MARYLAND STATE TREASURER'S OFFICE
Louis L. Goldstein Treasury Building, Room 109
80 Calvert Street
Annapolis, Maryland 21401

PRE-PROPOSAL CONFERENCE

CATS+ TORFP – Microsoft Dynamics Enterprise 365 IT Support for the Maryland State Treasurer's Office

December 21, 2017

State of Maryland Representatives:

Anne Jewell, Procurement Officer, State Treasurer's Office
Jessica Papaleonti, Director of Budget and Financial Administration
Bryan Haynes, Director of Information Technology
Robert London, Project Manager
Menel Kotsis, Oversight Project Manager, Department of Information Technology
Karen Poplewski, EPMO, Department of Information Technology

On December 11, 2017 the Maryland State Treasurer's Office ("STO") held a pre-proposal conference at its office (located at 80 Calvert Street, Annapolis) to discuss the above referenced solicitation for IT support. The meeting opened with introductions by the State of Maryland representatives and by representatives from the following firms: AP Ventures, A&T Systems, Creative Information Technology, Inc., ICube Systems, IVA Communications, Matrix Systems and Technologies, N-3 Technologies, PowerSolv, ZDAAS

After introductions, the Procurement Officer, Anne Jewell, briefly discussed the submission requirements and solicitation format as outlined in Section 4 of the TORFP and advised that the price proposals are to be submitted password protected and separate from the technical proposal. Ms. Jewell reviewed the MBE goals for this TORFP stating that the MBE Utilization and Affidavit and MBE Participation Schedule (Attachment 2-1A) must be completed and signed. If an Offeror determines they cannot meet the goal, there are specific instructions for completing the required waiver documents. Key dates and required affidavits were reviewed. It was further discussed that oral presentations will be scheduled following receipt and initial review of the technical proposals. The meeting was turned over to the panel to review the Office and the project.

Jessica Papaleonti, who will be serving as the Task Order Manager and Project Coordinator, explained that the STO has approximately 60 employees whom are all located at the Treasury Building and provided an overview of the Divisions that make up STO. Specifically, the Insurance Division handles' the State Insurance Trust Fund and the current i5 system is used to administer the claims management process for all claims handled through the office. The Treasury Management Division handles' all investments and the banking services, which includes oversight of all of the bank accounts, the daily cash flow management and account reconciliation of those accounts for the State. As discussed further in the TORFP, the operations of the State Financial and Insurance Claims Management systems is currently done on IBM AS/400 technology that will no longer be supported beyond 2018 and the new systems will be necessary for these functions. There is the Administration Division which is responsible for the general accounting functions, Debt Management Division, Legal Division and Executive Division. Presently, those divisions are not big components in the project, but are expected to be in the future. The IT Division is headed by Bryan Haynes and he will talk about their division.

The Director of the STO’s IT Division, Bryan Haynes, discussed the organization and operations of that division and advised that STO has an on premise system with a secondary site for disaster recovery. Mr. Haynes explained that STO has expanded into using a hybrid-type infrastructure and topology with implementing certain cloud infrastructures, both AWS and now Microsoft Azure, leveraging the Dynamics Suite and other Office 365 Suite Products that are available to us. He stated that STO needs a system and a platform that is going to be flexible, not just now but in the future and that Microsoft Dynamics gives us that opportunity at a price point that is reasonable for the State. Conferring with the Project Manager, Robert London, a considerable amount of research has been done supporting the Microsoft solution for STO. Mr. Haynes further explained that there are other considerations because STO is connecting to mainframe systems for R*Stars and FMIS, as well as other mid-range systems, mainframe systems, or older legacy systems in other agencies that must be connected. Microsoft Dynamics give us that opportunity to meet those needs. He advised that STO is putting in a hybrid solution and implementing it in a hybrid way, using agile techniques as well as waterfall type techniques. Maryland Department of Information Technology (“DoIt”) is assisting STO to do this.

Mr. London addressed questions about the architecture or about the project. As part of the conversation he stated that the minimum qualifications come from the TORFP Master Contract and that Contractors’ want to pay close attention to the preferred qualifications. He stated the 365 setup and implementation is a bit different from Dynamics R2, R3 setups, especially the customization portions. With Dynamics there are two types of customizations, the internal application customizations, which some of that has changed with Azure framework, and the external applications. Some significant changes with the external application include how you create an external module and integrate the external module with the Dynamics framework. In addition, the Azure driver orientated focused frameworks are important changes to be aware of.

As stated in the Pre-Proposal Conference, STO seeks to hire the company to coordinate and staff, whether they do it through their individual bench or through subcontracting to provide the required resources. Operations 365, Finance 365, and CRM 365 are not the same products as on prem. The Azure fabric is different. It has been out for two years, with at least 15 month of those two years in use by Alpha and Beta testers from Microsoft. Therefore, it may require partnering to find the level of appropriate resources.

Mr. London further advised that the way for firms to think about this project is as a fast-track or fast-forward if you are familiar with Oracle ERPs or SAP, or PeopleSoft. It is a mid-market implementation with a limited number of transactions. The most complicated portions of the system are the custom portions for batch transfer (file transfer systems) which goes between the

Agency system, and the State's FMIS, and R*Stars system. For the customization portion of the system for a claim's system and insurance system, Microsoft has already done this for other companies. Mr. London further explained that the following portions of the system are now operational:

- customer module;
- production environment;
- test environment;
- operations and finance;
- Virtual Team Foundation Services ("VSTS");
- SharePoint to provide online repositories both for application stacks; and
- PWA.

With respect to VSTS, STO is basically using TFS and the Agile framework for TFS. For other parts, the overview of the project, it is Waterfall where we've created sprints. For that we are using more of a traditional PWA or Microsoft projects approach, except that there are sub-schedules for the sprints. The reasoning is because STO needs to have some integration and a one-stop shop for transparency for the project. Where appropriate STO can create an activity or a copy of work that can be run by Agile and a small team. There are no methods and procedures for the Agile Scrum framework. You are really left with PMBOK management kinds of frameworks and documentation which were required by the State. It's better to think of this project as a traditional ERP implementation where you need specifications and a solution design. You need to make sure that you have setups that have to be tested both in unit, integration, and conference room pilot testing. There are business processes reengineering that will need to be documented.

In closing, Bryan Haynes commented on the importance that the firm selected as a result of this TORFP will be a partner toward the success in this project for the State and that other States may be looking to implement similar systems. Robert London commented that Microsoft has moved to a first tier operation whether they are implementing infrastructure for people or the applications – it's about the details and the technology and being able to do the technology.

Attached are the questions that were presented at the Pre-Proposal Conferences and received by email be December 14, 2007.

Respectfully submitted,

Anne Jewell
Procurement Officer

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QUESTIONS AND ANSWERS
FOR
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Q-1. Regarding minimum qualifications, to clarify, is for the company and for the subs, together?

A-1. Yes.

Q-2. Regarding evaluation factors, is there any one of the five criteria that's more important than the others? Are they rated or listed in order of importance?

A-2. Yes, the evaluation factors are listed in order of importance.

Q-3. Is it possible to have the due date moved, extended?

A-3. The due date has been extended to Wednesday, January 10, 2018. An Amendment was sent on Thursday, December 14, 2017. An acknowledgement of this Amendment is requested.

Q-4. Following up about preferred qualifications to be at the top, can you elaborate on Section 5.2 and the percentages of how much weight you would be giving?

A-4. The evaluation factors are listed in order of importance and we will be evaluating the whole package that is proposed by firms. For preferred qualifications, if you propose candidates that meet the preferred qualifications, please make sure this is indicated in your response.

Q-5. Regarding Section 2.2 for the Contractor, not just personnel, to get a better understanding of how much of a percentage will you designate for the preferred company and personnel together since that will be a top factor?

A-5. Percentages to the evaluation criteria listed in Section 5.2 are not available. There are five (5) technical criteria for evaluating a Master Contractor's proposal. The evaluation factors are listed in Section 5.2 in order of importance, starting with A. Evaluation will be for both the company and the proposed candidates that best meet the requirements of the of the TORFP.

Q-6. As a Master Contractor with Microsoft Dynamic implementation experience, are you just looking for consultants which you will manage, or will the master contractor also have a management involvement besides just being a bench or resource for individuals for situations that arise?

A-6. The Project Manager, working with STO, will be managing the resources.

Q-7. Which is more preferred, or qualification is preferred, is it more the company or more on the resource person.

A-7. Please refer to Section 5 – Task Order Award Process. The technical criteria to be evaluated are listed in order of importance in Section 5.2. As stated in Section 5.3 of the TORFP, the most advantageous TO Proposal considering both the technical and financial submission shall be selected for award. We are looking at the total proposal being presented, plus what firms are offering in terms of skill sets.

Q-8. To clarify, master contractors will have no responsibility on the management of the resources or anything else?

A-8. As it relates to the responsibility of managing the consultants, you are correct.

Q-9. It is mentioned that this is going to tie into STO's mainframe and legacy system. One of the three positons, for the option years, is for an application program, specifically with AS-400. Is that the only positon that will be focused more in that area?

A-9. Yes. The AS-400 person is to provide ongoing support as well as any additional support as needed such as for conversion, preparing conversion data extraction.

Q-10. What is the budget allocated for this?

A-10. The project budget is not available at this time.

Q-11. Can smaller firms subcontract with firms proposing as a prime?

A-11. Yes, the TORFP is written to support subcontracting.

Q-12. Do you have any Microsoft consultants on staff who will be involved while this implementation is going on?

A-12. No, not in this area.

Q-13. Is there an Office 365 already in place?

A-13. Yes, the 365 environment (customer engagement) is operational.

Q-14. Can you confirm you will be using Agile or mix?

A-14. Waterfall plus Agile.

Q-15. Do you have any preference on the two that you will be using like Gen One or something?

A-15. For custom development work we are using the Agile framework for TFS. For other parts the overview of the project is Waterfall where we've created sprints and for that were using more of a traditional PWA or Microsoft Projects approach. See Summary for more detail.

Q-16. Do you have a SCRUM master or business analyst who will be helping?

A-16. Robert London will serve as Project Manager and is CSM, CMP and tradition PMI.

Q-17. What is the duration of your sprint?

A-17. Presently the duration of sprints are not expected to go longer than six (6) weeks. However, there may be some sprints that go 12 weeks. The sprints are divided along functional lines and are sprints for 16 work streams being something like training, conversion, banking, cash disbursements for bank.

Q-18. What are the team size for those?

A-18. Between three (3) and six (6). In most cases there will be four (4) resources which consist of a SME set-up, custom developer, conversation person and a tester. There may be sprints with the same resources on multiple sprint teams that are running parallel.

Q-19. Do you know the roadmap you're going to take? Would you be open to a firm fixed price on this project?

A-19. Proposers are to provide the hourly rate which is all inclusive per resource. See Appendix 1 Price Sheet.

Q-20. What is the timeline for evaluation and award start?

A-20. Per the First Amendment to the TORFP, the <u>Closing Date and Time</u> has been changed to January 10 by 2:00 p.m., with oral presentations to be conducted on or about January 30, 2018. It is our hope to make a recommendation for award mid-February with an award date of March 1, 2018 with staff onboard by March 15, 2018. These dates are tentative and subject to change.

Q-21. Are orals just for the company to present their solution as to how they are going to manage or do you want certain key people to be present for interview?

A-21. At this time, we expect to have the firms make an oral presentation. However, as stated in Section 1.5 of the TORFP, all Offerors and proposed TO Contractor Personnel may be required to make an oral presentation. Notification will be provided as to the date and time by the TO Procurement Officer.

Q-22. Can you explain the meaning in Section 2.2.1 that requires the Master Contractor of have at least 50 full-time deployed staff on a project at the time they are responding to this TORFP? What do you mean by that?

A-22. STO is looking for firms that demonstrate they have the resources, or have access to the resources, to see this project through. To demonstrate that you understand the ERP implementation and what it looks like and that your firm is fully engaged and working on a variety of projects. See Amendment 1 for clarification to include subcontractors as part of the 50 full-time deployed staff.

Q-23. Please indicate what the State means when it refers to being "recognized" Dynamics partner; in other words, what will constitute acceptable documentation on being a recognized partner?

A-23. The partner belongs to Microsoft partner program with a track record of implementing or customizing Dynamics, custom development with C# in an Azure environment, and/or is on Microsoft's Solution Provider list for Dynamics.

Q-24. During the Pre-Bid Conference, the State stated that only offeror management may be required to make an oral presentation. Please clarify whether candidates will be required to participate if the State determines that TO Contractors must make oral presentations.

A-24. The Procurement Officer, at this time, has not determined if proposed candidates will be asked to participate in oral presentations. Master Contractors will be notified in advance if candidates are to attend.

Q-25. The RFP indicates that TO Contractors should provide password protection for the financial proposal but is silent on this topic for the technical proposal. Please clarify whether the State wants the technical proposal to be password protected.

A-25. The electronic submission of the technical proposal is not required to be password protected.

Q-26. a. The State asks for offerors to submit one file for the technical proposal and a separate file for attachments. The list for C.1 through C.5 leaves questions about which item goes in which file. C.1) and C.3) clearly go into the attachment file, but we would like clarification about the location for C.2), C.4), and C.5). If these three items all go into the technical volume, please indicate where the State wants the offeror to place them in the Proposed Solution section of the technical proposal.

b. If C.2) goes into the attachments file, should it follow the last of the 5A/5B forms?

c. For C.4), from the Pre-Bid Conference, we understand that the staff will report directly to Dept. of Treasury managers, so please clarify what the State expects the TO Contractor to provide when it asks for discussion of "how the TO Contractor Personnel shall be managed".

A-26. To clarify Section 4.4.1.C, Master Contractors are to provide the following for each resource:

- Attachment 5A Minimum Qualifications Summary (referenced in C.1);
- Attachment 5B Personnel Resume Form (referenced in C.1);
- For each proposed resource that meets or exceeds the "Preferred Qualifications" in Section 2.2 summarizing their specific preferred experience (referenced in C.2); and
- Provide two (2) references for the resource (referenced at C.3).

Following the proposed resource candidates, Master Contractors are asked to respond:

- Provide a Staffing Management Plan, which can be a bullet point summary of staff proposed (referenced in C.4); and
- Provide the names and titles of the Offeror's off-site management staff assigned to this project that will be the State's contact points for Contractor staff related issues (referenced in C.5).

Q-27. Is the TO Contractor responsible for managing resources or will the State be the sole manager?

A-27. The State will be the manager.

Q-28. If the TO Contractor has management responsibilities, please indicate how the TO Contractor and the State will divide management responsibilities.

A-28. TO contractor will not have project management responsibilities for their staff when they are on-site. The State will provide a project manager that will oversee and direct all project related tasks and work activities of contractor's staff.