? 2. Have all project management and processes been documented? (Management includes Resources Schedule Cost Risks). 3. Have product and project acceptance criteria been defined?	1. Do the Design Specifications meet the Product and Project requirements? 2. Is the Design solution feasible?	1. Have the Design Specifications been satisfied? 2. Is the documentation complete? 3. Is the environment ready? 4. Is the project team ready to train? 5. Is the project team ready to implement?	1. Are the users and their management ready to use and manage the System? 2. Have the Operations and Support staff been trained on the product and been given the supporting documentation? 3. Have all known product defects (identified before or during Implementation phase) been resolved? 4. Has the Support and Maintenance Plan been approved? 5. Have all defined criteria been met?	1. Have all product issues been resolved? 2. Is the project schedule reconciled back to the plan? 3. Are all fixed and variable costs reconciled back to the forecast? 4. Have all stakeholders been notified that the project is closed?
Deliverables:	Scope and Feasibility	1. Master Project Workplan 2. Project Plan 3. Business Requirements 4. Draft Product Test Plan 5. Fit/Gap Analysis 6. Bus. Process Workflow Analysis 7. Quality Management Plan	1. Base Software Installation 2. System Admin. Procedures 3. Business Req. Design 4. Reporting Design 5. Data Conversions Plan 6. Interface Design 7. Database Design 8. Implementation Plan 9. Training Plan	1. Support and Maintenance Plan 2. Training Materials 3. Technical & User Documentation 4. Fully Functional Software	1. Training Evaluations 2. Closure Report 3. Ongoing Support Organization Structure and Job Descriptions 4. State Acceptance & Written Approval Form	

Attachment 6.11

Comptroller IT Project Management Methodology
Deliverable Definitions

Base Software Installation:

The Base Software Installation provides instructions and specific information to ensure a successful installation of the product.

Closure Report:

The Closure Report is to mark the end of the project, ensure all stakeholders agree that the product is ready for deployment, and reconcile the costs, schedule, and risks.

Data Conversions Plan:

The Data Conversions Plan describes and defines the detail specifications used by the developers to construct the interface. This document includes file layout, data mapping, error exception processing, statistical reporting and data cleanup reporting.

Database Documentation:

Database Documentation contains a data dictionary, including keys and constraints. It also includes a diagram depicting the relationships between elements.

Fit Gap/Analysis:

The Fit Gap/Analysis compares the RFP business requirements to the vendor's product to determine the functional "gaps" and validate the requested requirements.

Implementation Plan:

The Implementation Plan details what is necessary to distribute the finished product.

Interface Design Document:

The Interface Design Document provides the detail specifications used by the developers to construct the interface. This document includes file layout, data mapping, error exception processing, statistical reporting.

Master Project Workplan:

The Master Project Workplan defining the project tasks, resources and time line.

Product (Business) Requirements:

The Product Requirements Document defines the requirements, modifications or enhancements to be developed. This document describes the required functionality of the product, the required environment in which it operates reliability and maintainability goals, regulations and legal requirements, international requirements (language, regulatory, etc.) and any other special requirements.

Product (Business) Requirements Design Document:

The Business Requirements Design Document provides the detail specifications used by the developers to construct the requirements. This document includes logic, screen mock-ups and content.

Project Plan:

The Project Plan Document is a “living” document. This document should accurately describe the process that will be used to develop and implement the product to be delivered and that the cost and timelines are reasonable. This document includes: Project Resources, assumptions, constraints, potential project risks, roles and responsibilities, change management, version control procedures and processes for all documentation and code, and milestones.

Product Test Plan:

The Product Test Plan is used to test the product assuring that predefined business and technical requirements have been satisfied. The Product Test Plan includes:
Unit Testing
Integration Testing
System Testing
User Acceptance Testing (perform by the State)
Interface Testing
Data Conversion Testing

Quality Management Plan:

Quality Management Plan includes all activities of the overall management function to achieve quality planning (of project), quality assurance (of process), quality control (or product), and quality improvement (or processes). This document includes what metrics will be required to be reported to State Management to track progress. This plan should include Quality Control processes to be used by the contractor to insure quality and consistency in all areas of the system and to be included in any reports to Senior Management.

Reporting Requirements Design:

The Reporting Business Requirements Design Document provides the detail specifications used by the developers to construct the reporting requirements. This document includes report layouts, data fields, report request screens, and necessary parameters.

Support and Maintenance Plan:

The Support and Maintenance Plan outlines the procedures and responsibilities for product support, and lists all procedures and resources necessary to maintain the product over the course of its life.

System Administration Procedures:

The System Administration Procedures provides technical support and documentation to ensure successful installation, on-going support, and configuration of the product.

Training Plan:

The Training Plan details the training strategy and approach to ensure all users are appropriately and timely trained.

Training Evaluations:

The State and the Vendor will jointly develop the detail Training metrics for the Evaluations as part of the Implementation Phase deliverables. A training evaluation will be completed by each staff member participating in the training. The training survey will assess the following, but not be limited to:

- Training Materials (Business and Technical)
- Trainer's Effectiveness
  - Ability to respond to questions
  - Knowledge of the business
  - Communication skills
- Instructor's knowledge of the Application and System.