

# **STATE OF FLORIDA**

## **Department of Financial Services**

Request for Best and Final Offer

In Conjunction with  
Invitation to Negotiate for  
FLAIR and CMS Replacement Project  
Software and Implementation Services

BAFO BF-04/2002-03

May 23, 2003

*FLAIR and CMS Replacement Project  
Request for Best and Final Offer (BAFO)*

## **1 INTRODUCTION**

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The purpose of this document is to request a Best and Final Offer (BAFO) from each Finalist participating in the Invitation to Negotiate for FLAIR and CMS Replacement Project Software and Implementation Services, No. BAFO BF-04/2002-03; and to provide guidance to the Finalists on preparing their BAFOs.

### **1.1 PURPOSE OF THIS DOCUMENT**

This document provides the information and instructions necessary for Finalists to formulate their BAFOs in an acceptable format conducive to meeting the aggressive schedule set out for the completion of this procurement. The State requests that Finalists carefully read and follow these instructions so that they might help to achieve that schedule.

### **1.2 CONTACT WITH THE STATE**

Any contact with the State regarding this request for BAFO should be made through e-mail at: [Flair\\_inbox@dfs.state.us.fl](mailto:Flair_inbox@dfs.state.us.fl). or through the State's representative: Rebecca Sutton, Deputy Chief Financial Officer & State Project Director, FLAIR & CMS Replacement, Department of Financial Services, (850) 410-9877 (voice), (850) 410-9364 (fax), [rsutton@dfs.state.fl.us](mailto:rsutton@dfs.state.fl.us). Under no circumstances should finalists or their subcontractors contact members of the Decision Committee as described herein.

## **2 THE BAFO PROCESS**

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### **2.1 BEST AND FINAL OFFER**

The BAFO must contain a Solution Definition that has been fine-tuned and finalized with the State, finalized costs sheets presenting a fixed cost, including all costs for the project as specified in the Cost Worksheets found in Section 5. In addition, the BAFO must contain a response to the State's final contract offer. Finally, the BAFO must contain cost information in the requested format. This document specifies submission and content instructions that Finalists should follow in preparing and submitting their BAFOs. (See Section 3 for BAFO Submission Instructions.) The BAFO will be submitted in accordance with the BAFO Calendar and Schedule in Section 2.5 herein.

### **2.2 CONTRACT NEGOTIATIONS WITH THE TWO FINALISTS**

The State is submitting its final contract forms with terms and conditions acceptable to the State in this request for the Best and Final Offer and is requesting that the Finalists sign the body of the contracts and submit them as a part of the BAFO response.

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**2.3 CONTRACT AWARD**

A Contract Award will be made only upon successful contract execution with a Finalist. The State reserves the right, upon reaching an impasse with one Finalist, to invite the other Finalist to resume negotiations with the State.

The notice of intended award will be noticed electronically pursuant to the BAFO Calendar and Schedule (Section 2.5) and will remain noticed for a period of 72 hours.

**2.4 PROTESTS**

Any person who is adversely affected by the agency's decision or intended decision shall file with the agency a notice of protest in writing within 72 hours after the posting of the notice of decision or intended decision. With respect to a protest of the terms, conditions, and specifications contained in a solicitation, including any provisions governing the methods for ranking bids, proposals, or replies, awarding contracts, reserving rights of further negotiation or modifying or amending any contract the notice of protest shall be filed in writing within 72 hours after the posting of the solicitation.

Failure to file a protest within the time prescribed in Section 120.57(3), Florida Statutes, shall constitute a waiver of proceeding under Chapter 120, Florida Statutes.

Any actual or prospective contractor/entity who desires to file a formal protest to this document, must accompany that protest with a bond payable to the Department in an amount equal to one percent (1%) of the Department's estimate of the total value of the contract based on the price submitted by the protestor or otherwise as provided in Section 287.042(2)(c), Florida Statutes, which the bond shall be conditioned upon the payment of all costs which may be judged against her or him in the administrative hearing in which the action is brought and in any subsequent appellate court proceeding. In lieu of a bond, the Department may accept a cashier's check, official bank check, or a money order in the amount of the bond. **Failure to file the proper bond at the time of filing the formal protest will result in a denial of the protest.**

**2.5 BAFO CALENDAR AND SCHEDULE**

The following table outlines the planned schedule for selecting the Application Contractor for the FLAIR and CMS Replacement Project. The State retains the right to adjust the schedule in any manner it deems appropriate. Adjustments to the schedule will be announced to the Finalists.

| <b>Activity</b>  | <b>Date(s)</b>                                |
|--|---|
| Best and Final Offer Requested                                   | Noon EDT, May 23, 2003                        |
| Best and Final Offer Due   | Noon EDT, May 30, 2003                        |
| BearingPoint Interviews with the BAFO Decision Committee         | June 6, 2003, 9:00 am to Noon<br>Location TBD |
| PeopleSoft/Accenture Interviews with the BAFO Decision Committee | June 9, 2003, 9:00 am to Noon<br>Location TBD |
| Intent to Award Noticed  | June 10, 2003                                 |

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| <b>Activity</b>                         | <b>Date(s)</b> |
|---|----------------|
| Complete Negotiations, Execute Contract | June 23, 2003  |
| Begin Implementation                    | July 7, 2003   |

## **2.6 RESERVATIONS**

### **2.6.1 RESERVATIONS IN THE INVITATION TO NEGOTIATE**

The Department continues to reserve all rights included in the Invitation to Negotiate for FLAIR and CMS Replacement Project Software and Implementation Services, (BF-04/2002-03).

### **2.6.2 RIGHT TO FURTHER NEGOTIATE**

In the event that an impasse is reached with the first-place Finalist, the Department reserves the right to resume negotiations with the second-place Finalist.

## **3 BAFO SUBMISSION INSTRUCTIONS**

### **3.1 RESPONSIBILITY TO READ AND UNDERSTAND THE REQUEST FOR BAFO**

Each Finalist responding to this Request for BAFO is required to read and thoroughly examine its contents. Failure to do so will not excuse any failure to comply with the requirements of the Request for BAFO or any resulting contract, nor shall such failure be a basis for claiming additional compensation.

In the event that this Request for BAFO is silent on specifications or omits detailed descriptions, each Finalist must assume that only the best commercial practices and first quality materials and work products are to be used.

### **3.2 SUBMISSION OF BAFOs**

#### **3.2.1 SUBMISSION OF ORIGINAL AND NUMBER OF COPIES**

Finalists are invited to submit their BAFOs in SEALED envelopes in accordance with the requirements outlined in this document. The Replies are required to address all aspects of this BAFO. The vendor must submit:

- One (1) original BAFO in hard copy form clearly marked "Original" with a transmittal letter signed by an authorized officer of the Application Contractor;
- Twelve (12) paper copies of the BAFO;

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- Thirteen (13) soft copies of the BAFO on CD media. Each CD shall have the complete BAFO in two formats, stored in two (2) separate folders. One folder shall have a copy of the BAFO in Microsoft Office 2000 format, and the other folder shall have a copy of the BAFO in Portable Document Format (pdf).

### **3.2.2 PACKAGING AND DELIVERY INSTRUCTIONS**

Each package or box containing the BAFOs should be clearly marked as follows: "BAFO for FLAIR & CMS Replacement Software and Implementation Services, BAFO BF-04/2002-03" and must weigh no more than 50 pounds.

BAFOs will be submitted to:

- **Mr. David Wright, Purchasing Specialist**  
Bureau of General Services  
Department of Financial Services  
Larsen Building  
200 East Gaines Street, Room B24  
Tallahassee, Florida 32399-0350

Be sure to include all required components. Only the original needs original signatures.

Submit the BAFO in accordance with the instructions on or before Friday, May 30, 2003, at or before 12:00 noon, EDT.

### **3.2.3 FORMAT OF BAFO SUBMISSION**

The following instructions should be followed carefully by Finalists to facilitate the State's ability to analyze and evaluate submissions, in whole or in part, efficiently and effectively.

#### **3.2.3.1 OUTLINE**

Follow the attached BAFO Solution Definition Outline included in Section 5, which is similar to the outline for the Draft Solution Definition document. If a Finalist does not want to use a particular item in the Outline as specified, then there must be a reference as to exactly where the requested information is in the document. Failure to provide this reference may cause the evaluator to assume that the information has not been provided.

#### **3.2.3.2 FEEDBACK POINTS**

Include materials in response to the State's written feedback points and to items discussed during the consultation sessions. Further, provide a cross-reference in

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Appendix E of the BAFO Solution Definition (described in Section 3.2.3.8) showing the location where each feedback point has been addressed.

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### **3.2.3.3 LIMITATIONS OF SCOPE**

Please note that if there is any language in the body of the Solution Definition that is intended to limit scope, then this must be plainly disclosed in the “Assumptions / Open Questions” sections of the appropriate Work Stream (See Section 5, Attachment 4: BAFO Solution Definition Outline) so that the State can properly evaluate the impact of the scope limitation.

### **3.2.3.4 APPENDIX A OF THE SOLUTION DEFINITION OUTLINE, UPDATED RESPONSES TO DETAILED REQUIREMENTS (MICROSOFT ACCESS)**

- Please ensure that all fields are populated properly, using the functionality of the Requirements Database previously provided, completed and submitted on 4/11/03 as part of the Draft Solution Definitions and amended thereafter.
- If there is any requirement comment in the Requirements Database that is intended to limit the scope of that requirement, then this must be plainly disclosed in the Requirements Database so that the State can properly evaluate the impact of the scope limitation. There may be occasions when the software solution provides capability to address a requirement, but the implementation of the software that addresses the requirement will fall outside the scope of the Finalist’s proposed services. If this is the case, the comments field in the Requirements Database should clearly indicate that the software addresses the requirement, but that the implementation services have not been included to implement the feature.
- The BAFO does not require a printed version of the Microsoft Access Requirements Database, but the database should be included on the CD.

### **3.2.3.5 APPENDIX B OF THE SOLUTION DEFINITION OUTLINE, MICROSOFT PROJECT PLAN**

Please create Appendix B in accordance with the following instructions:

- Provide a detailed, top down, logic driven, resource loaded schedule in Microsoft Project 2002, integrated and tied to other project management documents, showing all Application Contractor and State activities, Major Deliverables, a well defined Critical Path, and reasonable total float for all other activities.
- The project plan should be aligned as much as possible with the Guide to the Project Management Body of Knowledge (PMBOK)® from the Project Management Institute (PMI)® by choosing the best Microsoft Project defaults and other suggestions outlined in the consultation sessions.

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- All Finalists' named key resources down to the Team Lead level must be loaded individually, either by name or by title. Other Finalists' staff may be identified by titles, roles, or be a part of groups, as appropriate.
- Include a placeholder at the end of each major phase to allow time for alternative strategies (or just extra time) to be used to ensure project success on the Critical Path when risk events occur ("contingency activity").
- A reasonable "rolling wave" approach, which offers more detail on earlier tasks than those later in the Project, is acceptable for the BAFO.
- Insert a Deliverable ID in Microsoft Project Text Field 10, for all activities containing a deliverable, that ties to the Deliverable Summary Tables in Appendix C. Use the following prefix scheme to designate Deliverable IDs, followed by a three (3)-digit number.
  - P = Project Management Work Stream.
  - O = Organizational Change Management Work Stream.
  - A = Application Software Work Stream.
  - T = Technical Work Stream.

For example, a deliverable in the Project Management Work Stream could be designated as P001. A deliverable in the Technical Work Stream could be designated as T001.
- There is no need to print the Microsoft Project schedule. However, the Finalist should feel free to do so if it helps clarify the BAFO. However, the MS Project files needs to be included on the CD submission of the BAFO.

### **3.2.3.6 APPENDIX C OF THE SOLUTION DEFINITION OUTLINE, DELIVERABLES SUMMARY TABLES**

Submit Appendix C in accordance with the following Instructions:

- Five (5) templates are provided for the Deliverables Summary Tables:
  - Written Deliverables Summary Table.
  - Prepared Software Deliverables Summary Table
  - Baseline Software Deliverables Summary Table payable under the Application Contractor's Services Agreement.
  - Baseline Software Deliverables Summary Table payable under separate license agreement(s) with the ERP software provider.
  - Training Deliverables Summary Table.
- Each deliverable summary template has detailed instructions concerning the content of the columns.
- The total dollar amounts from the five Deliverables Summary Tables will be summarized in Cost Worksheet A. Table 1 (see Appendix F).

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**3.2.3.7 APPENDIX D OF THE SOLUTION DEFINITION OUTLINE, OPTIONS**

Use Appendix D to describe software/services options listed on Cost Worksheet E.

**3.2.3.8 APPENDIX E OF THE SOLUTION DEFINITION OUTLINE, FEEDBACK POINTS BAFO  
CROSS REFERENCE**

Appendix E should be completed in accordance with the following instructions:

- Using the Draft Solution Definition Feedback Points that have been provided by the State during the Solution Consultation period, fill in the BAFO Reference/Locator column for each feedback item. Provide a page number reference to show where each feedback point is addressed in the BAFO.

**3.2.3.9 APPENDIX F OF THE SOLUTION DEFINITION OUTLINE, COST WORKSHEETS:**

Appendix F should be completed in accordance with the following instructions:

- Cost Worksheet A is provided to display all costs associated with the Application Contractor. These cost worksheets should equal the value of the Application Contractor's contract with the State.
  - Table 1 – Use this table to list the costs associated with Major Deliverables associated with and paid through the Application Contractor's contract. These totals should equal the totals of costs associated with Major Deliverables in the Deliverables Schedules 1-5, discussed in Section 3.2.6.
  - Table 2 – Use this table to list costs for facilities and consumables. These costs should be defined as a fee billed monthly for rent and consumables
  - Table 3 – Use this table to list cost, if any, of software licensed through/provided by the Application Contractor. This does not include software licensed directly with or through the Application Contractor's ERP Software Provider, as identified in the Cost Worksheet B.
  - Table 4 – Use this table to list the cost of maintenance for a 5-year period for all software listed in Table 3, beginning July 7, 2003.
- Cost Worksheet B is provided to display all costs associated with the ERP Software Provider. These costs should equal the total of the license fees and projected maintenance costs for 5 years of all software licensed by the ERP Software Provider.

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- Table 1 – Use this table to list the costs associated with licensing the ERP Software and associated modules, if any, or functionalities. Choose either a named user pricing model or an enterprise-licensing model. If using the enterprise model, please indicate in the space below the table the extent to which the State of Florida enterprise can grow without incurring additional license fees as well as what the fees would be for additional growth after that.
  - Table 2 – Use this table to list the costs of other software licensed by or through the ERP Software Provider.
  - Table 3 – Use this table to list the maintenance of software products listed in Tables 1 and 2, beginning July 7, 2003.
- Cost Worksheet C is provided to display all costs associated with the Project other than those listed in Worksheets A and B, State staff labor costs, costs for the Special Project Monitor, costs for the Independent Project Monitor and furniture for the Project site.
- Table 1 – Use this table to list costs of software needed for the implementation of the Project but that will be procured separately by the State.
  - Table 2 – Use this table to list 5-year maintenance costs for the software listed in Table 1, beginning July 7, 2003.
  - Table 3 – Use this table to list hardware and equipment to be provided by the Project. Include hardware and equipment to establish both the Project site and the production environment.
  - Table 4 – Use this table for all other costs for the Project.
- Cost Worksheet D is provided to create monthly spending plans for the Project and to summarize total costs for the Project. This will be the schedule that will be scored in the cost evaluation by the BAFO Decision Committee.
- Table 1 (3 pages) – Use this table to schedule costs based on timing of payment. Assume that payment will be made 40 days after receipt of invoice. Example: Acceptance of a Major Written Deliverable is scheduled on April 12, 2004 and will be billed within 15 days. Therefore, this payment should be scheduled in May, 2004. Show schedules for timing of expected payment for all tables in Worksheets A, B and C.
  - Table 2 – Summarize the annual totals in Table 1 in this table to show a Project total. This table should equal the amounts in the various Tables in Worksheets A, B, and C as well as the total of the costs in Table 1, Worksheet D.
- Cost Worksheet E is provided to present costs for all Options proposed by the Finalist. Options are defined as software or service in Worksheet E.

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- Table “\_\_\_” – Use this table to list any costs associated with an Option proposed. Use a separate table numbered sequentially for each Option proposed.
- Cost Worksheet F is provided to present rates for Change Orders and Renewal periods.
- Table 1 – Use this table to list staff categories and hourly rates for 7 years beginning July 7, 2003.
- Please submit these cost worksheets in both hardcopy form as an Appendix and in Microsoft Excel format. These should be included on the CDs submitted with the hardcopy BAFOs.

### **3.2.3.10 APPENDIX G OF THE SOLUTION DEFINITION OUTLINE, APPLICATION CONTRACTOR CONTRACT**

Include the attached Application Contractor contract in Appendix G. A mandatory requirement is the Finalist’s written commitment to sign the document as worded. Concerns may be expressed in Appendix G; however Appendix G must contain a willingness to execute this agreement.

### **3.2.3.11 APPENDIX H OF THE SOLUTION DEFINITION OUTLINE, ERP SOFTWARE LICENSE AGREEMENT**

Include the attached Software License Agreement in Appendix H. A mandatory requirement is the Finalist’s written commitment to sign the document as worded. Concerns may be expressed in Appendix H; however Appendix H must contain a willingness to execute this agreement.

## **4 BAFO EVALUATION PROCESS**

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BAFOs that are submitted by Finalists in accordance with the instructions specified herein will be examined and evaluated by the State. Details of this evaluation process are provided below.

### **4.1 BAFO DECISION COMMITTEE**

The BAFO Decision Committee is be comprised of four (4) individuals representing the Executive Office of the Governor, State agencies, and the Department of Financial Services as follows: Herb Fillyaw, Department of Financial Services, Chair; Doug Darling, Department of Financial Services; Scott Ward, Department of Financial Services, Michele Tallent, Department of Agriculture. The members of the Project Team, headed by the State Project Director and assisted by attorneys from the Department of Financial Services, Office of the General Counsel, will serve in a staff capacity to the BAFO Decision Committee. In this capacity they will, *at the request of*

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**the BAFO Decision Committee**, provide information and analysis of the submitted BAFOs, provide subject matter expertise, perform reference checks on proposed staff, provide legal advice, and provide information and analysis of the financial impact of the proposed cost of the Project. The BAFO Decision Committee will evaluate the submitted BAFOs, as well as any other information that is requested and presented to them and will solely determine which of the two BAFOs, if any, should be selected for award.

### **4.2 EVALUATING THE BEST AND FINAL OFFERS**

The evaluation criteria are listed below and are the same as they were in the previous two evaluations performed during this procurement. However, in this round of evaluation, the weighting factors have changed. Scores that have been assigned to each Finalist during previous phases of this project have been discarded, making this evaluation stand on its own. Each evaluator on the BAFO Decision Committee will individually complete a scoring sheet. The sheets will be tabulated to identify one Application Contractor that will be awarded by the BAFO Decision Committee.

The BAFO Decision Committee will not use a mechanical scoring evaluation methodology for the Software Solution requirements, as was used in previous phases. Instead, the BAFO Decision Committee will review Application Software Work Stream chapter of the Solution Definition, information in other parts of the Solution Definition regarding Interfaces, Conversion and Reporting, as well as the results presented in Appendix A of the BAFO, which contains responses to Detailed Requirements.

The Department reserves the right to schedule additional discussions with Finalists after receiving the BAFOs, if it believes doing so will be in the best interests of the State. As a part of the Evaluation Process, the Finalists may be invited to be interviewed by the BAFO Decision Committee. At this time, these interviews are tentatively scheduled for June 6, 2003, and June 9, 2003 and will be held if considered necessary by the BAFO Decision Committee in their evaluation and decision process. Finalists should reserve these days in the event that the BAFO Decision Committee requests this.

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| <b>Finalist Scoring</b> |   |                  |
|-------------------------|---|------------------|
| Evaluation Criteria     |   | Available Points |
| <b>I.</b>               | <b>Software Solution – 30%</b>                    |                  |
|                         | Scope of Solution                                 | 15               |
|                         | Software Fit                                      | 15               |
|                         | <b>Subtotal</b>                                   | <b>30</b>        |
| <b>II.</b>              | <b>Solution Provider – 10%</b>                    |                  |
|                         | Qualifications & Experience                       | 5                |
|                         | Proposed Staff                                    | 5                |
|                         | <b>Subtotal</b>                                   | <b>10</b>        |
| <b>III.</b>             | <b>Solution Implementation – 40%</b>              |                  |
|                         | Approach & Methodology                            | 4                |
|                         | Technical Architecture                            | 8                |
|                         | Solution Preparation                              | 4                |
|                         | Implementation Support                            | 8                |
|                         | Organizational Change Management                  | 8                |
|                         | Training Approach                                 | 8                |
|                         | <b>Subtotal</b>                                   | <b>40</b>        |
| <b>IV.</b>              | <b>Solution Cost – 20%</b>                        |                  |
|                         | <b>Total Project Costs (Worksheet D, Table 2)</b> | <b>20</b>        |
|                         |   |                  |
|                         | <b>TOTAL</b>                                      | <b>100</b>       |

Following its evaluation of BAFOs, the BAFO Decision Committee, on behalf of the Department, will select the Finalist whose BAFO has been determined to be most advantageous and provide the best value to the State. Upon completion of the final evaluation of the Best and Final Offers, the Department will post an Intent to Award a Contract.

## **5 ATTACHMENTS**

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- Attachment 1 Cost Worksheets
- Attachment 2 Application Contractor Contract
- Attachment 3 License Agreement Contract
- Attachment 4 BAFO Solution Definition Outline
- Attachment 5 Deliverables Templates

All attachments and other notices are posted on the electronic notice on the Florida Vendor Bid System at [http://fcn.state.fl.us/owa\\_vbs/owa/vbs\\_www.search.criteria\\_form](http://fcn.state.fl.us/owa_vbs/owa/vbs_www.search.criteria_form). Select the Department of Financial Services from the AGENCY drop-down list, and then press “Initiate Search” button at the bottom of the page. On the resulting screen select

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BAFO BF-04/2002-03 in the NUMBER field. It is the responsibility of all Proposers to monitor this site for new and changing information.

Because the required format is not available through the Vendor Bid System, Proposers may download the required format version from the CFO's Website for the FLAIR Project: [http://www.dbf.state.fl.us/flair\\_replacement/](http://www.dbf.state.fl.us/flair_replacement/).

FAILURE TO FILE PROTEST (WHICH PROTEST SHALL BE LIMITED TO THE SUBJECT OF THIS BAFO) WITHIN THE TIME PRESCRIBED IN S.120.57 (3), FLORIDA STATUTES SHALL CONSTITUTE A WAIVER OF PROCEEDINGS UNDER CHAPTER 120, FLORIDA STATUTES.