



TEXAS

Health and Human Services

Cecile E. Young, Executive Commissioner

**Request for Offers (RFO)
For
Centralized Accounting and Payroll/Personnel System (CAPPS)
Human Capital Management (HCM) Hub System
Maintenance and Support Services**

RFO No. HHS0009987

**Date of Release: July 27, 2021
Responses Due: August 26, 2021 by 10:30 a.m. Central Time**

NIGP Class / Item Codes

- 920-02 *Access Services, Data**
- 920-04 *Applications Software, Main Frame Server Systems**
- 920-14 *Application Software, Mainframes and Servers**
- 920-37 *Networking Services, Including Installation, Security, and Maintenance**
- 920-45 *Software Maintenance and Support Services**
- 920-46 *Software Updating and Upgrading Services**
- 920-66 *System, Network, Database, DBA Administration Services**
- 958-77 *Project Management Services**
- 962-69 *Personnel Services, Temporary**

***Automated Information Systems (AIS)**

Table of Contents

ARTICLE I. EXECUTIVE SUMMARY, DEFINITIONS, AND AUTHORITY	6
1.1 EXECUTIVE SUMMARY	6
1.2 DEFINITIONS	7
1.3 AUTHORITY	11
ARTICLE II. SCOPE OF WORK.....	12
2.1 DESCRIPTION OF SERVICES	12
2.1.1 <i>Overview</i>	12
2.1.2 <i>High Level Project Background and CAPPS HCM User Base</i>	12
2.1.3 <i>Contract Phases</i>	13
2.1.4 <i>Additional Services</i>	36
2.2 KEY PERFORMANCE MEASURES AND ASSOCIATED REMEDIES	37
2.3 CONTRACT AWARD, TERM, AND AMOUNT	38
2.3.1 <i>Contract Award and Execution</i>	38
2.3.2 <i>Contract Term</i>	38
2.4 DATA USE AGREEMENT	39
2.5 NO GUARANTEE OF VOLUME, USAGE, OR COMPENSATION	39
2.6 GOVERNMENTAL ENTITIES	40
2.7 INVOICING	40
2.7.1 <i>General</i>	40
2.7.2 <i>Payee on Invoice Statements</i>	40
2.7.3 <i>Invoice Format</i>	40
2.8 DELIVERABLES	40
2.8.1 <i>Overview</i>	40
2.8.2 <i>Domain Specific Deliverables</i>	40
2.8.3 <i>Services Performance Criteria</i>	46
2.8.4 <i>Deliverables Submission and Acceptance Process</i>	47
ARTICLE III. ADMINISTRATIVE INFORMATION	48
3.1 SCHEDULE OF EVENTS	48
3.2 CHANGES, AMENDMENT, OR MODIFICATION TO SOLICITATION	49
3.3 IRREGULARITIES	49
3.4 INFORMALITIES	49
3.5 INQUIRIES	49
3.5.1 <i>Sole Point of Contact</i>	49
3.5.2 <i>Prohibited Communication</i>	49
3.5.3 <i>Exception to Sole Point of Contact</i>	50
3.5.4 <i>Questions</i>	50
3.5.5 <i>Clarification</i>	50
3.5.6 <i>Responses</i>	50
3.5.7 <i>Respondent Pre-Bidder's and HSP Conference</i>	51
3.6 SOLICITATION RESPONSE COMPOSITION	51

3.6.1	Generally	51
3.6.2	Page Limit and Supporting Documentation.....	51
3.6.3	Discrepancies	51
3.6.4	Exceptions.....	51
3.6.5	Binding Offer	52
3.6.6	Assumptions.....	52
3.7	SOLICITATION RESPONSE SUBMISSION AND DELIVERY.....	52
3.7.1	Deadline.....	52
3.7.2	Submission Options	52
3.7.3	Labeling and Delivery	53
3.7.4	Alterations, Modifications, and Withdrawals	55
ARTICLE IV. SOLICITATION RESPONSE EVALUATION AND AWARD PROCESS.....		55
4.1	EVALUATION CRITERIA	55
4.1.1	Conformance with State Law.....	55
4.1.2	Minimum Qualifications	55
4.1.3	Specific Criteria.....	56
4.1.4	Other Information.....	56
4.2	INITIAL COMPLIANCE SCREENING.....	56
4.3	COMPETITIVE RANGE AND BEST AND FINAL OFFER	56
4.4	QUESTIONS OR REQUESTS FOR CLARIFICATION BY THE SYSTEM AGENCY	57
ARTICLE V. NARRATIVE/TECHNICAL PROPOSAL.....		58
5.1	NARRATIVE PROPOSAL	58
5.1.1	Executive Summary.....	58
5.1.2	Project Work Plan	58
5.1.3	Value-Added Benefits.....	58
5.1.4	Key Staffing Profile.....	58
5.2	TECHNICAL PROPOSAL.....	58
5.2.1	Overview.....	58
5.2.2	Section 1 – Requirements Common Across All Domains.....	59
5.2.3	Section 2 – Transition Services Domain.....	59
5.2.4	Section 3 – Application Development Support Domain.....	59
5.2.5	Section 4 – System Software Administration Support Domain	59
5.2.6	Section 5 – Project Management Domain	59
5.2.7	Section 6 – Service Level Agreements Domain.....	59
5.2.8	Section 7 – Turnover Domain.....	59
5.2.9	Section 8 – Additional Services Approach.....	59
ARTICLE VI. REQUIRED RESPONDENT INFORMATION		60
6.1	COMPANY INFORMATION	60
6.1.1	Company Narrative	60
6.1.2	Company Profile.....	60
6.2	PAST PERFORMANCE	61
6.3	MAJOR SUBCONTRACTOR INFORMATION	61
6.4	AFFIRMATIONS AND CERTIFICATIONS	62

6.5	OTHER REPORTS	62
6.5.1	<i>Dun and Bradstreet Report</i>	62
6.5.2	<i>Financial Capacity</i>	62
6.5.3	<i>Financial Statements and Financial Solvency</i>	62
6.5.4	<i>Alternate Report</i>	63
6.6	CORPORATE GUARANTEE	63
6.7	HUB SUBCONTRACTING PLAN	63
ARTICLE VII. COST PROPOSAL		64
7.1	COST PROPOSAL	64
ARTICLE VIII. GENERAL TERMS AND CONDITIONS		66
8.1	GENERAL CONDITIONS	66
8.1.1	<i>Amendment</i>	66
8.1.2	<i>Offer Period</i>	66
8.1.3	<i>Costs Incurred</i>	66
8.1.4	<i>Contract Responsibility</i>	66
8.1.5	<i>Public Information Act - Respondent Requirements Regarding Disclosure</i>	66
8.1.6	<i>Respondent Waiver – Intellectual Property</i>	68
8.2	INSURANCE	68
8.2.1	<i>Required Coverage</i>	68
8.2.2	<i>Alternative Insurability</i>	69
8.3	PROTEST.....	69
8.4	STANDARDS OF CONDUCT FOR VENDORS	69
ARTICLE IX. SUBMISSION CHECKLIST		70
ARTICLE X. LIST OF EXHIBITS		72

TABLE OF TABLES

Table 1 – Service Domain Acronym and Description 14
Table 2 – Common Across All Domains (CAA) Requirements..... 16
Table 3 – Transition (TRA) Requirements 19
Table 4 – Application Development Support (ADS) Requirements 20
Table 5 – System Software Administration Support (SSA) Requirements 23
Table 6 – Project Management (PM) Requirements..... 27
Table 7 – Service Level Agreements (SLA) Requirements..... 31
Table 8 – Turnover (TUR) Requirements..... 34
Table 9 – Project Phases and Activities..... 38
Table 9 - Deliverable and DED Requirements 41

ARTICLE I. EXECUTIVE SUMMARY, DEFINITIONS, AND AUTHORITY

1.1 EXECUTIVE SUMMARY

The State of Texas, by and through the Texas Health and Human Services Commission (HHSC), seeks a qualified Contractor to maintain and provide identified support services to the Centralized Accounting and Payroll/Personnel System (CAPPS) Human Capital Management (HCM) Hub System. The CAPPS HCM Hub System supports at least 65,000 current and former employees at HHSC, Department of State Health Services, Cancer Prevention and Research Institute of Texas, and Department of Family Protective Services.

The 80th Legislature charged the State of Texas Comptroller of Public Accounts (CPA) with creating an Enterprise Resource Planning (ERP) system to streamline and consolidate state government's major business functions, including human resources and payroll.

The Centralized Accounting and Payroll/Personnel System (CAPPS) is the ERP solution for Texas, designed and built by CPA. CPA developed two independent but related ERP systems: CAPPS Financials and CAPPS HR/Payroll. State agencies have a choice of implementing CAPPS Financials, CAPPS HR/Payroll, or both.

CPA deploys the ERP solution using a combination of CAPPS Central and CAPPS Hub implementation models. CAPPS Central-Agencies are directly supported by CPA. CAPPS Hub-Agencies, on the other hand, receive from CPA their own copy and regular updates of the CAPPS Financials and HR/Payroll baseline applications to implement on their own infrastructure. CAPPS Hub-Agencies bear the cost of transition, deployment, ongoing maintenance and support, and all other internal costs.

CPA has developed one code line for CAPPS Financials and one code line for CAPPS HR/Payroll Baseline to support all CAPPS agencies regardless of how a state agency is categorized i.e., CAPPS Central-Agency or CAPPS Hub-Agency. HHSC is a CAPPS Hub-Agency. HHSC's instance of CAPPS HR/Payroll Baseline, which has been modified to HHSC's business needs, is called the CAPPS HCM Hub System.

HHSC is procuring information technology maintenance and operation services for the CAPPS HCM Hub System while synchronizing agency requests and system improvements with requirements set by the Comptroller's Office. Services sought also include incident and request management processes that follow Information Technology Service Management (ITSM) principles. The Services being procured are multi-faceted and will include working in concert with HHS agencies' business partners/stakeholders who administer the agency's business functions supported by the CAPPS HCM Hub System modules which include Human Resources, Payroll, Position Management, Time and Labor, Performance Management, and Training. The procurement also includes providing support for third-party applications that interact with the CAPPS HCM Hub System such as an HCM Recruitment Marketing and Recruitment Management Solution and an Interactive Voice Response System. The CAPPS Financials System will not be included in this contract.

Information regarding HHSC and its programs is available online and can currently be accessed at <https://hhs.texas.gov/about-hhs>.

To be considered for award, a Respondent must execute **Exhibit A, HHS Solicitation Affirmations -Version 1.9** of this Solicitation and provide all other required information and documentation as set forth in this Solicitation.

1.2 DEFINITIONS

Refer to **Exhibit B, Health and Human Services (HHS) Uniform Terms and Conditions – Vendor Version 3.2** for additional definitions.

Additionally, as used in this Solicitation, unless the context clearly indicates otherwise, the following terms and conditions have the meanings assigned below:

“ADC” means the State of Texas Austin Data Center, which is the facility located in Austin, Texas that hosts servers and supporting infrastructure that supports agencies’ business applications for agencies participating in the DIR STS contract.

“Addendum” means a written clarification or revision to this Solicitation issued by the System Agency.

“Available” means the full functionality of the CAPPs HCM Hub System is ready and accessible for use by all authorized Users and is not degraded in any material respect e.g., all Users are able to access the CAPPs HCM Hub System, including the training site; Users are able to log in and perform business functions; and all automated processes are running as scheduled.

“Award Consideration (AC) Documents” means documents that must be submitted with the Solicitation Response to be considered for negotiations or award; but may be remedied by the Respondent at the option of HHSC.

“CAPPs” means Centralized Accounting and Payroll Personnel System.

“CAPPs HR/Payroll Baseline” means The CAPPs code line that is managed and maintained by CPA, which contains four core modules (i.e., Core Human Resources, Payroll, Position Management, and Time and Labor), as well as additional non-core modules.

“CAPPs HCM Hub System” means the HHSC instance of the CAPPs HR/Payroll Baseline, which has been modified by HHSC to meet the agency’s business needs.

“Contract” see the definition in **Exhibit B, Health and Human Services (HHS) Uniform Terms and Conditions – Vendor Version 3.2.**

“Contract Term” means the period beginning with the Effective Date of the Contract and ending when the Contract expires in accordance with its terms, or when it has been terminated.

“Contractor” see the definition in **Exhibit B, Health and Human Services (HHS) Uniform Terms and Conditions – Vendor Version 3.2.**

“COTS” means ‘commercial off-the-shelf’ and refers to software that is ready-made and available for purchase in the commercial market.

“CPA” means the State of Texas Comptroller of Public Accounts.

“Cancer Prevention and Research Institute of Texas” or “CPRIT” means the administrative agency that creates and supports infrastructure in Texas that accelerates the movement of new cancer drugs, diagnostics, and therapies from the laboratory to the patient.

“DBMS” means database management software which is software used for storing, manipulating, and managing data, such as format, names of fields, and record and file structures in a database.

“DCS” means Data Center Services and is the DIR managed program that supports Texas agencies consolidating their computing environment into consolidated data centers.

“DEL” means Deliverables to be developed and provided by the Contractor to HHSC.

“DED” means Deliverables Expectation Document, the purpose of which is to clearly define the content and format of a Deliverable before the Deliverable is developed.

“Department of Information Resources” or “DIR” means the administrative agency established under Chapter 2054 of the Texas Government Code and serves the Texas government by leading the State's technology strategy, protecting State technology infrastructure, and offering innovative and cost-effective solutions for all levels of government.

“Department of Family and Protective Services” or “DFPS” means the administrative agency that works with communities to promote safe and healthy families and protect children and vulnerable adults from abuse, neglect, and exploitation.

“Department of State Health Services” or “DSHS” means the administrative agency established under Chapter 531 of the Texas Government Code that improves the health, safety, and well-being of Texans through good stewardship of public resources, and a focus on core public health functions.

“Department of Information Resources Shared Technology Services” or “DIR STS” means a program within the DIR which is comprised of a set of managed information technology (IT) services that Texas agencies can use to accelerate their information technology service delivery.

“Downtime” means a time when the CAPPS HCM Hub System is not available.

“DR” means Disaster Recovery, which focuses on the technology systems supporting critical business functions, as opposed to business continuity, which involves keeping all essential aspects of a business functioning despite significant disruptive events.

“Effective Date” see the definition in **Exhibit B - Health and Human Services (HHS) Uniform Terms and Conditions – Vendor Version 3.2.**

“ELM” means Enterprise Learning Management which is part of the CAPPS HCM Hub System.

“ESBD” means the Electronic State Business Daily, the electronic marketplace where State of Texas bid opportunities over \$25,000 are posted. The ESBD may currently be accessed at <http://www.txsmartbuy.com/esbd>.

“FDD” means Functional Design Document.

“Full Time Personnel” means the number of qualified personnel that individually produce 1,920 hours of annual support in accordance with the Contract.

“Health and Human Services Commission” or “HHSC” see the definition in **Exhibit B, Health and Human Services (HHS) Uniform Terms and Conditions – Vendor Version 3.2.**

“Health and Human Services” or “HHS” see the definition in **Exhibit B, Health and Human Services (HHS) Uniform Terms and Conditions – Vendor Version 3.2.**

“ITSM” means Information Technology Service Management.

“Key Personnel” means the individuals identified by the Contractor to fill primary leadership roles on the project team or who have critical day-to-day involvement in delivery of the Services under the Contract.

“Operations Activities” means business operations activities that begins directly after the end of the Transition Activities and concludes on the Contract expiration or termination date.

“Oversight Team” means the HHSC Information Technology and project leadership team members that are responsible for managing the CAPPS HCM Hub System and coordination for any changes to the CAPPS HCM Hub System with HHSC program leadership and the Contractor.

“PDF” means portable document format which is a file format that provides an electronic image that looks like a printed document and can be easily shared and printed.

“PIA” means Public Information Act, Chapter 552 of the Texas Government Code.

“PII” means Personal Identifiable Information, which is any representation of information that permits the identity of an individual to whom the information applies to be reasonably inferred by either direct or indirect means.

“Portal” means a user interface that allows users to access the CAPPS HCM Hub System to perform self-service functions.

“Priority Level” or “P1,” “P2,” “P3,” “P4” means priority levels one (1) through four (4) which are assigned to Service Request tickets created for the CAPPS HCM Hub System.

“Power User” means HHSC’s and/or Contractor staff who will have the ability to directly query and report from the CAPPS HCM Hub System including ELM.

“Response Time” means the time between the submittal of a Service Request (SR) Ticket and Contractor staff being assigned to the SR Ticket.

“Respondent” means the entity responding to this Solicitation.

“RFO” means Request for Offer including exhibits, attachments, and Addenda, if any.

“SDC” means the State of Texas San Angelo Data Center, which is a facility located in San Angelo, Texas that hosts servers and supporting infrastructure that supports State agencies’ business applications for agencies participating in the DIR STS contract.

“Service Request” or “SR” means documentation provided to the Contractor for support of the CAPPS HCM Hub System, associated software enhancements, and upgrades.

“Service Title Category” is a description of the title and minimum qualifications required of the personnel proposed by the Contractor.

“Service Level Agreement” or “SLA” means the contractual performance measures that must be met by the Contractor to avoid the imposition of a financial remedy by HHSC.

“Solicitation” see the definition in **Exhibit B, Health and Human Services (HHS) Uniform Terms and Conditions – Vendor Version 3.2.**

“Solicitation Consideration (SC) Documents” means documents that must be submitted with the Solicitation Response in order to be considered for evaluation and cannot be resubmitted or have errors remedied after the submission due date and time in the Schedule of Events has passed.

“Solicitation Response” see the definition in **Exhibit B, Health and Human Services (HHS) Uniform Terms and Conditions – Vendor Version 3.2.**

“STS” means the DIR Shared Technology Services Program that was established to supply access for State agencies to managed information technology as a shared service, allowing State agencies to focus on supporting their mission and business functions rather than directly managing information technology services.

“System Agency” has the same meaning as the definition in **Exhibit B, Health and Human Services (HHS) Uniform Terms and Conditions – Vendor Version 3.2.**

“TDD” means Technical Design Document.

“Transition Activities” means those activities, including project management activities, that take place between the Effective Date and the start of the Operations Activities.

“Transition Plan” means a document developed by the Contractor that identifies the transition team, the team’s organization and its responsibilities, and the tools, techniques, and methodologies that are required to perform an efficient and effective transition.

“Turnover Activities” means those activities, including planning, project management, communication, and coordination activities, that are required for the Contractor to transfer Services to a successor service provider or HHSC.

“Turnover Plan” means a document developed by the Contractor that describes the activities for transitioning Services to a successor service provider or HHSC.

“Upgrades” means the replacement of hardware, software, or firmware with a newer version or different product.

“User” or “Users” means a person who has access to the CAPPS HCM Hub System.

“User Acceptance Testing” or “UAT” means formal testing with respect to user needs, requirements, and business processes conducted to determine whether or not a system satisfies the acceptance criteria and to enable the user or customers to determine whether or not to accept the system.

1.3 AUTHORITY

HHSC is soliciting the Services listed herein under Section 2157(a)(2), and Section 2157.068(e-2) and 1 TAC pt. 10 ch.212, subch. B, Rule 212.10.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

ARTICLE II. SCOPE OF WORK

2.1 DESCRIPTION OF SERVICES

2.1.1 Overview

The Contractor shall maintain and provide support services for the HHSC Centralized Accounting and Payroll/Personnel System (CAPPS) Human Capital Management (HCM) Hub System. In accordance with this Scope of Work (SOW), the Contractor will provide:

1. As needed on-going enhancement services;
2. On-going CAPPS HCM Hub System production application support services; and
3. CAPPS HCM Hub System application version upgrades and on-going maintenance.

Under the SOW, the Contractor will modify the current version of the CAPPS HCM Hub System instance of the CAPPS HR/Payroll Baseline to maintain, administer, and monitor the current functionality and enable efficiencies, as well as, implement, as needed, innovations and new modules (e.g., health and safety module).

HHSC seeks to maximize the current industry capabilities and trends. The Contractor shall provide staff who have functional, technical, and project management experience which enables HHSC to perform all functionality to operate, manage, control, and configure, as needed, the CAPPS HCM Hub System.

HHSC is keenly aware of the advantages and benefits of technology and its advances in the market today. HHSC, therefore, is focused on continuous improvement efforts associated with leveraging innovative, flexible, and collaborative technologies that improve the maintenance and operations, and end-user's experiences associated with such technologies. It is of critical importance that the Contractor provides a solution for identifying and leveraging innovative and new support technology and capabilities while maintaining the current configuration.

All work products including, but not limited to, electronic media and hard copy documentation produced by the Contractor during the Contract Term shall become the property of HHSC and may not be published or reproduced without the written permission of HHSC.

All artifacts associated with the CAPPS HCM Hub System including, but not limited to, code objects, functional and technical designs, system documentation, log files, data, and data files, are State-owned and not the Contractor's proprietary or intellectual property.

2.1.2 High Level Project Background and CAPPS HCM User Base

The State of Texas' CAPPS HR/Payroll Baseline is hosted and supported at the Comptroller of Public Accounts (CPA) in Austin, Texas. HHSC, as a CAPPS HCM Hub System, receives from the CPA its own copy and regular updates of the CAPPS HR/Payroll Baseline to implement, maintain, and support on HHSC's infrastructure. The CAPPS HCM Hub System was originally based upon Version 9.1 of the Oracle/PeopleSoft Human Capital Management (HCM). The CAPPS HCM Hub System is currently hosted at the San Angelo Data Center (SDC) and the Austin Data Center (ADC) and has been upgraded from Version 9.1 to 9.2 of

Oracle's PeopleSoft HCM. Further, the underlying database was also upgraded from Oracle 11.2.0.1 to the 11.2.0.3 version of Oracle. For additional information regarding CAPPS and the architectural framework, see **Exhibit O, CAPPS HCM Architectural Features and Framework.**

The CAPPS HCM Hub System is comprised of Human Resources, Benefits, Payroll and Commitment Accounting, Time Labor and Leave, Position Control, Performance Management, and Learning Management (includes Training Administration) modules and supports at least 65,000 current and former employees at HHSC, Department of State Health Services (DSHS), Cancer Prevention and Research Institute of Texas (CPRIT), and Department of Family and Protective Services (DFPS). These business administrative functions are performed by managers and employees via self-service, along with Human Resources, Training, Time, Labor and Leave, and Payroll State staff and a third-party service provider to perform core administrative functions. The HHSC, DSHS, CPRIT, and DFPS agencies leverage the administrative function found in the CAPPS HR/Payroll Baseline while incorporating agency specific modifications in a customized HHSC CAPPS HCM Hub System.

2.1.3 Contract Phases

2.1.3.1 Phases Overview

Contract performance is comprised of three (3) phases: Phase I – Transition Activities; Phase II – Operation Activities; and Phase III – Turnover Activities.

In addition to the contents in **Article II**, the Contractor will be required to follow, manage, track, document, and report on all items identified in **Exhibit O, CAPPS HCM Architectural Features and Framework; Exhibit P, Service Level Agreement Delineation; Exhibit Q, CAPPS HCM Key Performance Measures (KPM) and Liquidated Damages (LD); and Exhibit R, CAPPS HCM Third Party Applications and Support Tools.** A traceability/alignment of requirements and exhibits is provided in subsequent sections; however, the Respondent will ensure and trace the alignment in the Solicitation Response.

2.1.3.1.1 Phase I – Transition Activities

The Contractor will be required to complete Phase I – Transition Activities for the Contract within ninety (90) days following the Contract Effective Date. Once Transition Activities are completed, the Contractor will commence performance of all Phase II-Operational Activities as outlined in this SOW with the approval by the Oversight Team.

During the Transition the Contractor is required to provide the Deliverables defined in **Section 2.8** of this SOW that are necessary for Transition.

2.1.3.1.2 Phase II – Operations Activities

The Operations Activities phase will commence upon completion of Phase I- Transition Activities.

The Operations Activities will consist of support, performance, and reporting on the Application Development Support Domain, the System Software Administration Support Domain, Project Management Domain, and the Service Level Agreements Domain as explained more fully in **Section 2.1.3.2** of this SOW.

The Contractor's work effort for the required Operations services will fluctuate based on increased HHSC workloads resulting from legislative mandates, upgrades, major workforce changes or events, or any other similar events that significantly affect work effort.

HHSC will notify and provide a plan and schedule to the Contractor at least thirty (30) calendar days prior to any infrastructure changes in order to allow the Contractor time to adjust personnel workloads appropriately, if necessary. However, occasions may occur when a shorter notification period will occur and will be necessary.

2.1.3.1.3 Phase III – Turnover Activities

Turnover includes all activities necessary to ensure continuous availability of operations and Services while the Contractor is performing knowledge transfer of operational responsibility to either HHSC or HHSC-designated resources. The Turnover Activities phase and Contract closeout will begin six (6) months prior to the end of the Contract Term, which may include optional renewal periods. Turnover Activities are explained more fully in **Section 2.1.3.6** of this SOW.

2.1.3.2 CAPPS HCM Hub System Service Domains

There are seven (7) total CAPPS HCM Hub System service domains which the Contractor is required work across the three (3) contract phases described in **Section 2.1.3.1**.

The synopsis in **Table 1** outlines the phases, associated domains, and high-level descriptions of the domains. Requirements specific to each domain are delineated in **Sections 2.1.3.3 to 2.1.3.6** of this SOW.

Table 1 – Service Domain Acronym and Description

Phase	Domain and Acronym	Description
Phase I, II and III The Contractor’s responsibilities include, but are not limited to, performing and reporting on the progress of the requirements identified in Tables 2, 3, 4, 5, 6, 7, and 8 of this SOW.	Common Across All (CAA) Domain	Common requirements are applicable across all the service domains. This includes Transition, Operations, and Turnover phases.
Phase I (P1), Transition Activities The Contractor’s responsibilities	Transition (TRA) Domain	Transition is the time between the Contract’s Effective Date and the start of the Operations phase. During this period the Contractor and current service provider will connect, collaborate,

<p>include, but are not limited to, performing, and reporting on the progress of the requirements identified in Table 2 in Section 2.1.3.3 of this SOW.</p>		<p>communicate, and cohort in the day-to-day maintenance and support activities of the CAPPs HCM Hub System. Transition activities are those activities that take place during that time frame and include all project management activities required of the Contractor under this SOW.</p>
<p>Phase II (P2), Operation Activities</p> <p>For all Phase II domains, the Contractor's responsibilities include, but are not limited to, performing, and reporting on the progress of the requirements identified in Tables 3, 4, 5, 6, and 7 of this SOW.</p>	<p>Application Development Support (ADS) Domain</p>	<p>Contractor will provide ongoing CAPPs HCM Hub System support services for the term of the Contract, including any exercised extensions. Contractor provides for CAPPs HCM Hub System version upgrades, as well as, provides ongoing maintenance.</p>
	<p>System Software Administration Support (SSA) Domain</p>	<p>Contractor will be responsible for System Software Administration and support services which include, but are not limited to, the following: administration, functional maintenance, operation, technical support, software configuration, database administration, upgrade management, support request processing, and troubleshooting of all third-party support tools.</p>
	<p>Project Management (PM) Domain</p>	<p>The Contractor will provide system and software project management services that follow software development and industry standards and best-practices for the planning and leading of software projects.</p>
	<p>Service Level Agreements (SLA) Domain</p>	<p>The Contractor will provide system and software SLA management as defined in the Request for Offer (RFO) domain to meet and achieve the level of service expected by HHSC for the CAPPs HCM Hub System.</p>

		The Contractor will manage to the prescribed metrics and will communicate by the metrics by which that service is measured, and the remedies or penalties, if any, should the agreed-on service levels not be achieved.
Phase III (P3), Turnover Activities The Contractor's responsibilities include, but are not limited to, performing, and reporting on the progress of the requirements identified in Table 8 of this SOW.	Turnover (TUR) Domain	Turnover means those activities, including planning, project management, communication, and coordination activities, that the Contractor must perform to hand over contract service delivery to a successor, HHSC, or HHSC's designated resources.

2.1.3.3 Common Requirements Across Domains (CAA)

Common requirements defined below are applicable across all Contract phases and associated service domains. The Contractor's responsibilities include, but are not limited to, performing and reporting on the progress of the following requirements **in Table 2 – Common Requirements Across Domains**.

Table 2 – Common Across All Domains (CAA) Requirements

Req ID	Common Across All Domains (CAA) Requirements
P2-CAA-1	Unless otherwise indicated, the Contractor must provide the work plans for on-going CAPPs HCM Hub System domains to HHSC for written approval no later than thirty (30) calendar days after the Contract Effective Date.
P2-CAA-2	The Contractor may propose, for HHSC's approval, any additional work plans the Contractor considers necessary to most optimally perform the services required for on-going CAPPs HCM Hub System domains. For any plan not approved, HHSC will indicate those areas that do not meet HHSC's expectations and the Contractor must revise the plan accordingly. Any clarifications, modifications, or updates required by HHSC for any of the work plans shall be made by the Contractor no later than five (5) calendar days following receipt of HHSC's written feedback.

Req ID	Common Across All Domains (CAA) Requirements
P2-CAA-3	<p>The Contractor will develop and submit a Communication Management Plan for on-going CAPPs HCM Hub System domains, for HHSC's written approval. The Communication Management Plan will be delivered as outlined in Section 2.8 of this SOW</p> <p>At a minimum, the Communication Management Plan shall address the protocols, frequency, participants, and feedback mechanisms related to the following communication channels:</p> <ul style="list-style-type: none"> A. Regularly scheduled and ad hoc on-site/virtual meetings; B. Conference calls; C. E-mail; D. Monthly report; E. Issues tracking and escalation; F. Service level performance and support request reports provided by the Contractor as specified; and G. Project plans.
P2-CAA-4	<p>The Contractor will perform the required Services, outlined in Section II at HHSC facilities located in Austin, Texas. HHSC will provide:</p> <ul style="list-style-type: none"> (1) adequate workspace, (2) designated parking (as available) for the Contractor's personnel, and (3) HHSC computers, laptops, printers, phones, cubicles, back-office software, and other office equipment, as appropriate. <p>If the Contractor utilizes a non-HHSC computer or laptop, that device must conform to the HHSC information technology security standards (https://hhs.texas.gov/doing-business-hhs/contracting-hhs/vendor-resources, (see Information Security section of the webpage) and must be approved by the Oversight Team.</p>
P2-CAA-5	<p>The Contractor will provide, for HHSC approval, a remote or telework approach that outlines the circumstances, for all cases, for the Contractor resources to work at non-HHSC facilities and the use of non-HHSC equipment.</p>
P2-CAA-6	<p>The Contractor, as a matter of nominal documentation, will not deviate from the HHSC standards and templates for documentation. The Oversight Team will provide the standards and templates at the contract kick off discovery meeting. If any deviation in documentation is needed, it must be requested and must be approved in writing by the Oversight Team. Microsoft Office Productivity suite is the HHSC standard.</p>
P2-CAA-7	<p>The Contractor will conform to any changes to the MS Office software suite within thirty (30) calendar days after receipt of written notice by HHSC.</p>

Req ID	Common Across All Domains (CAA) Requirements
P2-CAA-8	<p>The Contractor must ensure that the business and project requirements, updates and upgrades, business assumptions, quality assurance, and HHSC policies and procedures are utilized throughout the Contract Term.</p> <p>The Contractor must perform all tasks for the required Services which include, but are not limited to, the Contractor roles and responsibilities outlined in <u>Section 1 (Roles and Responsibilities) of Exhibit P, Service Level Agreement Delineation.</u></p>
P2-CAA-9	<p>The Contractor must provide resources sufficient to meet the Service Levels and Services (see <u>Exhibit P, Service Level Agreement Delineation</u>) activities set forth in the Contract and produce the HHSC-approved enhancements from the enhancement scheduling process.</p>
P2-CAA-10	<p>The Contractor will perform Additional Services as defined and specified in Section 2.1.4, to develop, implement, and transition new projects into the CAPPS HCM Hub System.</p>
P2-CAA-11	<p>The Contractor must provide a project work plan for each Additional Services (See Section 2.1.4) request within fifteen (15) calendar days of receipt of HHSC's written request. The Contractor project manager will provide the following to HHSC:</p> <ul style="list-style-type: none"> A. Project work plan; B. Recommended adjustments to the SOW, if any; C. Estimated pricing using the Operational Services Price Sheet Template (see <u>Exhibit F, Cost Workbook</u>); D. Proposed payment schedule based on the Software Development Life Cycle (SDLC) and SOW; and E. Resume(s) of resources to be assigned with skill level information that identifies the resources' ability to provide direct support of the Additional Services (see <u>Exhibit N, Contractor Key Personnel and Staff Qualifications</u>). Additional skills that may be relevant can be identified, as well, but must clearly be delineated as key skill (Contract specific) and additional skill (future capability). Key Personnel and Contractor staff must meet industry standards for the positions they occupy.
P2-CAA-12	<p>The Contractor shall adhere to the following Key Service Level when performing Additional Services development and implementation: Key Service Level The Contractor must adhere to milestone dates established in the HHSC approved Additional Services' project work plan. Metric The Contractor must meet deadlines 100% of the time for all milestones established in the HHSC approved Additional Services' project work plan.</p>
P2-CAA-13	<p>The Contractor will provide maintenance and support services for the new project that has been added as an Additional Service on the date the new project is put into production.</p>

2.1.3.4 Phase I – Transition Activities

The Contractor will perform the Transition Activities in a manner to successfully accomplish the requirements identified in **Table 3 – Transition (TRA) Requirements**.

The Transition Activities shall be complete when HHSC notifies the Contractor of (1) HHSC’s approval of all transition DEDs and Deliverables, and (2) HHSC’s written acknowledgement of the Contractor’s successful completion of the Transition Activities.

Table 3 – Transition (TRA) Requirements

Req ID	Transition (TRA) Requirements
P1-TRA-1	The Contractor must successfully complete Transition activities and performance measures within ninety (90) calendar days after the Contract Effective Date.
P1-TRA-2	The Contractor must provide to the Oversight Team within seven (7) calendar days of the Contract Effective Date: (1) the Key Personnel, who will be based in Austin, Texas, and (2) the draft Transition Plan.
P1-TRA-3	The Contractor must provide to the Oversight Team the finalized Transition Plan within thirty (30) calendar days of the Contract Effective Date.
P1-TRA-4	The Contractor will ensure a smooth transition of responsibilities from the out-going service provider.
P1-TRA-5	The Contractor will work with the Oversight Team to ensure a complete knowledge transfer from the out-going service provider to the Contractor during the Transition Phase.
P1-TRA-6	The Contractor will demonstrate its ability to perform all operational activities in all documented environments.
P1-TRA-7	The Contractor is allowed to provide additional transition performance measures (See <u>Exhibit Q, CAPPS HCM Key Performance Measures (KPM) and Liquidated Damages (LD)</u> for already established transition performance measures) for HHSC’s consideration, if there are areas for continuous improvement.
P1-TRA-8	The Contractor will establish project Management (PM) transition personnel and develop Transition phase Deliverables, as delineated in Section 2.8 .
P1-TRA-9	The Contractor will provide transition plans and required Deliverables for approval by the Oversight Team prior to commencement of Operations. All artifacts will be accessible throughout the Contract Term, refer to Section 2.8 .
P1-TRA-10	The Contractor will submit the Transition Deliverables for approval to the Oversight Team, refer to P1-TRA-11 and Section 2.8 .
P1-TRA-11	The Contractor will develop the following Transition Deliverables (described in Section 2.8) by the dates referenced in Section 2.8 : A. Draft Transition Plan, B. Finalized Transition Plan,

Req ID	Transition (TRA) Requirements
	C. Transition Weekly Status Report, D. Readiness Assessment Plan, E. Readiness Assessment Results Report, and F. Finalized PM Plan.
P1-TRA-12	The Contractor will submit and adhere to the HHSC approved Transition Plan which includes, but is not limited to, the following: A. Establish the Contractor's project manager, B. On-boarding of the project personnel, C. Begin the scheduled on-boarding and/or transfer of technical resources, and E. Demonstrate the Contractor's ability to perform all Operational Activities in a controlled environment.
P1-TRA-13	The Contractor will provide weekly and monthly progress updates on the HHSC approved Transition Plan (See Section 2.8) and at progress meetings with the Oversight Team on a HHSC-approved schedule.
P1-TRA-14	The Contractor will assume responsibility for all open Service Requests for the CAPPs HCM Hub System reported and logged into the current service providers Oversight Team approved ITSM, or any other HHSC-approved tool (i.e., Jira).
P1-TRA-15	The Contractor will provide all completed Transition milestones in accordance with the deadline in the HHSC approved Transition Plan.
P1-TRA-16	If the Contractor performs any additional approved activities needed to satisfy Transition requirements those activities will be documented as part of the associated Transition milestone.
P1-TRA-17	The Contractor must work with the Oversight Team to effectively leverage the out-going service provider's Turnover Plan. The Contractor must have an Oversight Team approved-plan to organize, create, capture, track, and distribute knowledge to its staff throughout the Contract Term.

2.1.3.5 Phase II – Operations Services

The Contractor shall provide Operations Services that meet or exceed the requirements of the operational domains defined in **Table 4**, **Table 5**, **Table 6**, and **Table 7**.

Table 4 – Application Development Support (ADS) Requirements

Req ID	Application Development Support (ADS) Requirement
P2-ADS-1	The Contractor must provide on-going CAPPs HCM Hub System production application support services for the Contract Term.
P2-ADS-2	The Contractor will perform CAPPs HCM Hub System version upgrades, as well as provide, on-going maintenance.

Req ID	Application Development Support (ADS) Requirement
P2-ADS-3	The Contractor must develop and submit functional test plans for all test phases, which include unit testing, systems testing, User Acceptance Testing (UAT), and integration testing. Each plan will stipulate quantifiable entry and exit criteria for each functional test phase.
P2-ADS-4	The Contractor must develop and submit an Implementation Plan that contains the performance and load testing approach for the CAPPS HCM Hub System, as requested by HHSC. The Implementation Plan shall stipulate quantifiable entry and exit criteria.
P2-ADS-5	The Contractor must provide technical support, as required, to facilitate HHSC's effort to develop and deliver end user training.
P2-ADS-6	The Contractor must provide technical support, as required, to facilitate HHSC's effort to modify and test any Oracle PeopleSoft queries.
P2-ADS-7	The Contractor must maintain and update security roles and permissions that are assigned to users by the HHSC security provisioning team. Reference <u>Section 3 (System Software Administration Support) of Exhibit P, Service Level Agreement Delineation.</u>
P2-ADS-8	The Contractor must provide Services for all CAPPS HCM Hub System Oracle PeopleSoft application modules and environments that include, but are not limited to, the following: A. Application Development Support, including functional and technical application support, B. System Software Administration and Support, C. Database administration, D. Management of CAPPS HCM Hub System and HHSC's version of CAPPS HR/Payroll Baseline, and E. Upgrade management.
P2-ADS-9	The Contractor must provide Services that extend across HHSC, DSHS, CPRIT, and DFPS in support of all business administration functions, which include, but are not limited to, position control and commitment accounting.
P2-ADS-10	The Contractor must provide Services, which include, but are not limited to, the following: research, analysis, design, programming, testing, documentation, and implementation of enhancements. The Contractor shall utilize industry standard software development life-cycle processes for application development, which consist of the following phases: A. Project planning, B. Requirements analysis for software and hardware, C. Design (includes development of FDDs and TDDs), D. Code and unit test, E. System test, F. Integration test, G. User acceptance test, H. Deployment, I. Post-production support, and J. Maintenance

Req ID	Application Development Support (ADS) Requirement
P2-ADS-11	<p>The Contractor must provide Services, which include, but are not limited to:</p> <ul style="list-style-type: none"> A. Correcting software errors, B. Changing current inputs and/or outputs as requested, C. Making modifications to applications and documentation, D. Making changes to batch processes, interfaces, reports, and E. Writing ad hoc queries and ensuring accurate report runs.
P2-ADS-12	<p>The Contractor shall maintain configurations to include controlling, editing, updating, deleting, and adding the following:</p> <ul style="list-style-type: none"> A. Control values, B. Tree values, C. Workflow route controls, D. Workflow route control profile, E. Workflow configurations, and F. Documentation.
P2-ADS-13	<p>The Contractor will coordinate with and support the HHSC security provisioning team.</p>
P2-ADS-14	<p>The Contractor will provide database administration Services which include, but are not limited to: designing, creating, and maintaining databases and keeping databases available and performing optimally for all CAPPS HCM Hub System environments in a real application clusters (RAC) and shared storage environment.</p>
P2-ADS-15	<p>The Contractor will provide the Services applicable to the SR tracking/reporting system which include, but are not be limited to:</p> <ul style="list-style-type: none"> A. Providing on-site support during the business hours of 7:00 A.M. to 6:00 P.M. CT Monday through Friday, excluding State of Texas holidays published by Texas State Auditor's Office. (HHSC, at its discretion, may request extended hours, for example, during legislative session); B. Providing authorized HHSC Level 1 Support Staff access to the SR Tracking/Reporting System for HHSC Level 1 Support Staff to open and review SR tickets 24x7x365; C. Logging, managing, and resolving incidents from authorized HHSC Level 1 Support Staff contacts; D. Researching and analyzing technical issues more complex than general usage; E. Coordinating and/or resolving problems through third-party Services providers for Oracle PeopleSoft and third-party application and tool-related solutions; F. Performing problem management (e.g., analysis and permanent resolution of systemic application or system defects); and G. Ensuring access to the SR Tracking/Reporting tool remains secure and available only to authorized HHSC Level 1 Support Staff. Personal Identifiable Information (PII) will often exist within SR tickets.

Req ID	Application Development Support (ADS) Requirement
P2-ADS-16	<p>At a minimum, the Contractor will provide HHSC a "Baseline Requisite Level of Support" of qualified staff to perform Services for CAPPS HCM Hub System Support. The Baseline Requisite Level of Support is defined to be the total of:</p> <ul style="list-style-type: none"> A. The number of Full-Time Personnel, which has been approved by HHSC at Effective Date of the Contract to perform Services for CAPPS HCM Hub System Support; and B. The number of Full-Time Personnel added to perform the Additional Services to maintain any new HHSC projects.

Table 5 – System Software Administration Support (SSA) Requirements

Req ID	System Software Admin Support (SSA) Requirements
P2-SSA-1	<p>The Contractor will provide System Software Administration and Support Services which include, but are not limited to, the following: administration, functional maintenance and technical support, software installation, configuration and troubleshooting of all CAPPS HCM Hub System and third-party support tools.</p>
P2-SSA-2	<p>The Contractor will participate in weekly scheduled change management meetings, coordinated with the Oversight Team, with the Data Center Service (DCS) service provider to plan, review, discuss, and provide approve/disapprove recommendations to any hosting Services-related changes the DCS service provider is scheduled to perform that impact the CAPPS HCM Hub System.</p>
P2-SSA-3	<p>The Contractor will configure and maintain database replication via use of GoldenGate (or an HHSC approved software package for real-time data integration and replication) to the CAPPS HCM Hub System including Enterprise Learning Management (ELM).</p> <p>See <u>Exhibit R, CAPPS HCM Third Party Applications and Support Tools</u> for complete list of third-party applications and support tools as of the Solicitation's issuance date.</p>
P2-SSA-4	<p>HHSC permits approximately thirty (30) Power Users to directly query and report from the CAPPS HCM Hub System, including ELM, via two-tier Oracle access, using desktop reporting tools such as, but not necessarily limited to, TOAD query and SQR.</p> <p>The Contractor will be responsible for providing technical support for these Power Users when establishing their secured access to the CAPPS HCM Hub System, including ELM.</p>
P2-SSA-5	<p>The Contractor will periodically refresh the testing databases from production for all CAPPS HCM Hub System database environments.</p>

Req ID	System Software Admin Support (SSA) Requirements
	The Contractor and HHSC will mutually decide the specific dates for the UAT refresh schedule. The UAT refresh schedule will be once every three (3) to six (6) months. In addition, the Contractor will perform an ad hoc refresh, outside the established UAT refresh schedule, within five (5) business days of the receipt of written notice from HHSC.
P2-SSA-6	The Contractor will maintain the CAPPs HCM Hub System Training Database environments and, upon written request from HHSC training staff, refresh the "In-Use CAPPs HCM Hub System training environments" from the "master CAPPs HCM Hub System training environment" when HHSC training staff need to conduct training sessions.
P2-SSA-7	The Contractor will provide project management, as well as, technical and functional participation in Disaster Recovery testing, planning, and documentation.
P2-SSA-8	The Contractor will comply with the security documentation that is available on the HHS website page "Doing Business with HHS at https://hhs.texas.gov/doing-business-hhs/contracting-hhs/vendor-resources (see Information Security section of the webpage), unless a deviation is approved by HHSC.
P2-SSA-9	<p>The Contractor will ensure CAPPs HCM Hub System environments are configured in adherence to security standards established by HHSC. The Contractor shall provide the following:</p> <ul style="list-style-type: none"> A. End users can only access CAPPs HCM Hub System production or non-production environments via the CAPPs HCM Hub System production and UAT Portals; B. Oracle PeopleSoft Query or Backend Two-Tier Query access is not permitted directly into the production databases; C. All interfaces must use secure file transfer protocol (SFTP); D. All database links must use encrypted Structured Query Language (SQL)*NET communication at the database level; E. Any interfaces containing Personal Identifiable Information (PII) Confidential, or Restricted data must use Pretty Good Privacy (PGP) encryption with Federal Information Processing Standards (FIPS) Mode enabled for 140-2 compliance; F. Only HHSC management-approved users are allowed expanded security access to nonproduction environments for HHSC Level 1 Support analysis and testing purposes; and G. Enable Foglight tool to capture URLs and screenshots of every navigation step an end user takes within the CAPPs HCM Hub System production environment. <p>See <u>Exhibit R, CAPPs HCM Third Party Applications and Support Tools</u> for complete list of third-party applications and support tools at the time of Solicitation's issuance.</p>

Req ID	System Software Admin Support (SSA) Requirements
P2-SSA-10	The Contractor will submit an SR ticket, via the SR Tracking/Reporting System, on or before one (1) business day following receipt of an Oracle fix or patch. The Contractor will assess, prioritize, and apply said Oracle fixes, and patches and provide the updates to the CAPPs HCM Hub System production environment.
P2-SSA-11	The Contractor will use the CPA HR/Payroll ASP Hub instance (ticketing system) to record information regarding technical and functional knowledge and information regarding the inclusion of any proposed and/or approved enhancements to the CPA CAPPs HR/Payroll Baseline.
P2-SSA-12	The Contractor will incorporate the migration to XML Publisher and Oracle Business Intelligence in a gradual manner as part of HHSC-prioritized efforts during the performance of day-to-day functional support services. The Oracle PeopleSoft toolset will be used by the Contractor to provide an enterprise reporting solution for operational reports required in Oracle PeopleSoft.
P2-SSA-13	Contractor will routinely monitor the components of the Oracle PeopleSoft software systems, utilizing PeopleSoft, Oracle, process scheduling, batch processing, scripts, audit logging, database triggers, reports, queries, and automated notifications in an effort to identify and correct problems within the CAPPs HCM Hub System. The Contractor must maintain proper system administration, database administration, Oracle PeopleSoft security and workflow administration.
P2-SSA-14	The Contractor will configure and maintain all required database links and views from the CAPPs HCM Hub System environments to the HHS Accounting System Financials environments, and the Financials Data Warehouse.
P2-SSA-15	The Contractor will configure and maintain integration with web services established by the CPA to support real-time edits in CAPPs HCM Hub System against the CPA's Statewide Payroll/Personnel Reporting System (SPRS) data. SPRS represents a major payroll-impacting system with which CAPPs HCM Hub System must interface.
P2-SSA-16	The Contractor will provide administration, maintenance and technical support of the Single Sign-On (SSO) and batch interface integration components of the following third-party applications: A. HCM Recruitment Marketing and Recruitment Management Solution, B. SkillSoft, and C. Interactive Voice Recognition (IVR). See <u>Exhibit R, CAPPs HCM Third Party Applications and Support Tools</u> for complete list of third-party applications and support tools at the time of Solicitation issuance.
P2-SSA-17	The Contractor will develop and execute an on-going process for administering content management of the CAPPs HCM Hub System Portal (Portal), which will include applying Portal changes, upon HHSC request, of the following Portal components: A. Static textual content,

Req ID	System Software Admin Support (SSA) Requirements
	<p>B. Textual description of links to external web pages, and</p> <p>C. URL portal links to external web pages.</p>
P2-SSA-18	<p>The Contractor will provide, and support secured, read-only access to all CAPPS HCM Hub System and CAPPS HR/Payroll Baseline FDDs and TDDs.</p> <p>The Contractor will provide, and support secured, read-only access to all CAPPS HCM Hub System environment file systems, including production, that contain files such as SQR programs, archived incoming and out-going interface files, etc.</p>
P2-SSA-19	<p>The Contractor will provide access to a special CAPPS HCM Hub System development environment whereby named HHSC staff can create, modify, and test agency-specific CAPPS HCM Hub System interfaces and reports.</p> <p>Agency-specific CAPPS HCM Hub System interfaces and reports are those that do not impact, either directly or indirectly, the HHSC or business-critical payroll processing. Processes and procedures for managing this special development region will be defined, documented, and approved by the Contractor and HHSC. Any migration of code objects developed and tested by named HHSC staff to the CAPPS HCM Hub System production environment will follow a defined documented process the Contractor and HHSC have approved.</p>
P2-SSA-20	<p>The Contractor will provide and support a secured, read-only access to the PeopleSoft Application Designer tool in non-production CAPPS HCM Hub System environments.</p> <p>The Contractor will provide and support a secured, read-only access to any existing log files in the Linux or Windows-based files as part of the production and non-production CAPPS HCM Hub System environments.</p>
P2-SSA-21	<p>The Contractor will enable a feature within the version 9.2 of the Oracle/PeopleSoft Human Capital Management, Enterprise Learning Management and Portal software to allow named HHSC Level 1 Support staff to access at any webpage within the CAPPS HCM Hub System to determine the PeopleSoft page object(s) associated with the webpage.</p>
P2-SSA-22	<p>The Contractor will assist HHSC in promptly complying with audits, open records requests, and investigations conducted by any third-party or HHSC-internal auditing body. Assistance may include, but not limited to, providing the following:</p> <ul style="list-style-type: none"> A. CAPPS HCM Hub System security information, B. CAPPS HCM Hub System data requests, and C. CAPPS HCM Hub System support processes and procedures.
P2-SSA-23	<p>The Contractor will invoke HHSC-approved, security-related changes associated with the CAPPS HCM Hub System production and non-production application environments, in order to comply with any findings</p>

Req ID	System Software Admin Support (SSA) Requirements
	cited during an audit conducted by any third-party or HHSC-internal auditing body.

Table 6 – Project Management (PM) Requirements

Req ID	Project Management (PM) Requirements
P2-PM-1	<p>The Contractor will be responsible for providing all personnel resources necessary to perform the Services described in this SOW, unless specifically stated as the responsibility of HHSC. Throughout the Contract Term, the Contractor must:</p> <ul style="list-style-type: none"> A. Provide qualified personnel to perform all Services required in the Contract; B. Promptly remove and replace personnel at the request of HHSC; C. Provide HHSC written notice of any plan to add, remove, and replace personnel; and D. Obtain written approval from the Oversight Team for all proposed personnel prior to such personnel beginning work.
P2-PM-2	<p>The Contractor shall conduct a criminal background investigation of all Contractor personnel providing Services under the Contract that meets or exceeds the following standards:</p> <ul style="list-style-type: none"> A. The Contractor shall ensure that all Contractor personnel successfully pass a criminal background investigation before the commencement of Services or gaining access to HHSC Confidential Information under the Contract. B. Subject to applicable laws, the Contractor’s criminal background investigation shall include: validation of personal identification; verification of education/academic credentials and employment history; investigation of criminal convictions and deferred adjudications entered in any local, state or federal jurisdiction in the United States of America. C. Background checks must include criminal history updates subsequent to the initial background check. D. If a Contractor personnel performing Services under the Contract is on a work release program or has been convicted of a felony, then the Contractor must provide written notification to HHSC prior to the commencement of the duty assignment. E. The Contractor must provide written notice to HHSC of any Contractor personnel that has a criminal offense within five (5) business days of each reportable event. Such notice must include, but is not limited to, the following: arrests, indictments, adjudications of guilt, pleas of guilty or nolo contendere (no contest) assessments of probation pre-trial diversions, community supervision/deferred adjudication for any

Req ID	Project Management (PM) Requirements
	<p>criminal offenses, or dismissals, acquittals, or similar final outcomes that do not involve pleas of guilty or nolo contendere.</p> <p>The Contractor shall be solely responsible for all expenses associated with compliance to HHSC required criminal background checks of Contractor’s personnel. Subject to applicable law, Contractor shall promptly provide HHSC evidence of Contractor’s exercise of due diligence and compliance with the requirements of this section. HHSC reserves the right to refuse the Services performed by any Contractor personnel based on either the results of the criminal background check or Contractor’s failure to comply with the requirements of this section.</p>
P2-PM-3	<p>In the event the Contractor needs to add or substitute personnel during the Contract Term, the Contractor must provide HHSC with the resume packet of all qualified individuals for the position being filled or replaced, which includes the resumes and skill level information. The resume packet information for the proposed personnel must be provided to HHSC within fifteen (15) calendar days prior to the proposed start date of any new personnel. See <u>Section 13 (Service Levels for CAPPs HCM Hub System) of Exhibit P, Service Level Agreement Delineation.</u></p>
P2-PM-4	<p>The Contractor will communicate with various system and support staff under the direction of HHSC, therefore, the Contractor's personnel must have excellent communication skills and shall conduct themselves professionally and courteously in all instances.</p>
P2-PM-5	<p>The Contractor will add the necessary resources to provide the Services required to support the CAPPs HCM Hub System at no additional compensation by HHSC, unless the work effort is in support of a new project pursuant to Section 2.1.4.</p>
P2-PM-6	<p>The Contractor will designate an individual to perform the tasks of the Contractor’s project manager and another individual to serve as backup to the Contractor’s project manager. The Contractor’s backup project manager is authorized to serve as the Contractor’s project manager in the event the Contractor project manager is unavailable.</p>
P2-PM-7	<p>The Contractor project manager and backup project manager will have at a minimum PMI PMP certification. ITIL and Agile certifications would be preferred.</p>
P2-PM-8	<p>The Contractor will perform the required Services at HHSC facilities located in Austin, Texas. HHSC will provide adequate workspace for the Contractor's personnel, and will provide HHSC computers, printers, phones, cubicles, back-office software, and other office equipment as appropriate or the Contractor will perform Services from a remote location as authorized by HHSC, Monday through Friday, 8:00 A.M. to 5:00 P.M. CT.</p>
P2-PM-9	<p>The Contractor’s project manager and backup project manager will be available 24x7 for critical responses, and function as HHSC's primary point-of-contact.</p>

Req ID	Project Management (PM) Requirements
P2-PM-10	The Contractor's project manager will be responsible for communicating with the Oversight Team on all issues related to the Services and to discuss and resolve Service issues.
P2-PM-11	The Contractor's project manager will receive guidance and direction from the Oversight Team. The Contractor's project manager will work closely with the Oversight Team to make certain that adequate staff are applied to achieve successful completion of the Services.
P2-PM-12	The Contractor's project manager, in conjunction with the Oversight Team, at a minimum, will respond to day-to-day problems, manage issues, construct project plans and timelines, provide status reports, participate in weekly status meetings, and manage Contractor staff.
P2-PM-13	The Contractor will develop and execute an on-going process for receipt of the CPA monthly snapshots of the statewide CAPPS HR/Payroll Baseline and release packs with associated migration instructions. The delivered package will be called a Service Pack, containing modifications and fixes engineered by the CPA, as well as fixes, patches, and tax updates for version 9.2 of the Oracle/PeopleSoft HCM, ELM and Portal software received from Oracle. The monthly Service Packs will include FDDs, TDDs, testing results, and migration instructions for each modification and fix.
P2-PM-14	The Contractor, within three (3) months of receipt of the monthly release package, must either apply the monthly release package to CAPPS HCM Hub System or replace CAPPS HCM Hub System with the CAPPS HR/Payroll Baseline delivered from the CPA.
P2-PM-15	The Contractor will be responsible for keeping a version of the CAPPS HCM HR/Payroll Baseline up-to-date with all modifications and fixes released by CPA.
P2-PM-16	The Contractor will be responsible for testing and documenting any production issues in the CAPPS HCM Hub System to determine if the production issues impact the statewide CAPPS HR/Payroll Baseline. If there will be or will likely be an impact to production, the Contractor must report the production issues to the Oversight Team and CPA.
P2-PM-17	CPA will host a single UAT CAPPS HR/Payroll Baseline environment for the use of all CAPPS HCM Hub agencies, which includes CAPPS HCM Hub System. The Contractor must review system test results published by CPA or test and approve any CAPPS HR/Payroll Baseline modifications or fixes in the CAPPS HR/Payroll Baseline UAT environment in accordance with guidelines published by CPA.
P2-PM-18	The Contractor must submit to CPA, through CPA governance, detailed FDDs of all HHSC-approved enhancements to CPA-designated CAPPS HR/Payroll Baseline modules prior to such enhancements being migrated into CAPPS HCM Hub System production environment.

Req ID	Project Management (PM) Requirements
P2-PM-19	Beginning on the thirtieth (30 th) calendar day of the quarterly performance period and through the Contract Term, the Contractor must provide to the Oversight Team electronic copies of all required reports for the previous month's work. Reports are due no later than the tenth (10) calendar day of each month.
P2-PM-20	The Contractor must submit a Service Metrics Report that indicates, whether or not, the metrics for each service level has been met. Within five (5) business days following receipt of the report by HHSC, HHSC will provide written notice to the Contractor of any measure that fails to meet applicable standards. Any measure that fails to meet the target metric may incur the assessment of a remedy for non-compliance.
P2-PM-21	The Contractor must submit a Maintenance and Enhancement Scheduling Report, which encompasses a ninety (90) calendar day projection of planned scheduled maintenance and enhancement work of the CAPPs HCM Hub System.
P2-PM-22	The Contractor must submit a CAPPs HCM Hub System Performance Report that lists the average transaction Response Times achieved for each HHSC-identified business-critical transactions for the previous month that provides a comparison to the HHSC-defined acceptable Response Times for each said transaction.
P2-PM-23	<p>The Contractor must provide a monthly Outage Report that includes all application outages occurring for the previous month and includes a Root Cause Analysis per outage reported.</p> <p>The Contractor's project manager and Oversight Team will collaborate on the exact content and format of each Outage Report.</p>
P2-PM-24	The Contractor must submit a monthly invoice for CAPPs HCM Hub System Support Services performed during the preceding month. Submission of the invoice may not precede delivery of the monthly Service Metrics Report to HHSC for the month being invoiced and HHSC's assessment of any remedies due to HHSC.
P2-PM-25	The Contractor invoices must include a Monthly Service Period for which the invoice is being submitted.
P2-PM-26	The Contractor's invoice shall be provided with the required documentation in P2-PM requirements Nos. 27-32, below, as part of the monthly service cost.
P2-PM-27	The Contractor's invoice amount for the monthly CAPPs HCM Hub System Support Services shall be equal to the Total Extended Cost as documented in the Exhibit F, Cost Workbook to the Contract.
P2-PM-28	The Contractor must include a listing of any remedies and the applicable amount(s) that were assessed during the Monthly Service Period being invoiced.
P2-PM-29	The Contractor must list the net invoice amount for the monthly CAPPs HCM Hub System Support Services less any remedies that were assessed.

Req ID	Project Management (PM) Requirements
P2-PM-30	The Contractor must provide documentation of the actual costs of the monthly Services provided with each monthly invoice for CAPPS HCM Hub System Support Services.
P2-PM-31	<p>The Contractor's invoice will list each staff that logged work hours for the given month including, but not limited to, the following information for each resource:</p> <ul style="list-style-type: none"> A. Name, B. Service title category (e.g., project manager, Project/module lead, etc.), C. Total number of hours worked (The hours worked shall only include time directly attributable to the performance of the required CAPPS HCM Hub System Support Services.), D. Hourly rate, and E. Total extended cost.
P2-PM-32	<p>The Contractor must aggregate totals for all resources that logged work hours for the given month to include:</p> <ul style="list-style-type: none"> A. Total number of resources that logged work hours, B. Total number of hours worked, and C. Total extended cost. <p>The aggregate total shall be expressed in terms of full-time employees (FTEs) and may be expressed as a fractional amount.</p>

Table 7 – Service Level Agreements (SLA) Requirements

Req ID	Service Level Agreement (SLA) Requirements
P2-SLA-1	<p>The Contractor must propose for HHSC's written approval, provide, and make operational a web-based SR Tracking/Reporting System. The SR Tracking/Reporting System must facilitate entry by HHSC Level 1 Support Staff of SRs, referred to herein as an SR ticket. See <u>Section 5 (Types of SRs) of Exhibit P, Service Level Agreement Delineation.</u></p> <p>An SR ticket may be submitted via a phone call, email, or online into the SR Tracking/Reporting System, which assigns a number to each SR ticket in order to track its resolution. See <u>Section 2 (Escalation Process for Failure to Meet Service Level Requirements) of Exhibit P, Service Level Agreement Delineation.</u></p>
P2-SLA-2	<p>The Contractor must provide Level 2 support.</p> <p>The SR Tracking/Reporting System must track and report Level 2 Support service requests.</p>

Req ID	Service Level Agreement (SLA) Requirements
	<p>HHSC support staff must be able to enter tickets, check status, and independently, without aid of the Contractor, report upon any Level 1 existing SR tickets via the SR Tracking Reporting System.</p> <p>Access to Level 2 support will only occur through HHSC's designated HHS Level 1 Support Staff.</p>
P2-SLA-3	<p>The Contractor must establish a telephonic communications protocol that HHSC can use for Level 2 Support which will:</p> <p>A. Provide assistance to computer system users on a variety of issues; B. Identify, research, and resolve problems; C. Respond to telephone calls, e-mail, and Level 2 personnel requests; and D. Document, track, and monitor SR tickets to ensure a timely resolution.</p>
P2-SLA-4	<p>When a third-party vendor or CPA is required for Level 3 Support, the Contractor must:</p> <p>(1) work directly with the third-party vendor or CPA, via communication protocols established by the Contractor or CPA, to ensure the support is delivered; and (2) provide HHSC with status reports.</p>
P2-SLA-5	<p>Access to Level 3 Support will only occur by and through the Contractor and HHSC-designated resources.</p> <p>For Level 3 Support, the Contractor must enter SR tickets with the appropriate third-party vendor or CPA for resolution of these incidents.</p>
P2-SLA-6	<p>The Contractor must assign SR tickets to one of its analysts performing CAPPS HCM Hub System Support Services who will follow the established escalation process set forth in <u>Section 2 (Escalation Process for Failure to Meet Service Level Requirements) of Exhibit P, Service Level Agreement Delineation</u>. See <u>Section 4 (Samples of Security Related Changes) of Exhibit P, Service Level Agreement Delineation</u>. Also, see <u>Section 6 (Service Levels of Support) of Exhibit P, Service Level Agreement Delineation</u>.</p>
P2-SLA-7	<p>The Contractor will provide for the Response Times as defined in <u>Section 8 (Priority of SR Tickets) of Exhibit P, Service Level Agreement Delineation</u> for SR tickets, based on the priority of the SR tickets as defined in <u>Section 7 (Additional Support User Information) of Exhibit P, Service Level Agreement Delineation</u>.</p>
P2-SLA-8	<p>Outside of published hours of service, the Contractor must assign Priority 1 SR tickets to on-call staff within 30 minutes of opening the SR ticket. The 30 minutes provide the maximum time for on-call staff to be notified and to assign the SR ticket.</p> <p>See <u>Section 8 (Priority of SR Tickets) of Exhibit P, Service Level Agreement Delineation</u>.</p>

Req ID	Service Level Agreement (SLA) Requirements
P2-SLA-9	The Contractor will, for each Priority 2 - Priority 4 SR ticket opened outside of published business hours, review the priority following the assignment of the SR ticket on the next business day.
P2-SLA-10	<p>Priority 1-Critical Incidents will result in the immediate assignment of the Contractor’s resources until it is resolved or mitigated, pending resolution. Priority 1-Critical and Priority 2-High Incidents adversely impacting HHSC must be addressed by the Contractor deploying immediate fixes.</p> <p>The Contractor must be committed to providing an anticipated resolution time for Priority 1 and 2 Incidents as soon as possible, following the determination of the root cause.</p>
P2-SLA-11	<p>For a high priority SR ticket requiring immediate attention, the Contractor must expedite the assignment if:</p> <ul style="list-style-type: none"> A. The SR ticket is followed-up by telephone or e-mail by the HHS Level 1 Support User having created the SR ticket; or, B. A confirmation by e-mail or telephone is provided by the Contractor Level 2 staff. <p>For any Critical or High SR tickets entered in the SR Tracking/Reporting System, the Contractor must immediately assign those SR tickets as delineated in <u>Section 10 (Evaluation of SRs) of Exhibit P, Service Level Agreement Delineation.</u></p>
P2-SLA-12	The Contractor must ensure that all relevant SR ticket information is entered correctly. See <u>Section 9 (Response Time for SRs) of Exhibit P, Service Level Agreement Delineation</u> and <u>Section 10 (Evaluation of SRs) of Exhibit P, Service Level Agreement Delineation.</u>
P2-SLA-13	In accordance with the CPA-defined CAPPs HR/Payroll Baseline governance process of prioritization and approval, the Contractor must submit to CPA CAPPs HR/Payroll Baseline governance detailed FDDs of all HHSC-approved enhancements prior to such enhancements being migrated into CAPPs HCM Hub System production environment. See <u>Section 11 (Prioritizing Work of SRs) of Exhibit P, Service Level Agreement Delineation.</u>
P2-SLA-14	The Contractor shall use Stat (a software tool) for enhancement tracking. The Contractor will then, working with HHSC, facilitate the documentation of detailed requirements, perform analysis, create specifications, and estimate effort and system resource requirements for each enhancement within the required HHSC timeframes established for each enhancement.
P2-SLA-15	Both the Contractor project manager and Oversight Team will meet twice a month to engage in the enhancement scheduling process.
P2-SLA-16	The Contractor must provide the Oversight Team with a new or updated work plan and timeline for each enhancement no later than five (5) business days following the enhancement scheduling process meetings.

Req ID	Service Level Agreement (SLA) Requirements
P2-SLA-17	The Contractor will deliver all enhancement SR tickets on or before the due dates specified in the enhancement schedule approved by the Oversight Team.
P2-SLA-18	The Contractor must comply with all key service levels noted in <u>Section 12 (Approval of SRs Through CAPPS HCM Hub System Business Partners) of Exhibit P, Service Level Agreement Delineation</u> when the Contractor provides Services for the CAPPS HCM Hub System. Unless stated otherwise, metrics are calculated on a monthly basis.
P2-SLA-19	The Contractor project manager must respond in writing, for an Escalation Level 1, to HHSC within one (1) business day after such notification of the cause of the failure, with the remedy established to resolve the failure.
P2-SLA-20	The Contractor's management (i.e., levels of authority above the Contractor project manager) must respond in writing, for an Escalation Level 2, within one (1) business day after such notification of the cause of the failure, with the established remedy to resolve the failure.

2.1.3.6 Phase III – Turnover Services

Phase III – Turnover Services means the activities, including planning, project management, communication, and coordination activities, that are required for the Contractor to perform to hand over contract service delivery to a successor contractor, HHSC, or HHSC’s designated staff. Turnover Services shall be performed concurrently with regular Phase II – Operation Services.

Phase III – Turnover Services and Contract closeout shall begin six (6) months prior to the end of the Contract term, which may include optional extension periods, or within ninety (90) calendar days of HHSC’s request for start of Turnover Services.

The Contract includes separate and distinct charges for Turnover Services and Operations Services, therefore, to the extent that HHSC has not received full performance of any the Contractor obligations, in addition to any other rights and remedies available hereunder, HHSC may withhold authorization for payments for invoices for any Services not actually received in conformance with Contract requirements pursuant to Section 2155.322 of the Texas Government Code.

The Contractor shall provide Turnover Services that meet or exceed the requirements set forth in **Table 8, Turnover (TUR) Requirements**.

Table 8 – Turnover (TUR) Requirements

Req ID	Turnover (TUR) Requirements
P3-TUR-1	The Contractor will begin Turnover Services six (6) months prior to the end of the Contract term.
P3-TUR-2	The Contractor shall perform the Turnover Services as part of the Services in a manner to successfully accomplish the following objectives:

Req ID	Turnover (TUR) Requirements
	<p>A. Complete a smooth, seamless, and uninterrupted turnover of responsibilities from the Contactor to its successor while continuing to complete all in-flight enhancement activities before the initiation of the Turnover Activities and mitigating risks;</p> <p>B. Adhering to the policy that a production freeze period will be in place during the Turnover period;</p> <p>C. Complete all knowledge and all data transfer from the Contractor to its successor; and</p> <p>D. Document the required (as identified in Section 2.8) Turnover deliverables and provide them as to the agreed upon timelines.</p>
P3-TUR-3	The Contractor will provide the initial, Draft Turnover Plan (as identified in Section 2.8) which will set forth the transfer of responsibilities and contain descriptions and schedules for the required tasks.
P3-TUR-4	Contractor will provide an updated Draft Turnover Plan within thirty (30) calendar days of receipt of written notice from HHSC. If no request is made by HHSC, the Contractor must provide an updated Turnover Plan no later than six (6) months prior to the termination of the Contract.
P3-TUR-5	The Contractor will provide an updated Draft Turnover Plan on an annual basis with updates associated with the operational condition during the applicable annual reporting period.
P3-TUR-6	The Contractor will develop a detailed Final Turnover Plan and submit it to HHSC for review and written approval. The timeframe required for execution of the Turnover Plan shall not exceed sixty (60) calendar days prior to the Contract end date.
P3-TUR-7	The Contractor will provide a Turnover Inventory which will include a complete inventory of all Contractor artifacts, data, tasks, systems, tools, and hardware, being turned over to the Oversight Team.
P3-TUR-8	<p>The Contractor will provide a Turnover Results Report that documents all turnover activities, progress, actions, issues, and risks and results that determine close out acceptance by HHSC.</p> <p>Turnover will not be considered complete and final payment shall not be made until the Turnover Results Report is received and approved by HHSC.</p>
P3-TUR-9	The Contractor will provide up to ninety (90) business days of on-site post-turnover support at DIR NTE rates and associated labor categories, as set forth on Exhibit F, Cost Workbook , to address technical questions from the Oversight Team or the Oversight Team designee for the CAPPs HCM Hub System at the request of HHSC.
P3-TUR-10	The Contractor will have one (1) functional and one (1) technical resource on-call and available to the successor service provider during its first on-cycle and off-cycle payroll support period. (The period

Req ID	Turnover (TUR) Requirements
	timeframes vary and will be addressed during scheduling with the Contractor).
P3-TUR-11	The Contractor will allow the successor service provider’s technical lead and functional lead to shadow the Contractor’s functional and technical lead through at least one (1) on-cycle and one (1) off-cycle payroll process support cycle (as defined by the payroll schedule).
P3-TUR-12	The Contractor will attend Turnover events, planned and hosted by the Oversight Team. The Turnover events will have an HHSC format agenda, attendee list, date, location, and attendee sign-in sheet. The attendee list and attendee sign-in sheet will serve as confirmation to HHSC that the Turnover event occurred and the appropriate participants from the Contractor and the successor service provider were present.

2.1.4. Additional Services

2.1.4.1 Overview

HHSC anticipates that the Contractor will perform Additional Services under the Contract to develop, implement, and transfer new projects into the CAPPs HCM Hub System. Additional Services are defined as any new project or Service not defined in **Section 2.1.3** which directly support the CAPPs HCM Hub System. Additional Services do not alter any provisions of the Contract. All terms, conditions, definitions, processes, responsibilities and obligations of the Contract will remain in effect.

2.1.4.2 Additional Services Project Management

The Contractor project manager will also be responsible for managing the Additional Services projects and act as HHSC’s primary point-of-contact. The Contractor project manager, at a minimum, will respond to day-to-day problems, manage issues, provide status reports, participate in weekly status meetings, and manage personnel resources for all Additional Services projects.

2.1.4.3 Additional Services Project Request

When Additional Services are required, HHSC will provide written notice to the Contractor project manager requesting input on those Additional Services. HHSC will define the Additional Services purpose, scope, timeline, and any other unique requirements, constraints, and assumptions. HHSC and the Contractor project manager will discuss, negotiate, and agree upon a written agreement on the support of the Additional Services. The form and content of the written agreement will be determined jointly at the time of the discussion and approved by HHSC before any work can commence.

2.1.4.4 Additional Services Approval Process

After receipt of the Contractor's proposed high-level estimate, HHSC may request modifications, as it deems necessary, to the Statement of Work to ensure the success of the Additional Services. If HHSC chooses to proceed with the Additional Services, a contract amendment will be issued for signature by HHSC and the Contractor. The Contractor's resources that have been selected and approved by HHSC must be on-site within thirty (30) calendar days of HHSC providing written notification to the Contractor of the resources selected.

The Contractor will have no obligation to perform, and HHSC will not pay, for any Services related to any new HHSC project that are performed prior to the effective date of a Contract amendment that has been executed by both parties reflecting the inclusion of Additional Services to the Contract.

2.1.4.5 Additional Services Maintenance and Support

The complexity, size and effort associated with any new HHSC project will be a factor in determining whether maintenance and support services for the new HHSC project can be absorbed into the existing requisite level of support for CAPPS HCM Hub System for no additional compensation, or whether the requisite level of support should be raised to address the additional maintenance and support services associated with the new HHSC project. Additional compensation for maintenance and support services will require the execution of a Contract Amendment prior to taking effect.

2.2 KEY PERFORMANCE MEASURES AND ASSOCIATED REMEDIES

- A. HHSC will monitor the performance of the Contractor. Although all requirements of the Contract are subject to performance evaluation by HHSC, HHSC has identified certain Key Performance Measures (KPMs) in **Exhibit Q, CAPPS HCM Key Performance Measures (KPM) and Liquidated Damages (LD)**.
- B. For the contractual obligations subject to a KPM, the KPM will be used to gauge the Contractor's commitment to successful performance, its willingness to stand behind its products and services during the Contract Term, as well as its confidence in its ability to perform.
- C. In the event the Contractor fails to perform or complete its obligations in a timely manner, HHSC may, in addition to the remedies set forth elsewhere in the Contract, impose remedies which include the following:
 - (1) Compliance by the Contractor, at no cost to HHSC, with the performance improvement activities and timelines specified in written corrective action plan(s) approved by HHSC;
 - (2) Additional or ad hoc reporting by the Contractor, at no cost to HHSC, to address performance issues;

(3) Accelerated monitoring of the Contractor’s performance by HHSC, including access to the Contractor’s facilities, records, data, information systems, and personnel; and

(4) Assessment of liquidated damages in accordance with Texas law.

D. HHSC is not required to provide the Contractor with notice and opportunity to resolve issues prior to HHSC’s assessment of liquidated damages in accordance with Texas law.

2.3 CONTRACT AWARD, TERM, AND AMOUNT

2.3.1 Contract Award and Execution

The System Agency intends to award one (1) Contract as a result of this Solicitation. Any award is contingent upon approval of the Executive Commissioner or her designee.

If, for any reason, a contract cannot be negotiated with a Respondent selected for award on terms HHSC determines reasonable within thirty (30) calendar days of HHSC’s determination to seek to contract with that Respondent, HHSC may avail itself of any option permissible under applicable law including, but not limited to, negotiate a contract with the next highest scoring Respondent, make a partial award, or withdraw the Solicitation.

2.3.2 Contract Term

HHSC anticipates that the initial term of any Contract resulting from this Solicitation shall be for a period of five (5) years. HHSC, at its sole option, may extend the Contract for up to two (2) additional one (1) year terms.

Following the initial term and any allowable extensions, the HHSC may extend the Contract for not more than one additional option period to address immediate operational or service delivery needs. If the resulting Contract does not include a defined option period, the extension is limited to one (1) year.

A high-level summary of the project phases and activities is set forth in **Table 9 – Project Phases and Activities**.

Table 9 – Project Phases and Activities

Project Schedule Overview	
Phase	Duration
Phase I – Transition Activities	Commences upon the Effective Date. Duration not to exceed ninety (90) calendar days following the Effective Date.
Phase II – Operation Activities	Commences after the Transition phase concludes (i.e., on or before the ninety-first (91 st) calendar day following the Effective Date.

	Duration coincides with the Contract expiration or termination date (i.e., Operations Services continue uninterrupted and undiminished through the Turnover Phase).
Phase III – Turnover Activities	Commences either (a) six (6) months prior to the Contract expiration or termination date or (b) upon HHSC’s request for Turnover Services. Duration not to exceed sixty (60) calendar days unless otherwise agreed by HHSC in writing.
Post-Turnover Support Services	Commences upon conclusion of the Turnover Phase. Duration not to exceed ninety (90) business days.

2.4 DATA USE AGREEMENT

- a. By entering into a Contract, or purchase order with the System Agency resulting from this Solicitation, Respondent agrees to be bound by the terms of **Exhibit D, Data Use Agreement (DUA)** and **Exhibit E, HHS Security and Privacy Inquiry (SPI)**.
- b. The Respondent must complete and return **Exhibit E, HHS Security and Privacy Inquiry (SPI)**.
- c. The Contractor shall ensure that all Confidential Information (as defined in **Exhibit D, Data Use Agreement (DUA)**), including such information residing on back-up systems, remains within the United States. Confidential Information shall not be accessed by the Contractor personnel located outside of the United States. Furthermore, Confidential Information may not be received, stored, processed, or disposed via information technology systems located outside of the United States.

2.5 NO GUARANTEE OF VOLUME, USAGE, OR COMPENSATION

The System Agency makes no guarantee of volume, usage, or total compensation to be paid to any Respondent under any awarded Contract, if any, resulting from this Solicitation. Any awarded Contract is subject to appropriations and the continuing availability of funds.

The System Agency reserves the right to cancel, make partial award, or decline to award a Contract under this Solicitation at any time at its sole discretion.

2.6 GOVERNMENTAL ENTITIES

The selected Respondent shall be bound to specific terms and conditions found in **Exhibit B, Health and Human Services (HHS) Uniform Terms and Conditions - Vendor, Version 3.2** and **Exhibit C, Health and Human Services (HHS) Additional Provisions, Version 1.0**. However, to the extent Respondent is a governmental entity, responding to this Solicitation in its capacity as a governmental entity, certain terms and conditions may not be applicable. Furthermore, to the extent permitted by law, if a Solicitation Response is received from a governmental entity, the System Agency reserves the right to enter into an interagency or interlocal agreement with the governmental entity in lieu of awarding a Contract as a result of this Solicitation.

2.7 INVOICING

2.7.1 General

HHSC's financial obligation for the Services performed will not commence before the first (1st) day of the month that follows delivery of the Services. Prior to authorizing any invoice for payment under the Contract, HHSC shall evaluate Contractor's performance against the requirements of the Contract. HHSC reserves the right to make payment only upon receipt of a correct invoice, including required supporting documentation. The Contractor shall submit invoices in a HHSC approved format. HHSC will not remit payment on any invoice containing omissions or errors.

2.7.2 Payee on Invoice Statements

Payment will be made only to the Contractor. No payments will be made to any third party or subcontractor. All invoices must only reflect the Contractor name and Comptroller provided ID for the Contractor as the Payee. Any invoices received for parties other than the Contractor will not be paid.

2.7.3 Invoice Format

All invoices will include the HHSC approved purchase order number, Contract number, period of performance, and delineation of Services provided for the required payment. The invoices must also include the Contractor Name, Respondent ID number (VID), address, contact name and phone number and current payment address.

2.8 DELIVERABLES

2.8.1 Overview

The Contractor shall provide a Deliverable or a set of Deliverables and associated DED for each CAPPS HCM Hub System Domain identified in the Contract.

All Deliverables will be delivered to HHSC in an agreed upon timely manner, or as assigned by HHSC. Furthermore, the Deliverables will be provided electronically in both the native format (i.e., MS Word, MS Excel) and also as a PDF. All Deliverables will be delivered and placed within the HHSC provided SharePoint folder(s) for the Contract.

2.8.2 Domain Specific Deliverables

For each Domain Deliverable, and associated DED, the Contractor shall propose the format, layout, and content in a DED for review and approval by HHSC.

Table 10 - Deliverable and DED Requirements

Req ID	Name	Description	Deliverable and DED Due Date
DEL-1	Draft Transition Plan	The Contractor shall kick off the project within ten (10) business days of the Contract Effective Date. The Contractor shall provide a draft Transition Plan that contains a Gantt chart in electronic format showing all of the Contractor's Transition Activities and an associated schedule to successfully complete all of the Transition phase requirements and objectives.	Within seven (7) calendar days of the Contract Effective Date.
DEL-2	Finalized Transition Plan	The Contractor shall update and provide a finalized Transition Plan following the project kick off. The Contractor shall provide a detailed Transition Plan and Gantt chart in electronic format showing all of the Contractor's Transition Activities and an associated schedule to successfully complete all of the Transition phase requirements and objectives.	Within fifteen (15) calendar days of the Contract Effective Date.
DEL-3	Transition Weekly status report	The Contractor shall provide weekly status reports during the	To be proposed by Contractor

Req ID	Name	Description	Deliverable and DED Due Date
		Transition phase. The weekly status report shall include a detailed description of the status of work completed by the Contractor against the Transition Plan, a recovery plan for all work activities not tracking to the Transition Plan, escalated risks, issues, and action items, disposition of escalated or critical issues, risks, and important decisions.	
DEL-4	Readiness Assessment Plan	The Contractor shall provide a plan that documents all personnel, processes, and systems that are in place and ready for service delivery.	To be proposed by Contractor
DEL-5	Readiness Assessment Results Report	The Contractor shall provide a report that documents the approach, findings, and areas of improvements to better plan and prepare for service delivery.	To be proposed by the Contractor
DEL-6	Finalized Project Management Plan (PMPL)	The Contractor shall provide a plan that defines how the project will be carried out. It will include the scope, goals, budget details, timeline, Deliverables and resources.	To be proposed by the Contractor

Req ID	Name	Description	Deliverable and DED Due Date
DEL-6	Communication Management plan	The Contractor shall provide a communication management plan that establishes a consistent method for communication planning, management, methods and activities needed to ensure timely and appropriate communications during the Transition, Operations, and Turnover phases. This Deliverable includes a User support communication plan that covers how the Contractor shall register system users into the Contractor System, provide initial training, and support Users.	To be proposed by the Contractor
DEL-7	Change Management plan	The Contractor shall provide a change management plan that describes its change management controls and procedures which it will carry out in coordination with HHSC. The change management plan shall assess the scope of each planned change, the User category and number of Users affected by each change, and the activities required to achieve organizational	To be proposed by the Contractor

Req ID	Name	Description	Deliverable and DED Due Date
		readiness for the change.	
DEL-8	Implementation Plan	The Contractor shall provide an implementation plan. This plan shall address the required steps and responsibilities for any required functional, performance and load testing and activating the Contractor System; an implementation activity check list; the acceptance testing schedule; the implementation schedule; and post-implementation activities that verify the functionality.	To be proposed by the Contractor
DEL-9	Security Deliverables	The Contractor shall complete required security Deliverables.	To be proposed by the Contractor
DEL-10	Draft Turnover Plan	A comprehensive document that details the proposed schedule, activities, and resource requirements associated with the Turnover tasks identified.	To be proposed by the Contractor
DEL-11	Final Turnover Plan	A comprehensive document that details the proposed schedule, activities, and resource requirements associated with the Turnover tasks identified.	Six (6) months prior to commencement of the Turnover Phase or as needed, if Contract is terminated prior to Contract end date.

Req ID	Name	Description	Deliverable and DED Due Date
			DED: Ten (10) business days prior to Turnover Plan due date.
DEL-12	Turnover inventory	A complete inventory of all the Contractor artifacts, tasks, data dictionary, and data, being turned over to HHSC according to the Turnover Plan.	Thirty (30) days following commencement of the Turnover phase. DED: Ten (10) business days prior to Turnover Plan due date.
DEL-13	Turnover Results Report	Document the completion and outcomes of each step of the Turnover Plan.	On or before the last day of the Turnover phase. DED: Ten (10) business days prior to Turnover Plan due date
DEL-14	Weekly Status Reports	The Contractor shall deliver a report that contains accomplishments for the current reporting period, plans for the upcoming reporting period, risks, issues, timeline (with baseline and adjustments), and SLA obligations (met, exceeded, and missed).	To be proposed by the Contractor
DEL-15	Monthly Status Report	The Contractor shall deliver reports that contain accomplishments for the prior month reporting period, plans	To be proposed by the Contractor

Req ID	Name	Description	Deliverable and DED Due Date
		for the upcoming reporting period, risks, issues, timeline (with baseline and adjustments), and SLA obligations (met, exceeded, and missed). The Contractor and the Oversight Team will collaborate on the specific content, format and delivery method for the report. The Monthly Reports will at minimum include: Service Metrics, Correction Action Plans, SR Tickets, Maintenance and Enhancement.	
DEL-16	Service Level Agreement (SLA) Report	The Contractor shall deliver a report on a monthly basis that contains the SLA obligations (met, exceeded, and missed).	To be proposed by the Contractor

2.8.3 Services Performance Criteria

The Services and Deliverables contained with the Contractor work plans and schedules will be reviewed by the Oversight Team and the accuracy, timeliness of completion, and quality of those work products will be determined appropriate. HHSC will use, at a minimum, the following performance criteria to evaluate the provided Services and Deliverables:

- A. Performance and adherence to **Section 2.8** as agreed to by the Contractor and the Oversight Team;
- B. Timeliness, accuracy, completeness and quality of Services delivered;
- C. Quality and completeness of SRs (including enhancement service requests) and service activities (e.g., analysis, design, coding, testing, implementation, modifications, and fixes);
- D. Compliance with Service Levels (See **Exhibit P, Service Level Agreement Definition**) and Key Performance Measures (See **Exhibit Q, Key Performance Measures (KPM) and Liquidated Damages (LD)**);

- E. Adherence to HHSC information technology security standards (<https://www.hhs.texas.gov/doing-business-hhs/contracting-hhs/vendor-resources>);
- F. Quality and performance in executing the Transition Plan and the Turnover Plan;
- G. Effective and timely problem resolution;
- H. Cooperation;
- I. Communication; and
- J. Adherence to the terms and conditions of the Contract.

Acceptance by HHSC of reperformed Services or revised Deliverables does not waive HHSC's rights or remedies under the Contract, including the right to assess any applicable liquidated damages with respect to the missed submission deadlines (See **Exhibit Q, Key Performance Measures (KPM) and Liquidated Damages (LD)**).

2.8.4 Deliverables Submission and Acceptance Process

Throughout the Contract Term, the Contractor is responsible for providing specified Deliverables to HHSC. Upon approval by HHSC, all Deliverables become incorporated into the Contract as obligations of the Contractor. The Contractor shall make all Deliverables available to HHSC electronically, on or prior to their applicable due dates. All Deliverables and DEDs shall be provided to the assigned contract manager and approved by an assigned HHSC individual (HHSC approver) or their designee. Contact information for the assigned contract manager and the HHSC approver or their designee will be provided at the Contract kickoff meeting following the Contract Effective Date.

Prior to submission of certain Deliverables, HHSC will identify DEDs that may be required to establish the monitoring, evaluation, and remedies for the related Deliverables. HHSC shall have an initial review and approval period for each DED of ten (10) business days following receipt from the Contractor, during which time HHSC will evaluate the DED for conformance to Contract requirements. If HHSC requires additional time for review and approval of any DED, especially in the case of multiple DEDs undergoing simultaneous reviews, HHSC shall advise the Contractor in writing in advance of the additional time required for review.

The extensions of HHSC's review period for DEDs or Deliverables will not result in any additional costs or charges assessed to HHSC. If HHSC's extension of a Deliverable, but not DED, review period will create an impact on the project schedule, the Contractor shall advise HHSC's contract manager in writing of such impact to the schedule within forty-eight (48) hours of HHSC's written communication to the Contractor advising of the extended Deliverable, but not DED review period.

HHSC shall advise the Contractor in writing of DED or Deliverable approval or rejection, along with the reason(s) for rejection if applicable, identifying which Contract requirement has not been met. The Contractor shall then have five (5) business days to correct the DED or Deliverable and resubmit the Deliverable or DED for HHSC review. HHSC shall have five (5) business days to review each re-submission. The submission and review process described herein shall continue for each Deliverable until HHSC has issued a written approval of the Deliverable with the understanding that the Contractor must inform HHSC

of the impact on the project schedule. HHSC shall not incur any additional costs for re-work performed by the Contractor to satisfy Deliverable requirements.

The foregoing notwithstanding, the Contractor’s submission of the same Deliverable on three (3) or more occasions that is not in conformance with the applicable Contract requirements is a material breach of the Contract. In addition, HHSC acceptance of any Deliverable does not relieve the Contractor of liability or responsibility for corrections for subsequent defects, errors, and/or omissions discovered or experienced in connection with the Deliverable. For any Deliverable that includes a plan or schedule or other description of the Contractor’s work activities hereunder, upon approval of such Deliverable by HHSC, the Deliverable becomes incorporated into the Contract as a material obligation of the Contractor.

ARTICLE III. ADMINISTRATIVE INFORMATION

3.1 SCHEDULE OF EVENTS

EVENT	DATE/TIME
Solicitation Release Date	JULY 27, 2021
Respondent Pre-Bidder’s and HSP Conference *Optional*	AUGUST 3, 2021 @ 10:30 AM CENTRAL TIME
Deadline for Submitting Questions	AUGUST 4, 2021 @ 10:30 AM CENTRAL TIME
Tentative Date Responses to Questions Posted on ESBD	AUGUST 12, 2021 @ 10:30 AM CENTRAL TIME
Deadline for HSP Courtesy Review *Optional*	AUGUST 16, 2021 @ 2:00 PM CENTRAL TIME
Deadline for Submission of Solicitation Responses [NOTE: Responses must be <u>RECEIVED</u> by HHSC by the deadline.]	AUGUST 26, 2021 @ 10:30 AM CENTRAL TIME
Evaluation Period	SEPTEMBER 7, 2021 TO SEPTEMBER 27, 2021
Anticipated Notice of Award	JANUARY 2022
Anticipated Contract Start Date	JANUARY 2022

Note: These dates are a tentative schedule of events. The System Agency reserves the right to modify these dates at any time upon notice posted to the ESBD. Any dates listed after the Solicitation Response deadline will occur at the discretion of the System Agency and may occur earlier or later than scheduled without notification on the ESBD.

3.2 CHANGES, AMENDMENT, OR MODIFICATION TO SOLICITATION

The System Agency reserves the right to change, amend, or modify any provision of this Solicitation, or to withdraw this Solicitation at any time prior to award if it is in the best interest of the System Agency. Any such revisions will be posted on the ESBD. It is the responsibility of Respondent to periodically check the ESBD to ensure full compliance with the requirements of this Solicitation.

3.3 IRREGULARITIES

Any irregularities or lack of clarity in this Solicitation should be brought to the attention of the Sole Point of Contact listed in **Section 3.5.1** as soon as possible so corrective Addenda may be furnished to prospective Respondents.

3.4 INFORMALITIES

The System Agency reserves the right to waive minor informalities in a Solicitation Response if it is in the best interest of the System Agency. A “minor informality” is an omission or error that, in the System Agency’s determination if waived or modified when evaluating Solicitation Responses, would not give a Respondent an unfair advantage over other Respondents or result in a material change in the Solicitation Response or Solicitation requirements.

3.5 INQUIRIES

3.5.1 Sole Point of Contact

All requests, questions, or other communication about this Solicitation shall be made in writing to the System Agency's Purchasing Department, addressed to the person listed below (Sole Point of Contact). All communications between Respondents and other System Agency staff members concerning the Solicitation are strictly prohibited. **Failure to comply with these requirements may result in disqualification of Respondent's Solicitation Response.**

Name: RFO for Centralized Accounting and Payroll/Personnel System (CAPPS) Human Capital Management (HCM) System Maintenance and Support Services
Title: Katrina Chester, CTCD
Email: Katrina.Chester@hhs.texas.gov

See also, **Section 3.5.3** below.

3.5.2 Prohibited Communication

On issuance of this Solicitation, except for the written inquiries described in **Sections 3.5.4** below, the System Agency, its representative(s), or partners will not answer any questions or otherwise discuss the contents of this Solicitation with any potential Respondent or their representative(s). Attempts to ask questions by phone or in person will not be allowed or recognized as valid. Respondent shall rely only on written statements issued by or through the System Agency's designated staff as provided by this section. This restriction does not preclude discussions between affected parties for the purposes of conducting business

unrelated to this Solicitation. **Failure to comply with these requirements may result in disqualification of Respondent's Solicitation Response.**

3.5.3 Exception to Sole Point of Contact

The only exceptions to the Sole Point of Contact are the HUB coordinator, or, if expressly directed by the Sole Point of Contact, another designated System Agency representative, e.g., during contract negotiations, if any. Should Respondents have questions regarding proper completion of the HUB Subcontracting Plan, the HUB coordinator may be contacted at Cheryl.Bradley@hhs.texas.gov.

3.5.4 Questions

The System Agency will allow written questions and requests for clarification of this Solicitation. Questions must be via email to the Sole Point of Contact listed in **Section 3.5.1** above. Respondents' names will be removed from questions in any responses released. Questions shall be submitted in the following format. Submissions that deviate from this format may not be accepted:

- a. Identifying Solicitation number;
- b. Section number;
- c. Paragraph number;
- d. Page number;
- e. Text of passage being questioned; and
- f. Question.

Note: Questions or other written requests for clarification must be received by the Sole Point of Contact by the deadline set forth in Section 3.1 Please provide company name, address, phone number, e-mail address, and name of contact person when submitting questions.

3.5.5 Clarification

Respondents must notify the Sole Point of Contact of any ambiguity, conflict, discrepancy, exclusionary specifications, omission, or other error in the Solicitation in the manner and by the deadline for submitting questions. If a Respondent fails to properly and timely notify the Sole Point of Contact of such issues, the Respondent submits its Solicitation at its own risk, and if awarded a Contract: (1) shall have waived any claim of error or ambiguity in the Solicitation and any resulting Contract, (2) shall not contest the interpretation by any System Agency of such provision(s), and (3) shall not be entitled to additional compensation, relief, or time by reason of ambiguity, error, or later correction.

3.5.6 Responses

Responses to questions or other written requests for clarification will be posted on the ESBD. The System Agency reserves the right to amend answers prior to the deadline for submission of Solicitation Responses. Amended answers will be posted on the ESBD. It is Respondent's responsibility to check the ESBD. The System Agency also reserves the right to provide a

single consolidated response to all similar questions in any manner at the System Agency's sole discretion.

3.5.7 Respondent Pre-Bidder's and HSP Conference

The System Agency will conduct an optional HSP Conference on August 3, 2021 at 10:30 AM Central Time. The HSP conference is optional.

Register here: <https://attendee.gotowebinar.com/register/3478977251894218764>

Webinar ID: 350-226-963

After registration participants will receive another email with the actual link to the webinar.

People with disabilities who wish to attend the meeting and require auxiliary aids or Services should contact the Sole Point of Contact identified in this Solicitation at least 72 hours before the meeting so appropriate arrangements can be made.

3.6 SOLICITATION RESPONSE COMPOSITION

3.6.1 Generally

Failure to submit all Solicitation Consideration and Award Consideration Documents in the required format(s) may result in disqualification of the Solicitation Response without further consideration as required in **Article IX**. A Respondent shall prepare a Solicitation Response that clearly and concisely represents its qualifications and capabilities under this Solicitation. Respondent should focus on the instructions and requirements of the Solicitation.

3.6.2 Page Limit and Supporting Documentation

The aggregate length of both the Narrative Proposal and the Technical Proposal should not exceed one hundred (100) pages in length, not including appendices or attachments, and should be formatted as follows: 8 ½" x 11" paper, Arial or Verdana typeface, and 12-point font size. If complete responses cannot be provided without referencing supporting documentation, such documentation must be provided with the Solicitation Response, with specific reference made to the file, page, section, and/or paragraph where the supporting information can be found.

3.6.3 Discrepancies

Discrepancies or disparities between the contents of original Solicitation Responses and copies will be interpreted in favor of the System Agency. If Respondent fails to designate an "ORIGINAL," the System Agency may reject the Solicitation Response or select a copy to be used as the original.

3.6.4 Exceptions

Respondents are highly encouraged, in lieu of including exceptions in their Solicitation Responses, to address all issues that might be advanced by way of exception by submitting such issues pursuant to **Section 3.5.4**. Any exception included in a Solicitation Response may result in a Respondent not being awarded a Contract. If a Respondent includes exceptions in its Solicitation Response, Respondent is required to use **Exhibit G, Exceptions Form** to this Solicitation and provide all information requested on the form

(Solicitation Section Number, Solicitation Section Title, Language to which Exception is Taken, Proposed Language, and Statement as to whether or not, by indicating only “yes” or “no,” Respondent still wants to be considered for a Contract award if the exception is denied). Any exception that does not provide all required information without qualification in the format set forth in **Exhibit G** may be rejected without consideration.

No exception, nor any other term, condition, or provision in a Solicitation Response that differs, varies from, or contradicts this Solicitation will be considered to be part of any Contract resulting from this Solicitation unless expressly made a part of the Contract in writing by the System Agency.

3.6.5 Binding Offer

A Solicitation Response should be responsive to the Solicitation as worded, not with any assumption that any or all terms, conditions, or provisions of the Solicitation will be negotiated. Furthermore, all Solicitation Responses constitute binding offers. **Any Solicitation Response to this Solicitation that includes any type of disclaimer or other statement indicating that the response does not constitute a binding offer may be disqualified.**

3.6.6 Assumptions

Respondent must identify on the **Exhibit H, Assumptions Form** any business, economic, legal, programmatic, or practical assumptions that underlie the Respondent's response to the Solicitation. The System Agency reserves the right to accept or reject any assumptions. All assumptions not expressly identified and incorporated into any Contract resulting from this Solicitation are deemed rejected by the System Agency.

3.7 SOLICITATION RESPONSE SUBMISSION AND DELIVERY

3.7.1 Deadline

Solicitation Responses must be received at the address in **Section 3.7.3** and be time-stamped by HHSC no later than the date and time specified in **Section 3.1**. Solicitation Responses submitted by any method other than those provided in **Section 3.7** will NOT be considered. **Late submittals will not be accepted.**

3.7.2 Submission Options

- a. Submission Option #1:** Respondent shall submit the following through the Online Bid Room utilizing the procedures in **Exhibit M, HHS Online Bid Room:**
 1. One (1) file named “Original Solicitation Response” that contains the Respondent’s entire Solicitation Response in searchable portable document format (PDF).
 2. In accordance with **Section 8.1.5**, one (1) file named “Public Information Copy” that contains the Respondent’s entire Solicitation Response in searchable PDF, if applicable.
 3. In accordance with **Section 7.1**, one (1) file named “Cost Proposal”, **Exhibit F, Cost Workbook**, that contains the Respondent’s Cost Proposal in Excel format with active formulas (compatible with Microsoft Office 2010).

4. In accordance with **Section 6.7** one file named “HUB Subcontracting Plan”, **Exhibit J, Historically Underutilized Business (HUB) Plan (HSP)**, that contains the Respondent’s HUB Subcontracting Plan.
- b. Submission Option #2:** Respondent shall submit the following on two USB drives—one (1) labeled “Original” and one (1) labeled “Copy”.
1. Each USB must contain one (1) file named “Original Solicitation Response” that contains the Respondent’s entire Solicitation Response in searchable portable document format (PDF).
 2. In accordance with **Section 8.1.5**, each USB must contain one (1) file named “Public Information Copy” that contains the Respondent’s entire Solicitation Response in searchable PDF, if applicable.
 3. In accordance with **Section 7.1**, Each USB must contain one (1) file named “Cost Proposal” that contains the Respondent’s Cost Proposal in Excel format with active formulas (compatible with Microsoft Office 2010).
 4. In accordance with **Section 6.7** each USB must contain one (1) file named “HUB Subcontracting Plan, **Exhibit J, Historically Underutilized Business (HUB) Plan (HSP)** that contains the Respondent’s HUB Subcontracting Plan.
- c. Failure to submit all required documents in required format(s) may result in disqualification of the Solicitation Response without further consideration. A Respondent shall prepare a Solicitation Response that clearly and concisely represents its qualifications and capabilities under this Solicitation. Colored displays, promotional materials, etc. are not necessary or desired. Respondent should focus on the instructions and requirements of the Solicitation.
- d. The System Agency, in its sole discretion, may reject any and all Solicitation Responses or portions thereof.

3.7.3 Labeling and Delivery

Respondent must deliver Solicitation Responses by one of the methods below. Solicitation Responses submitted by any other method (e.g., facsimile, telephone, email) will NOT be considered.

U.S. Postal Service	Overnight/Express Mail/Hand Delivery	Online Bid Room
HHSC Procurement and Contracting Services (PCS) Bid Room Attn: Katrina Chester; P.O. Box 149166 Austin, TX 78714-9166	HHSC Procurement and Contracting Services (PCS) Bid Room Attn: Katrina Chester; 1100 West 49 th Street; Mail Code 2020, Building S Austin, TX 78756	See <u>Exhibit M, Online Bid Room</u> Submit Response Online, if applicable: https://hhs.texas.gov/doing-business-hhs/contracting-hhs/hhs-online-bid-room

BE ADVISED, all Solicitation Responses become the property of HHSC after submission and will not be returned to Respondent. It is the Respondent's responsibility to appropriately mark and deliver the Solicitation Response to HHSC by the specified date. A U.S. Postal Service (USPS) postmark or round validation stamp; a mail receipt with the date of mailing, stamped by the USPS; a dated shipping label, invoice of receipt from a commercial carrier; or, any other documentation in lieu of the on-site time stamp WILL NOT be accepted.

Each Respondent is solely responsible for ensuring its Solicitation Response is submitted in accordance with all Solicitation requirements, including, but not limited to, proper labeling of packages, sufficient postage or delivery fees, and ensuring timely receipt by HHSC. **In no event will HHSC be responsible or liable for any delay or error in delivery. Solicitation Responses must be RECEIVED by HHSC by the Solicitation Response submission deadline identified in Section 3.1 or subsequent Addenda.**

Solicitation Responses submitted via USB by mail or hand delivery shall be placed in a sealed box and clearly labeled as follows:

SOLICITATION NO:	HHS0009987
SOLICITATION NAME	Centralized Accounting and Payroll/Personnel System (CAPPS) Human Capital Management (HCM) Hub System Maintenance and Support Services
SOLICITATION RESPONSE DEADLINE	August 26, 2021 by 10:30 A.M. CT
PURCHASER NAME:	Katrina Chester, CTCD
RESPONDENT NAME:	[Respondent Name]

It is Respondent's sole responsibility to ensure that packaging is sufficient to prevent damage to contents. HHSC will not be responsible or liable for any damage and damaged Solicitation Responses will not be considered.

HHSC will not be held responsible for any Solicitation Response that is mishandled prior to receipt by HHSC. HHSC will not be responsible for any technical issues that result in late delivery, inappropriately identified documents, or other submission errors that may lead to

disqualification (including substantive or administrative) or nonreceipt of the Respondent's Solicitation Response.

3.7.4 Alterations, Modifications, and Withdrawals

Prior to the Solicitation Response submission deadline, a Respondent may: (1) withdraw its Solicitation Response by submitting a written request to the Sole Point of Contact identified in **Section 3.5.1** or (2) modify its Solicitation Response by submitting a written amendment to the Sole Point of Contact identified in **Section 3.5.1**. When modifying its Solicitation Response, Respondent must include in writing the section(s) of its submission that will be replaced or removed by the amendment. The System Agency may request Solicitation Response modifications at any time.

ARTICLE IV. SOLICITATION RESPONSE EVALUATION AND AWARD PROCESS

4.1 EVALUATION CRITERIA

4.1.1 Conformance with State Law

Solicitation Responses shall be evaluated in accordance with [Texas Government Code, Title 10, Subtitle D, Chapter 2157, Section 2157.003](#). HHSC shall not be obligated to accept the lowest priced offer but shall make an award, if any, to the Respondent that provides the best value to the State of Texas.

HHSC will assess the following components of the Solicitation Responses on a pass/fail basis:

1. HUB requirements (Reference **Exhibit J, Historically Underutilized Business (HUB) Plan (HSP)**)
2. Minimum qualifications listed below in **Section 4.1.2**.

4.1.2 Minimum Qualifications

Respondents must meet the minimum qualifications listed below. Furthermore, Solicitation Responses that appear unrealistic in terms of technical commitment, that show a lack of technical competence, or that indicate a failure to comprehend the risk and complexity of a potential Contract may be rejected, in the sole discretion of HHSC.

1. Respondent must be currently operating and maintaining an Information Management System for a minimum of five (5) contiguous years for the solution that is being proposed in its Technical Proposal that provides the level, complexity, and sophistication of CAPPS HCM Hub System like solution maintenance and support services.
2. Respondent shall a minimum of five (5) contiguous years of experience in Oracle PeopleSoft.
3. The Respondent shall have a minimum of five (5) contiguous years of experience in system and software application development.

4. Respondent must be financially solvent and adequately capitalized.
5. If the Respondent is listed in the Vendor Performance Tracking System maintained by the Texas Comptroller of Public Accounts (CPA) (<https://comptroller.texas.gov/purchasing/programs/vendor-performance-tracking/>), Respondent cannot have an overall grade/rating lower than “C.”

4.1.3 Specific Criteria

Solicitation Responses shall be consistently evaluated and scored in accordance with the following criteria. See also, **Exhibit K, Evaluation Tool**.

1. **Cost (30%)**
2. **Project Approach (15%)**
3. **Personnel Organization and Qualifications (35%)**
4. **Respondent Capabilities and Performance (20%)**

4.1.4 Other Information

HHSC may contact references provided in response to this Solicitation, contact Respondent's clients, or solicit information from any available source. HHSC will also review the Comptroller's [Vendor Performance Tracking System](#).

4.2 INITIAL COMPLIANCE SCREENING

The System Agency will perform an initial screening of all Solicitation Responses received. Unsigned Solicitation Responses, and Solicitation Responses that do not meet **Section 4.1.2** above and/or do not include all required forms and information may be subject to rejection without further evaluation.

4.3 COMPETITIVE RANGE AND BEST AND FINAL OFFER

The System Agency may, at its sole discretion, request Best and Final Offers (BAFOs) from all Respondents or only those Respondents whose Solicitation Responses are ranked most highly by the evaluation committee. The request for a BAFO will allow a Respondent the opportunity to revise its original Solicitation Response, including pricing revisions, if applicable, or leave its Solicitation Response as originally submitted. Revisions must be submitted in the manner and form prescribed by the BAFO request. Requests will be sent to the point of contact provided by the Respondent. The System Agency is not responsible for a Respondent's failure to timely receive the BAFO request or timely submit its response.

The System Agency reserves the right to request more than one BAFO from each of the selected Respondents. BAFOs will be evaluated in accordance with the stated criteria in **Section 4.1.3** and, if applicable, the final score will be revised. The revised final score, based on Respondent's original Solicitation Response as revised by the BAFO, will determine the ranking of the Respondent(s) following the BAFO request. A request for a BAFO does not guarantee an Award or further negotiations.

The System Agency reserves the right to conduct more than one BAFO. However, a Respondent should provide its best offer in its original Solicitation Response. Respondents should not expect or assume that the System Agency will request a BAFO.

4.4 QUESTIONS OR REQUESTS FOR CLARIFICATION BY THE SYSTEM AGENCY

The System Agency reserves the right to ask questions or request clarification from any Respondent at any time during the Solicitation process, including during the BAFO process.

ARTICLE V. NARRATIVE/TECHNICAL PROPOSAL

5.1 NARRATIVE PROPOSAL

5.1.1 Executive Summary

In the Solicitation Response, Respondent must provide a high-level overview of the Respondent's approach to meeting the requirements contained in **Article II**. The summary must demonstrate an understanding of the System Agency's goals and objectives for this Solicitation.

5.1.2 Project Work Plan

In the Solicitation Response, Respondent must describe the Respondent's proposed processes and methodologies for providing all components of the Scope of Work described in **Article II** including the Respondent's approach to meeting the project schedule. Respondent should identify all tasks to be performed, including all project activities, materials and other products, Services, and reports to be generated during the Contract term and relate them to the stated purpose(s) and specifications described in this Solicitation.

5.1.3 Value-Added Benefits

In the Solicitation Response, Respondent must describe any Services or Deliverables that are not required by this Solicitation that the Respondent proposes to provide at no additional cost to the System Agency. Respondents are not required to propose value-added benefits, but inclusion of such benefits may result in a more favorable evaluation.

5.1.4 Key Staffing Profile

Using **Exhibit N, Contractor Key Personnel and Staff Qualifications**, Respondent must provide a key staffing profile and resumes for key staff that will be responsible for the performance of the Services requested under this Solicitation. Key Personnel and Contractor staff must meet industry standards for the positions they occupy.

5.2 TECHNICAL PROPOSAL

5.2.1 Overview

Respondent must provide a detailed description of the proposed technical solution, which must support all business activities and requirements described in this Solicitation. The Technical Proposal must reflect a clear understanding of the nature of the work undertaken and must include a detailed description of the proposed system and associated solution.

The Technical Proposal must include a narrative that describes in full, the intended approach to meeting the requirements of the Solicitation. Simply referencing the CAPPS HCM Hub System Domain Requirement Checklist, repeating a requirement statement, or stating that the Respondent agrees to provide the required Service or Deliverable does not demonstrate that the Respondent understands the requirement; consequently, such responses may result in a less favorable evaluation.

The Technical Proposal must include the following sections:

1. Section 1 – Requirements Common Across All Domains
2. Section 2 – Transition Activities Domain
3. Section 3 – Application Development Support Domain
4. Section 4 – System Software Administration Support Domain
5. Section 5 – Project Management Domain
6. Section 6 – Service Level Agreements Domain
7. Section 7 – Turnover Domain
8. Section 8 – Additional Services Approach

5.2.2 Section 1 - Requirements Common Across All Domains

The Respondent must provide a detailed description for meeting each of the requirements specified in **Table 2, Common Areas Across All Domains (CCA) Requirements**, in **Section 2.1.3.3**.

5.2.3 Section 2 - Transition Services Domain

The Respondent must describe its Transition approach and provide a detailed description of how the Respondent will meet the requirements in **Section 2.1.3.4**.

5.2.4 Section 3 - Application Development Support Domain

The Respondent must provide a detailed description for meeting each of the requirements specified in **Table 4, Application Development Support (ADS) Requirements**, in **Section 2.1.3.5**.

5.2.5 Section 4 - System Software Administration Support Domain

The Respondent must provide a detailed description for meeting each of the requirements specified in **Table 5, System Software Administration Support (SSA) Requirements** in **Section 2.1.3.5**

5.2.6 Section 5 - Project Management Domain

The Respondent must provide a detailed description for meeting each of the requirements specified in **Table 6, Project Management (PM) Requirements**, in **Section 2.1.3.5**.

5.2.7 Section 6 - Service Level Agreements Domain

The Respondent must provide a detailed description for meeting each of the requirements specified in **Table 7, Service Level Agreements (SLA) Requirements**, in **Section 2.1.3.5**.

5.2.8 Section 7 - Turnover Domain

The Respondent must provide a detailed description for meeting each of the requirements in **Section 2.1.3.6**.

5.2.9 Section 8 - Additional Services Approach

The Respondent must provide a detailed description for meeting each of the requirements in **Section 2.1.4**.

ARTICLE VI. REQUIRED RESPONDENT INFORMATION

6.1 COMPANY INFORMATION

Respondent must provide satisfactory evidence of its ability to manage and coordinate the types of activities described in this Solicitation and to produce the specified Goods or Services on time.

6.1.1 Company Narrative

Provide a detailed narrative explaining why Respondent is qualified to provide the Services enumerated in **Article II** focusing on its company's key strengths and competitive advantages.

6.1.2 Company Profile

Provide a company profile to include:

- a. The company ownership structure (corporation, partnership, LLC, or sole proprietorship), including any wholly owned subsidiaries, affiliated companies, or joint ventures. *(Please provide this information in a narrative and as a graphical representation)* If Respondent is an affiliate of, or has a joint venture or strategic alliance with, another company, Respondent must identify the percentage of ownership and the percentage of the parent's ownership. The entity performing the majority of the Work under a Contract, throughout the duration of the Contract, must be the primary bidder. Finally, please provide your proposed operating structure for the Services requested under this Solicitation and which entities (e.g.) parent company, affiliate, joint venture, Subcontractor) will be performing them;
- b. The year the company was founded and/or incorporated. If incorporated, please indicate the state where the company is incorporated and the date of incorporation;
- c. The location of company headquarters and any field office(s) that may provide Services for any resulting Contract under this Solicitation;
- d. The number of employees in the company, both locally and nationally, and the location(s) from which employees will be assigned;
- e. The name, address, and telephone number of Respondent's point of contact for any resulting Contract under this Solicitation; and
- f. Indicate whether the company has ever been engaged under a contract by any Texas state agency. If "Yes," specify when, for what duties, and for which agency.
- g. indicate the number of contiguous years currently providing maintenance and support services operating and maintaining an Information Management System

similar in level, complexity and sophistication of CAPPS HCM hub System for the solution that is being proposed in its Technical proposal.

- h. Indicate the number of contiguous years of experience in Oracle PeopleSoft.
- i. Indicate the number of contiguous years of experience in system and software application development.

Note: If Respondent is an out-of-state company, a Certificate of Authority from the Texas Secretary of State to do business in Texas must be provided as well.

6.2 PAST PERFORMANCE

On the **Exhibit I, Past Performance Template**, Respondent shall list and provide information concerning a minimum of three (3) contracts or projects, other than for HHSC, similar to the Services enumerated in **Article II**. HHSC prefers information from projects or contracts that were performed for states of comparable size and/or federal government within the last five (5) years. Respondent must verify client contacts are current.

The Respondent must provide the following information for each project as outlined below in the Past Performance Template:

1. Project Name;
2. Name and address of client;
3. Name and phone number of client contact (contract or project manager);
4. Email address for client contact;
5. Contract start date and duration;
6. Total contract dollar amount;
7. Brief description of project;
8. Staff assigned by position on the project; and
9. Outcome of the project.

6.3 MAJOR SUBCONTRACTOR INFORMATION

Respondent must identify any major Subcontractors whom Respondent intends to utilize in performing fifteen percent (15%) or more of any Contract. Respondent must indicate whether or not Respondent holds any financial interest in any major Subcontractor. It may be required as a condition of award that an authorized officer or agent of each proposed major Subcontractor sign a statement to the effect that the Subcontractor has read, and will agree to abide by, Respondent's obligations under any Contract awarded pursuant to this Solicitation.

6.4 AFFIRMATIONS AND CERTIFICATIONS

Respondent must complete and return **Exhibit A, HHS Solicitation Affirmations -Version 1.9.**

6.5 OTHER REPORTS

6.5.1 Dun and Bradstreet Report

A Respondent with a Dun and Bradstreet number must include a Comprehensive Insight Plus Report, Business Information Report, or Credit eValuator Report with its Solicitation Response.

6.5.2 Financial Capacity

All Respondents must supply evidence of financial capacity sufficient to demonstrate reasonable stability and solvency appropriate to requirements of the Solicitation.

6.5.3 Financial Statements and Financial Solvency

a. Respondent must submit electronically in a word searchable .PDF format an annual report, which must include:

1. Last three (3) years of Audited Financial Statements, including all supplements, management discussion and analysis, and actuarial opinions.
2. If applicable, last three (3) years of consolidated statements for any holding companies or affiliates.
3. A full disclosure of any events, liabilities, or contingent liabilities that could affect Respondent's financial ability to perform this Contract.

At a minimum, such financial statements must include:

- i. Balance Sheet,
- ii. Income Statement,
- iii. Statement of Changes in Financial Position,
- iv. Statement of Cash Flows, and
- v. Capital Expenditures.

b. If the Respondent is a corporation that is required to report to the Securities and Exchange Commission (SEC), Respondent must submit its three (3) most recent SEC Form 10K, Annual Reports, pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Financial materials must be submitted electronically in a word searchable .PDF format.

c. If Audited Financial Statements are not available, Respondent must submit unaudited financial information and any other information the Respondent believes meets the requirements of this section. See **Section 6.5.4**. If the submitted documents do not provide adequate assurance of financial stability or solvency, HHSC reserves the right to request additional information or to disqualify the Respondent.

- d. Substantial Ownership or Wholly Owned by another Corporate Entity. If the Respondent is either substantially or wholly owned by another corporate (or legal) entity, the Respondent must include the information required in this **Section 6.5.3** for each such entity, including the most recent detailed financial report for each such entity.
- e. If HHSC determines that an entity does not have sufficient financial resources to guarantee the Respondent's performance, HHSC may require the Respondent to obtain another acceptable financial instrument or resource from such entity, or to obtain an acceptable guarantee from another entity with sufficient financial resources to guarantee performance.

6.5.4 Alternate Report

If Respondent(s) is unable to provide the annual report specified above, Respondent(s) may, at the discretion of the System Agency, provide the following alternate report:

- a. Last three (3) years un-audited financial statements, including all supplements, management discussion and analysis, and actuarial opinion;
- b. An un-audited financial statement of the most recent quarter of operation; and
- c. A full disclosure of any events, liabilities, or contingent liabilities that could affect Respondent's financial ability to perform the Contract.

At a minimum, such financial statements must include:

1. Balance sheet
2. Income Statement,
3. Statement of Changes in Financial Position,
4. Statement of Cash Flows, and
5. Capital Expenditures.

6.6 CORPORATE GUARANTEE

If the Respondent is substantially owned or controlled, in whole or in part, by one or more other legal entities, the Respondent must submit the information required under the "Financial Capacity" section above for each such entity, including the most recent financial statement for each such entity. The Respondent must also include a statement that the entity or entities will unconditionally guarantee performance by the Respondent of each and every obligation, warranty, covenant, term, and condition of the Contract. If HHSC determines that an entity does not have sufficient financial resources to guarantee the Respondent's performance, HHSC may require the Respondent to obtain another acceptable financial instrument or resource from such entity, or to obtain an acceptable guarantee from another entity with sufficient financial resources to guarantee performance.

6.7 HUB SUBCONTRACTING PLAN

- a. The Respondent must submit the HUB Subcontracting Plan (HSP) in accordance with **Section 3.7.2** labeled: "HUB Subcontracting Plan (HSP)," and include all supporting

documentation in accordance with **Exhibit J, Historically Underutilized Business (HUB) Plan (HSP)**.

The completed HSP must be submitted with the Solicitation Response by the deadline specified in **Section 3.1**. Solicitation Responses that DO NOT include a completed HSP shall be rejected due to material failure to comply with Section 2161.252(b) of the Texas Government Code.

- b. Should a Respondent have questions regarding proper completion of the HSP, the HUB coordinator may be contacted via email at Cheryl.Bradley@hhs.texas.gov.
- c. To request a courtesy review of an HSP prior to the Solicitation Response deadline, Respondent must submit the completed HSP including all supporting documentation in a PDF format by e-mail to the HHSC HUB coordinator on or before the courtesy review of HSP deadline specified in **Section 3.1**.

E-mail for courtesy review: Cheryl.Bradley@hhs.texas.gov

E-mail Subject Line: HSP Courtesy Review, RFO No. HHS0009987, and indicate the Solicitation Response Due Date.

HSPs received after the courtesy review deadline in the Schedule of Events will not be processed. A response regarding the HSP will be provided by the HUB Office at least ten (10) business days prior to the Solicitation Response deadline in the Schedule of Events, allowing Respondent enough time to rectify any potential deficiencies for the final HSP submission.

ARTICLE VII. COST PROPOSAL

7.1 COST PROPOSAL

The Respondent must not disclose its Cost Proposal or other pricing information in the body of the Narrative and Technical Proposals. The inclusion of cost or price information in the Narrative and Technical Proposals may be cause for disqualification of the Solicitation Response.

All Respondents must submit a comprehensive and complete Cost Proposal that meets the requirements specified within this Solicitation. A complete Cost Proposal must include pricing for Contract Year 1, Contract Year 2, Contract Year 3, Contract Year 4, Contract Year 5, Optional Extension Year 1, and Year 2. Notwithstanding any indication to the contrary in this Solicitation, or in any exhibits and attachments, all cost information fields in **Exhibit F, Cost Workbook** must be completed in order to be considered responsive. All labor rates must be all inclusive pricing for all Cost Workbook Tabs requiring financial calculations.

The Respondent must provide a complete Cost Proposal that must contain the following sections:

1. Section 1 - Cover Letter

2. Section 2 - Cost Proposal Assumptions, as noted by Respondent in **Exhibit H, Assumptions Form**
3. Section 3 - **Exhibit F, Cost Workbook**

The Cost Proposal must align with the requirements in **Article II** and this **Article VII**.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

ARTICLE VIII. GENERAL TERMS AND CONDITIONS

8.1 GENERAL CONDITIONS

8.1.1 Amendment

The System Agency reserves the right to alter, amend, or modify any provision of this Solicitation, or to withdraw this Solicitation, at any time prior to award, if it is in the best interest of the State.

8.1.2 Offer Period

Solicitation Responses shall be binding for a period of 240 days after the due date for submission of Solicitation Responses. Each Respondent may extend the time for which its Solicitation Response will be honored. Upon Contract execution, prices agreed upon by the Respondent(s) are an irrevocable offer for the term of the Contract and any Contract renewals or extension(s). No other costs, rates, or fees shall be payable to the Respondent unless expressly agreed upon in writing by the System Agency.

8.1.3 Costs Incurred

Respondents understand that issuance of this Solicitation in no way constitutes a commitment by any System Agency to award a Contract or to pay any costs incurred by a Respondent in the preparation of a response to this Solicitation. The System Agency is not liable for any costs incurred by a Respondent prior to issuance of or entering into a formal agreement, Contract, or purchase order. Costs of developing Solicitation Responses, preparing for or participating in oral presentations and site visits, or any other similar expenses incurred by a Respondent are entirely the responsibility of the Respondent, and will not be reimbursed in any manner by the State of Texas.

8.1.4 Contract Responsibility

The System Agency will look solely to Respondent for the performance of all contractual obligations that may result from an award based on this Solicitation. Respondent shall not be relieved of its obligations for any nonperformance by its Subcontractors.

8.1.5 Public Information Act - Respondent Requirements Regarding Disclosure

Solicitation Responses and contracts are subject to the [Texas Public Information Act \(PIA\)](#), [Texas Government Code Chapter 552](#), and may be disclosed to the public upon request. Other legal authority also requires System Agency to post contracts and Solicitation Responses on its public website and to provide such information to the Legislative Budget Board for posting on its public website.

Under the PIA, certain information is protected from public release. If Respondent asserts that information provided in its Solicitation Response is exempt from disclosure under the PIA, Respondent must:

a. Mark Original Solicitation Response:

1. Mark the Original Solicitation Response, on the top of the front page, the words “CONTAINS CONFIDENTIAL INFORMATION” in large, bold,

capitalized letters (the size of, or equivalent to, 12-point Times New Roman font or larger); and

2. Identify, adjacent to each portion of the Solicitation Response that Respondent claims is exempt from public disclosure, the claimed exemption from disclosure (NOTE: no redactions are to be made in the Original Solicitation Response);

b. **Certify in Original Solicitation Response Exhibit A, HHS Solicitation Affirmations -Version 1.9.**

Certify, in the designated section of the HHS Solicitation Affirmations, Respondent's confidential information assertion and the filing of its Public Information Act Copy; and

c. **Submit Public Information Act Copy of Solicitation Response:**

Submit a separate "Public Information Act Copy" of the Original Solicitation Response (in addition to the original and all copies otherwise required under the provisions of this Solicitation). The Public Information Act Copy must meet the following requirements:

1. The copy must be clearly marked as "Public Information Act Copy" on the front page in large, bold, capitalized letters (the size of, or equivalent to, 12-point Times New Roman font or larger);
2. Each portion Respondent claims is exempt from public disclosure must be redacted (blacked out); and
3. Respondent must identify, adjacent to each redaction, the claimed exemption from disclosure. Each identification provided as required in Subsection (c) of this section must be identical to those set forth in the Original Solicitation Response as required in Subsection (a)(2), above. The only difference in required markings and information between the Original Solicitation Response and the "Public Information Act Copy" of the Solicitation Response will be redactions - which can only be included in the "Public Information Act Copy." There must be no redactions in the Original Solicitation Response.

By submitting a Solicitation Response to this Solicitation, Respondent agrees that, if Respondent does not mark the Original Solicitation Response, provide the required certification in the Solicitation Affirmations, and submit the Public Information Act Copy, Respondent's Solicitation Response will be considered to be public information that may be released to the public in any manner including, but not limited to, in accordance with the Public Information Act, posted on the System Agency's public website, and posted on the Legislative Budget Board's public website.

If any or all Respondents submit partial, but not complete, information suggesting inclusion of confidential information and failure to comply with the requirements set forth in this section, System Agency, in its sole discretion and in any solicitation, reserves the right to (1) disqualify all Respondents that fail to fully comply with the requirements set forth in this section, or (2) to offer all Respondents that fail to fully comply with the requirements set forth in this section additional time to comply.

Respondent should not submit a Public Information Act Copy indicating that the entire Solicitation Response is exempt from disclosure. Merely making a blanket claim that the entire Solicitation Response is protected from disclosure because it contains any amount of confidential, proprietary, trade secret, or privileged information is not acceptable, and may make the entire Solicitation Response subject to release under the PIA.

Solicitation Responses should not be marked or asserted as copyrighted material. If Respondent asserts a copyright to any portion of its Solicitation Response, by submitting a Solicitation Response, Respondent agrees to reproduction and posting on public websites by the State of Texas, including the System Agency and all other state agencies, without cost or liability.

The System Agency will strictly adhere to the requirements of the PIA regarding the disclosure of public information. As a result, by participating in this solicitation process, Respondent acknowledges that all information, documentation, and other materials submitted in the Solicitation Response in response to this Solicitation may be subject to public disclosure under the PIA. The System Agency does not have authority to agree that any information submitted will not be subject to disclosure. Disclosure is governed by the PIA and by rulings of the Office of the Texas Attorney General. Respondents are advised to consult with their legal counsel concerning disclosure issues resulting from this process and to take precautions to safeguard trade secrets and proprietary or otherwise confidential information. The System Agency assumes no obligation or responsibility relating to the disclosure or nondisclosure of information submitted by Respondents.

For more information concerning the types of information that may be withheld under the PIA or questions about the PIA, please refer to the Public Information Act Handbook published by the Office of the Texas Attorney General or contact the attorney general's Open Government Hotline at (512) 478-OPEN (6736) or toll-free at (877) 673-6839 (877-OPEN TEX). To access the Public Information Act Handbook, please visit the attorney general's website at <http://www.texasattorneygeneral.gov>.

8.1.6 Respondent Waiver - Intellectual Property

SUBMISSION OF ANY DOCUMENT TO ANY HHS AGENCY IN RESPONSE TO THIS SOLICITATION CONSTITUTES AN IRREVOCABLE WAIVER, AND AGREEMENT BY THE SUBMITTING PARTY TO FULLY INDEMNIFY THE STATE OF TEXAS, HHSC FROM, ANY CLAIM OF INFRINGEMENT BY HHSC REGARDING THE INTELLECTUAL PROPERTY RIGHTS OF THE SUBMITTING PARTY OR ANY THIRD PARTY FOR ANY MATERIALS SUBMITTED TO HHS BY THE SUBMITTING PARTY.

8.2 INSURANCE

8.2.1 Required Coverage

For the duration of any Contract resulting from this Solicitation, Respondent shall acquire insurance, bonds, or both, with financially sound and reputable independent insurers, in the type and amount listed on **Exhibit L, Insurance Requirements**. Failure to maintain insurance coverage or acceptable alternative methods of insurance shall be deemed a breach of contract.

8.2.2 Alternative Insurability

Notwithstanding the preceding, the System Agency reserves the right to consider reasonable alternative methods of insuring the Contract in lieu of the insurance policies customarily required. It will be the Respondent's responsibility to recommend to the System Agency alternative methods of insuring the Contract. Any alternatives proposed by Respondent should be accompanied by a detailed explanation regarding Respondent's inability to obtain the required insurance and/or bonds. The System Agency shall be the sole and final judge as to the adequacy of any substitute form of insurance coverage.

8.3 PROTEST

If a Respondent wishes to file a protest they may do so in accordance with the rules published by HHSC in the [Texas Administrative Code, Title 1, Part 15, Chapter 391, Subchapter C, Protests](#).

8.4 STANDARDS OF CONDUCT FOR VENDORS

Pursuant to Title 1 of the Texas Administrative Code (TAC), Part 15, Chapter 391, Subchapter D, Rule §391.405(a), contractors, respondents, and vendors interested in working with HHS are required to implement standards of conduct to apply to all matters involving, or related to, those solicitations and contract(s) between themselves and HHS. These standards must adhere to ethics requirements adopted in rule, in addition to any ethics policy, or code of ethics approved by the HHSC Executive Commissioner and must be at least as restrictive as those applicable to HHS personnel in the applicable ethics law and policy provisions.

The standards of conduct must include the ten standards of ethical conduct set forth in Section I of the HHS Ethics Policy and requirements to comply with ethical standards set forth in federal and state law (including, but not limited to, 1 TAC pt. 15, ch. 391, subch. D).

The standards of conduct, together with the responsibilities and restrictions incorporated herein, also apply to subcontractors of contractors, respondents and vendors.

Standards of conduct of any contractor, respondent or vendor may be reviewed and/or audited by the State Auditor and HHSC. Additionally, pursuant to Title 1 TAC Part 15, Chapter 391, Subchapter D, Rule §391.405(a), HHS may examine a respondent's standards of conduct in the evaluation of a bid, offer, proposal, quote, or other applicable expression of interest in a proposed purchase of goods or services.

Any vendor or contractor that violates a provision of Title 1 TAC Part 15, Chapter 391, Subchapter D may be barred from receiving future contracts or have an existing contract canceled. Additionally, HHSC may report the vendor's actions to the Comptroller of Public Accounts for statewide debarment, or law enforcement.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

ARTICLE IX. SUBMISSION CHECKLIST

This checklist must be read carefully as it identifies documents that are requested in this Solicitation.

Solicitation Consideration and Award Consideration Documents, reference **Section 1.2**, must be submitted by the deadline for Solicitation Response submissions, reference **Section 3.1**. Solicitation Consideration (SC) documents will be reviewed as-is, without any opportunity to remedy missed requirements. HHSC, at its sole discretion, may request some or all of the Respondents to remedy missing elements of Award Consideration (AC) Documents.

Original Solicitation Response Package

The Solicitation Package must include the Solicitation Response in one of the approved submission methods identified in **Section 3.7**. Those marked “SC” are Solicitation Consideration Documents and those marked “AC” are Award Consideration Documents.

A.	Narrative and Technical Proposals and Respondent Information			
1.	Narrative Proposal	(Section 5.1)	SC	___
2.	Technical Proposal	(Section 5.2)	SC	___
3.	Company Information	(Section 6.1)	SC	___
4.	Past Performance	(Section 6.2, Exhibit I)	SC	___
5.	Major Subcontractor Information	(Section 6.3)	SC	___
6.	Affirmations and Certifications	(Section 6.4, Exhibit A)	SC	___
7.	Exceptions (if applicable)	(Section 3.6.4, Exhibit G)	AC	___
8.	Assumptions (if applicable)	(Section 3.6.6, Exhibit H)	AC	___
9.	Dun and Bradstreet Report	(Section 6.5.1)	AC	___
10.	Financial Capacity, Financial Statements and Financial	(Sections 6.5.2, 6.5.3, and 6.5.4)	AC	___

	Solvency, and Alternate Report			
11.	Corporate Guarantee	(Section 6.6)	AC	_____
B.	Cost Proposal	(Article VII, Exhibit F)	SC	_____
C.	Historically Underutilized Business (HUB) Plan (HSP)	(Section 6.7, Exhibit J)	SC	_____

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

ARTICLE X. LIST OF EXHIBITS

EXHIBITS	
EXHIBIT A, HHS SOLICITATION AFFIRMATIONS, VERSION 1.9	
EXHIBIT B, HEALTH AND HUMAN SERVICES (HHS) UNIFORM TERMS AND CONDITIONS – VENDOR, VERSION 3.2	
EXHIBIT C, HEALTH AND HUMAN SERVICES (HHS) ADDITIONAL PROVISIONS, VERSION 1.0	
EXHIBIT D, DATA USE AGREEMENT (DUA)	
EXHIBIT E, HHS SECURITY AND PRIVACY INQUIRY (SPI)	
EXHIBIT F, COST WORKBOOK	
EXHIBIT G, EXCEPTIONS FORM	
EXHIBIT H, ASSUMPTIONS FORM	
EXHIBIT I, PAST PERFORMANCE TEMPLATE	
EXHIBIT J, HISTORICALLY UNTERUTILIZED BUSINESS (HUB) PLAN(HSP)	
EXHIBIT K, EVALUATION TOOL	
EXHIBIT L, INSURANCE REQUIREMENTS	
EXHIBIT M, HHS ONLINE BID ROOM	
EXHIBIT N, CONTRACTOR KEY PERSONNEL AND STAFF QUALIFICATIONS	
EXHIBIT O, CAPPS HCM ARCHITECTURAL FEATURES AND FRAMEWORK	
EXHIBIT P, SERVICE LEVEL AGREEMENT DELINEATION	
EXHIBIT Q, CAPPS HCM KEY PERFORMANCE MEASURES (KPM) AND LIQUIDATED DAMAGES (LD)	
EXHIBIT R, CAPPS HCM THIRDPARTY APPLICATIONS AND SUPPORT TOOLS	