

AMENDMENT #2 FOR RFP NUMBER 0A1065

DATE AMENDMENT ISSUED: January 15, 2010

The State of Ohio, through the Department of Administrative Services, Information Technology Procurement Services, for the Ohio Department of Job and Family Services is requesting proposals for a:

Child Care Time and Attendance Tracking System

| | |
|-------------------------------|--|
| INQUIRY PERIOD BEGINS: | December 21, 2009 |
| INQUIRY PERIOD ENDS: | January 18, 2010 |
| OPENING DATE: | January 25, 2010 |
| OPENING TIME: | 1:00 P.M. |
| OPENING LOCATION: | Department of Administrative Services I.T. Procurement Services Bid Room 4200 Surface Road Columbus, Ohio 43228 |

PRE-PROPOSAL CONFERENCE DATE: January 6, 2010 at 9:00 a.m.

This RFP consists of five parts and nine attachments, totaling 143 consecutively numbered pages. Supplements also are attached to this RFP with a beginning header page and an ending trailer page. Please verify that you have a complete copy.

This page represents the amendment for the Request for Proposal (RFP) listed above. Please use this page to replace the page previously issued by the state.

Specifications and requirements that have been revised are indicated with asterisks and/or bold type.

| | | | | | |
|---|---------------|----------------------|--------------|----------------|------------------------|
| Task 1 – Project Management | 15 | 0 | 5 | 7 | 9 |
| Task 2 – Systems Analysis and Design | 10 | 0 | 5 | 7 | 9 |
| Task 3 – Configuration and Documentation | 10 | 0 | 5 | 7 | 9 |
| Task 4 – System and User Acceptance Testing | 15 | 0 | 5 | 7 | 9 |
| Task 5 – Training | 15 | 0 | 5 | 7 | 9 |
| Task 6 – Implementation | 20 | 0 | 5 | 7 | 9 |
| Task 7 – System Operations | 15 | 0 | 5 | 7 | 9 |
| Task 8 – End of Contract Transition | 5 | 0 | 5 | 7 | 9 |
| Implementation Services Project Schedule | 15 | 0 | 5 | 7 | 9 |
| Staffing Plan | Weight | Does not Meet | Meets | Exceeds | Greatly Exceeds |
| Implementation Staffing Plan | 10 | 0 | 5 | 7 | 9 |
| Operational Staffing Plan | 5 | 0 | 5 | 7 | 9 |

***Price Performance Formula.** The evaluation team will rate the Proposals that meet the Mandatory Requirements based on the following criteria and respective weights.

| Criteria | Percentage |
|---|-------------------|
| Technical Proposal | 70% |
| Cost Summary <ul style="list-style-type: none"> • Implementation and Transition Cost 10% • Total Yearly Per Authorized Child Cost 15% • Rate Card Evaluation Cost 5% | 30% |

To ensure the scoring ratio is maintained, the State will use the following formulas to adjust the points awarded to each offeror.

The offeror with the highest point total for the Technical Proposal will receive 700 points. The remaining offerors will receive a percentage of the maximum points available based upon the following formula:

Technical Proposal Points = (Offeror's Technical Proposal Points/Highest Number of Technical Proposal Points Obtained) x 700

Cost points are determined by the following formula:

Implementation and Transition Cost Points = (the lowest proposed Implementation and Transition Cost /the offeror's proposed Implementation and Transition Cost) x 100.

Total Yearly Per Authorized Child Cost Points = (the lowest proposed Total Yearly Per Authorized Child Cost /the offeror's proposed Total Yearly Per Authorized Child Cost) x 150.

Rate Card Evaluation Cost Points = (the lowest proposed Rate Card Evaluation Cost /the offeror's proposed Rate Card Evaluation Cost) x 50.

**Total Evaluation Points = Total Technical Proposal Points
+ Implementation and Transition Cost Points
+ Total Yearly Per Authorized Child Cost Points
+ Rate Card Evaluation Cost Points.**

- k. The Electronic Device must require Caretakers to use a card, and a Personal Identification Number (PIN) that is four or more characters long, to complete a transaction.
- l. The Electronic Device must require Providers to utilize a unique identifier and PIN to perform administrative functions.
- m. The Electronic Device equipment must have the ability to use the key pad for entry of account number and a pin for checking a child in/out when a swipe card is not available.
- n. The Electronic Device and system must be able to track multiple account numbers and a pin for each individual that is authorized to check a child in/out. This is to accommodate multiple care givers that are picking up or dropping off the same child for care.
- o. The Electronic Device equipment must have the ability to utilize analog or broadband connectivity.
- p. The Electronic Device must have the capacity to capture a store and forward (SAF) transaction and send it later if the Hosting system is currently off-line. In this case, one entry shall be added to the daily transaction receipt containing:
 - 1. A message indicating the transaction was saved for SAF;
 - 2. The ~~*Electronic Device~~ **client card** number (with all but the last 4 digits masked).
 - 3. The Check-In/Check-Out indicator, indicating attendance type selected.
 - 4. The Transaction Time,
 - 5. The Provider Number,
 - 6. The Case and Child Numbers,
 - 7. The Sequence Number of saved transaction that shall be used to send information to Host Computer, and
 - 8. The status of the transaction.
- q. The Electronic Device must display a message on the screen indicating transaction status.
- r. The Electronic Device must provide authorization status on demand.
- s. The Electronic Device must automatically receive software updates and configuration data from the Host Computer with minimal impact to device services.
- t. Electronic Device communication must be fully compliant with all current and relevant ISO standards for financial transactions.
- u. The communication between the Contractors system and the Electronic Device must incorporate, at a minimum, 128-bit encryption.
- v. The PIN must conform to industry-standard security protocols to:
 - 1. Encrypt in a physically secure device
 - 2. Resist software interrogation.
 - 3. Resist modification of the device
 - 4. Resist diagnostic or maintenance procedures
 - 5. Resist tapping
 - 6. Resist device examination after theft
 - 7. Perform PIN translation in a physically secure environment, and store encryption keys so they are not accessible through unauthorized access
 - 8. Utilize Key Exchange Keys (KEK) and PIN Encryption Keys (PEK).
 - 9. The Electronic Device must be fully compliant with all current and relevant ISO standards to prevent tampering and other unauthorized use.
- w. The Contractor must provide written notification within 10 business days to the Provider and to JFS of the outcome of any investigation arising from a Provider dispute or a complaint related to the deployment or use of the Electronic Device.

Payment Calculation

Minimum Requirements: The Contractor's system must meet the following requirements:

- a. ~~*The system must have the ability to calculate a payment comprising data elements captured by the Electronic Device and the IVR. These elements include, but are not limited to:~~
 The system must have the ability to calculate a payment comprising of data elements provided by JFS, data captured by the Electronic Device and data that maybe maintained within the solution's IVR system. These elements include, but are not limited to:

ATTACHMENT THREE: REQUIREMENTS FOR PROPOSALS

Proposal Format. Each Proposal must include sufficient data to allow the State to verify the total cost for the Work and all of the offeror's claims of meeting the RFP's requirements. Each Proposal must respond to every request for information in this attachment, whether the request requires a simple "yes" or "no" or requires a detailed explanation. Simply repeating the RFP's requirement and agreeing to comply may be an unacceptable response and may cause the Proposal to be rejected.

These instructions describe the required format for a responsive Proposal. The offeror may include any additional information it believes is relevant. An identifiable tab sheet must precede each section of a Proposal, and each Proposal must follow the format outlined below. All pages, except pre-printed technical inserts, must be sequentially numbered. Any material deviation from the format outlined below may result in a rejection of the non-conforming Proposal.

Each Proposal must contain the following:

- Vendor Information Form (OBM-5657)
- Subcontractor Letters
- Offeror Certification Form
- Offeror Description
- Offeror Profile Summary Forms
- Personnel Profile Summary Forms
- Proposed Solution for Time and Attendance System Requirements and Hosting Services
- Implementation Work Plans
- Implementation Services Project Schedule
- Staffing Plans
- Assumptions
- Support Requirements
- Proof of Insurance
- Payment Address
- Legal Notice Address
- W-9 Form
- Declaration Regarding Terrorist Organizations
- Cost Summary (must be separately sealed)
- *Bond Commitment**

Vendor Information Form. The offeror must submit a signed and completed Vendor Information Form (OBM-5657) for itself and for each subcontractor the offeror plans to use under the Contract. The form is available at <http://ohiosharedservices.ohio.gov/Vendors.aspx>

Subcontractor Letters. For each proposed subcontractor, the offeror must attach a letter from the subcontractor, signed by someone authorized to legally bind the subcontractor, with the following included in the letter:

1. The subcontractor's legal status, federal tax identification number, D-U-N-S number, and principal place of business address;
2. The name, phone number, fax number, email address, and mailing address of a person who is authorized to legally bind the subcontractor to contractual obligations;
3. A description of the work the subcontractor will do;
4. A commitment to do the work if the offeror is selected; and
5. A statement that the subcontractor has read and understood the RFP and will comply with the requirements of the RFP.

Offeror Certifications Form. The offeror must complete Attachment 6, Offeror Certification Form.

Offeror Description. Each Proposal must include a description of the offeror's capability, capacity, and experience in the industry. The description should include the date the offeror was established, its

The JFS Project Representative will be committed to coordinating and providing access to all necessary State resources for the duration of the Project. The SME's and team members will be available to the project on an as-needed basis for the duration of the Project and required by the work plan.

The State may not be able or willing to provide any additional support the offeror lists in this part of its Proposal. The offeror therefore must indicate whether its request for additional support is a requirement for its performance. If any part of the list is a requirement, the State may reject the offeror's Proposal, if the State is unwilling or unable to meet the requirements.

Proof of Insurance. The offeror must provide the certificate of insurance required by Attachment Four. The policy may be written on an occurrence or claims made basis.

Payment Address. The offeror must give the address to which the State should send payments under the Contract.

Legal Notice Address. The offeror must give the name, title, and address to which the State should send legal notices under the Contract.

W-9 Form. The offeror must complete the attached W-9 form in its entirety. The offeror must submit at least one originally signed W-9. All other copies of a Proposal may contain copies of the W-9. The offeror must indicate on the outside of the binder which Proposal contains the originally signed W-9.

Declaration Regarding Terrorist Organizations. The offeror must complete a Declaration Regarding Material Assistance/Non-assistance to Terrorist Organizations in its entirety. The offeror must submit at least one originally signed copy of this form, which should be included with the offeror's originally signed Proposal. All other copies of the offeror's Proposal may contain copies of this form. The form is available at: <http://www.homelandsecurity.ohio.gov>.

Cost Summary. This RFP includes a Cost Summary Form provided as an attachment. Offerors may not reformat this form. Each offeror must complete the Cost Summary Form in the exact format provided, since the State may reject any Proposal with a reformatted Cost Summary Form or that is not separately sealed. (See: Part Three: General Instructions, Proposal Submittal.)

The Cost Summary Form must not include exceptions, additional terms and conditions, or assumptions.

The offeror's total cost for all the Work must be represented as the not-to-exceed fixed price.

The State will not be liable for or pay any Work costs that the offeror does not identify in its Proposal.

***Bond Commitment. The selected offeror must provide a performance bond. The amount of the performance bond must be equal to at least ten percent of the total amount of the Contract, and the bond must remain in place through the term of the Contract and may be renewed or continued annually with the approval of the State. Therefore, each offeror must enclose a letter of commitment from a bonding company for an appropriate performance bond with its Proposal.**

The offeror must list the actual cost of securing the performance bond in its Cost Summary, Attachment 9. The State will pay only the actual cost of the performance bond and may request a certified copy of the invoice from the bonding company for documentation. If the cost of the bond on the Cost Summary and the cost shown on the bonding company's invoice do not match, the State will pay whichever is less.

- (a) Commercial General Liability insurance coverage for bodily injury, personal injury, wrongful death, and property damage. The defense cost must be outside of the policy limits. Such policy must designate the State of Ohio as an additional insured, as its interest may appear. The policy also must be endorsed to include a blanket waiver of subrogation. At a minimum, the limits of the insurance must be:

\$ 2,000,000 General Aggregate
\$ 2,000,000 Products/Completed Operations Aggregate
\$ 1,000,000 Per Occurrence Limit
\$ 1,000,000 Personal and Advertising Injury Limit
\$ 100,000 Fire Legal Liability
\$ 10,000 Medical Payments

The policy must be endorsed to provide the State with 30-days prior written notice of cancellation or material change to the policy. And the Contractor's Commercial General Liability must be primary over any other insurance coverage.

- (b) Commercial Automobile Liability insurance with a combined single limit of \$500,000.
- (c) Professional Liability insurance covering all staff with a minimum limit of \$1,000,000 per incident and \$3,000,000 aggregate. If the Contractor's policy is written on a "claims made" basis, the Contractor must provide the State with proof of continuous coverage at the time the policy is renewed. If for any reason the policy expires, or coverage is terminated, the Contractor must purchase and maintain "tail" coverage through the applicable statute of limitations.

The certificate(s) must be in a form that is reasonably satisfactory to the State as to the contents of the policies and the quality of the insurance carriers. All carriers must have at least an "A-" rating by A.M. Best.

***Performance Bond.**

The Contractor must provide the Procurement Representative with a performance bond in the amount required by the RFP Documents within 30 business days after receipt of a purchase order for this Contract. The bond must be issued by a company authorized by Ohio's Department of Insurance to do business in Ohio and must indemnify the State against all direct damages it suffers from any failure of the Contractor to perform properly.

Failure of the Contractor to provide the performance bond on or before the date it is required will result in a breach of this Contract without a cure period and termination or suspension (or ultimately both) of this Contract for cause. The performance bond must remain in place through the term of the contract but may be renewed or continued annually with the approval of the State. Further, the terms of the bond must reflect the terms of this section, or the State will reject it and treat the failure of conformance as a failure by the Contractor to deliver the bond in a timely fashion.

Concurrent with the delivery of the performance bond, the Contractor must provide the State with a certified copy of the invoice for the bond from the bonding company. The State will reimburse the Contractor for the lesser of the amount of the performance bond reflected on the bonding company's certified invoice or the cost shown on the Cost Summary of the Contractor's proposal.

Replacement Personnel. If the RFP Documents contain the names of specific people who will do the Work, then the quality and professional credentials of those people were material factors in the State's decision to enter into this Contract. Therefore, the Contractor must use all commercially reasonable efforts to ensure the continued availability of those people. Also, the Contractor may not remove those people from the Work without the prior, written consent of the State, except as provided below.

The Contractor may remove a person listed in the RFP Documents from the Work, if doing so is necessary for legal or disciplinary reasons. But the Contractor must make a reasonable effort to give the State 30 calendar days' prior, written notice of the removal.

If the Contractor removes a person listed in the RFP Documents from the Work for any reason other than those specified above, the State may assess liquidated damages in the amount of \$1,500.00 for every day between the date on which the individual was removed and the date that this Contract is terminated or the individual's qualified replacement, selected in accordance with the process identified in this section, starts performing on the Work. The State also may provide the Contractor with written notice of its default under this section, which the Contractor must cure within 30 days. Should the Contractor fail to cure its default within the 30 day cure period, this Contract will terminate immediately for cause, and the State will be entitled to damages in accordance with the Suspension and Termination Section of this Contract due to the termination. Should the State assess liquidated damages or otherwise be entitled to damages under this provision, it may offset these damages from any Fees due under this Contract.

The Contractor must have qualified replacement people available to replace any people listed in the RFP Documents by name or identified as a key individual on the Work. When the removal of a listed person is permitted under this Section, or if a person becomes unavailable, the Contractor must submit the resumes for two replacement people to the State for each person removed or who otherwise becomes unavailable. The Contractor must submit the two resumes, along with such other information as the State

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**ATTACHMENT NINE
COST SUMMARY
*(Replace Entire Cost Summary)**

| Performance Bond Costs | |
|------------------------|----|
| Performance Bond | \$ |

| Implementation Costs | |
|---|----|
| Task 1 – Project Management | \$ |
| Task 2 – System Analysis and Design | \$ |
| Task 3 – Configuration and Documentation | \$ |
| Task 4 – System and User Acceptance Testing | \$ |
| Task 5 – Training | \$ |
| Task 6 – Implementation | \$ |
| Total implementation Fixed Cost | \$ |
| End of Contract Transition Costs | |
| Task 8 – End of Contract Transition | \$ |
| | |

| System Operation Costs | | | | | | | | | | | | |
|--|------------------|--|------------------|---------------------------|-----------------|----------------|------|--------|--------|--------|----|-----------|
| Task 7 – System Operations | | | | | | | | | | | | |
| <p>The numbers provided in the “JFS Estimated Authorized Children” column are based on analysis of data from previous years. There is no guarantee of actual volumes associated with this Contract.</p> <p>Each offeror must include costing that defines base operational costs and an amount attributed to actually utilizing the check in/out service within the month. The State estimates that the difference between children authorized and those that utilize services runs between 20-25% per month. For example, if the estimated authorized children is 10,000 then there is the potential of 2,000- 2,500 that will not use the services within the month.</p> <p>The column titled “Base cost per Month per Child” is to contain the operational costs per authorized child.</p> <p>The Column titled “Utilization Cost” is the additional cost per child that will occur when a child actually has checked in/out for services at least once during the month.</p> <p>For example:</p> <table border="0"> <tr> <td>JFS Estimated Authorized Children</td> <td>Base Cost</td> <td>+ Utilization Cost</td> <td>x Months</td> <td>= Total</td> </tr> <tr> <td>YR 1</td> <td>10,000</td> <td>\$2.50</td> <td>\$2.00</td> <td>12</td> <td>\$540,000</td> </tr> </table> <p>This equates to: $((10,000 * 2.50) + (10,000 * 2.00)) * 12 = \\$540,000$</p> <p>For actual operations if 20% of the children did not utilize the services the amount billed for the month would be:</p> $((10,000 * 2.50) + (**8,000 * 2.00)) * 12 = \$492,000.$ <p>**8000= 10,000 x 80% or (JFS Estimated Authorized Children x 80% utilization)</p> <p>The Contractor is required to report details on the monthly invoice reflecting the costs attributed to base and utilization.</p> | | JFS Estimated Authorized Children | Base Cost | + Utilization Cost | x Months | = Total | YR 1 | 10,000 | \$2.50 | \$2.00 | 12 | \$540,000 |
| JFS Estimated Authorized Children | Base Cost | + Utilization Cost | x Months | = Total | | | | | | | | |
| YR 1 | 10,000 | \$2.50 | \$2.00 | 12 | \$540,000 | | | | | | | |

| Monthly Rate for Utilization of Services | | | | | | |
|---|-----------------------------------|-------------------------------|---|------------------|--------|-------------------|
| State Fiscal Years | JFS Estimated Authorized Children | Base cost per Month per Child | | Utilization Cost | Months | Total Yearly Cost |
| Fiscal Year 2010 | 90,000 | \$ | + | \$ | x 12 | |
| Fiscal Year 2011 | 94,500 | \$ | + | \$ | x 12 | |
| Fiscal Year 2012 | 99,225 | \$ | + | \$ | x 12 | |
| Fiscal Year 2013 | 104,186 | \$ | + | \$ | x 12 | |
| Fiscal Year 2014 | 109,395 | \$ | + | \$ | x 12 | |
| Fiscal Year 2015 | 114,864 | \$ | + | \$ | x 12 | |
| Fiscal Year 2016 | 120,607 | \$ | + | \$ | x 12 | |
| Total Yearly Per Authorized Child Cost | | | | | | \$ |

The rate card is to establish costing for custom modifications and special projects that may occur during the life of contract after acceptance and implementation. Special projects or modifications do not include regular software upgrades and maintenance to correct defects or compatibility of software/hardware architecture as technology changes. All maintenance support for upgrades to technology and defect resolution are part of the base cost per month per child charges. The expectation is that for projects of longer duration discounts are applied. For these projects, the state will require a statement of work containing estimated resources, costs and a deliverable agreement.

| Rate Card | | | |
|------------------------------|-------------|--|---|
| Rate Card | Column 1 | Column 2 | Column 3 |
| | Hourly Rate | >3 Month duration or Amendment spend >\$500K - <\$1M | >6 Months duration or Amendment spend >\$1M |
| Sr. Programmer Analyst | \$ | \$ | \$ |
| Programmer Analyst | \$ | \$ | \$ |
| System Analyst | \$ | \$ | \$ |
| Business Analyst | \$ | \$ | \$ |
| Developer | \$ | \$ | \$ |
| Rate Card Sub-Totals: | \$ | \$ | \$ |

| | |
|---|-----------|
| Rate Card Evaluation Total (Total of Columns 1, 2, & 3): | \$ |
|---|-----------|

Total Cost for Evaluation will be utilized to calculate total cost points.

| Ohio Time and Attendance Total Evaluation Cost | |
|--|----|
| 1. Implementation and End of Contract Transition Costs: | \$ |
| 2. Total Yearly Per Authorized child cost FY 10 – FY 16: | \$ |
| 3. Rate Card Evaluation Total: | \$ |