



Commonwealth of Kentucky

SOLICITATION

TITLE: Business Analysis Project UI

DATE ISSUED 2011-06-15	SOLICITATION CLOSES Date: 2011-07-18 Time: 16:00:00	SOLICITATION NO. RFP 531 1100000324
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I S S U E D B Y	2nd flr. CPT, 500 Mero St. Nancy Sherrow	A D D R E S S T O	Please see the Terms and Conditions For Information on where to submit Your Bid/Proposal.
V E N D O R	Name:	R E M I T T O	Name:
	Address:		Address:
	City, State Zip Code:		City, State Zip Code:
	Phone #:		Phone #:
	Email Address:		Email Address:
	Contact Name:		Contact Name:
	Contact Email:		Contact Email:
	Vendor Customer (VC) #:		Vendor Customer (VC) #:

FOR INFORMATION CALL: Nancy Sherrow
502-564-2782

ONLINE BIDDING PROHIBITED Yes

OWNERSHIP TYPE:
☐ Sole Proprietorship ☐ Partnership ☐ Corporation

SIGNATURE OF AUTHORIZED AGENT IS REQUIRED UNLESS RESPONSE IS SUBMITTED ELECTRONICALLY
FAILURE TO SIGN SHALL RENDER THE BID INVALID.

Signature X _____ FEIN# _____ DATE _____

All offers subject to all terms and conditions contained in this solicitation.

Line Items

Line Group: Default						
Line	CL Description	Due Date	Quantity	Unit Issue	Unit Cost	Line Total Or Contract Amt

1 Consultion Services

Comm Code	Comm Description	Manufacturer	Model #	Man Part #
91800	CONSULTING SERVICES			

Extended Description

In order to improve the performance of the KYOET UI Program for tax functions, timely first payments and non-monetary determination of issues, appeals and security of employer and claimant information, KYOET seeks to engage a CONTRACTOR with considerable professional experience administering and delivering UI programs on the state level; knowledge, experience and demonstrated proven results for the UI program and experience in intensive, process-reengineering efforts (e.g., Kaizen) involving UI or workforce programs.

See terms and conditions for details.

Tenative Start Date: 8/01/2011
End: 12/01/2011

B I L T O	Attn: Nancy Sherrow		S H I P T O	
	Education & Workforce Development Cabinet			
	Office of Administrative Services			
	234 CPT, 500 Mero St.			
	FRANKFORT	KY 40601		
	US			

Evaluation Criteria			
The following criteria will be used when determining the award of this solicitation			
Code	Criteria Description	Points	Vendor Response (DO NOT LIST PRICES IN THIS SECTION. UNIT PRICES AND TOTAL PRICES MUST BE FILLED IN ADJACENT TO THEIR LINE ITEMS.)

The point person assigned to manage the project has experience working with 10

Firm, project manager and staff demonstrate creativity 5

Listed references provide positive feedback about their experience 5

Proposer's experience includes similar projects 15

Consultant is responsive to the scope 15

Staff assigned to the project have experience with similar or complex proje 10

Proposed fee for services is within budget and 40

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Solicitation/Contract #: _____

REQUIRED AFFIDAVIT FOR BIDDERS, OFFERORS AND CONTRACTORS

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FOR BIDS AND CONTRACTS IN GENERAL:

- I. Each bidder or offeror swears and affirms under penalty of perjury, that:
 - a. In accordance with [KRS 45A.110](#) and [KRS 45A.115](#), neither the bidder or offeror as defined in [KRS 45A.070\(6\)](#), nor the entity which he/she represents, has knowingly violated any provisions of the campaign finance laws of the Commonwealth of Kentucky; and the award of a contract to the bidder or offeror or the entity which he/she represents will not violate any provisions of the campaign finance laws of the Commonwealth.
 - b. The bidder or offeror swears and affirms under penalty of perjury that, to the extent required by Kentucky law, the entity bidding, and all subcontractors therein, are aware of the requirements and penalties outlined in [KRS 45A.485](#); have properly disclosed all information required by this statute; and will continue to comply with such requirements for the duration of any contract awarded.
 - c. The bidder or offeror swears and affirms under penalty of perjury that, to the extent required by Kentucky law, the entity bidding, and its affiliates, are duly registered with the Kentucky Department of Revenue to collect and remit the sales and use tax imposed by [KRS Chapter 139](#), and will remain registered for the duration of any contract awarded.
 - d. The bidder or offeror swears and affirms under penalty of perjury that the entity bidding is not delinquent on any state taxes or fees owed to the Commonwealth of Kentucky and will remain in good standing for the duration of any contract awarded.

FOR “NON-BID” CONTRACTS (I.E. SOLE-SOURCE; NOT-PRACTICAL OR FEASIBLE TO BID; OR EMERGENCY CONTRACTS, ETC):

- II. Each contractor further swears and affirms under penalty of perjury, that:
 - a. In accordance with [KRS 121.056](#), and if this is a non-bid contract, neither the contractor, nor any member of his/her immediate family having an interest of 10% or more in any business entity involved in the performance of any contract awarded, have contributed more than the amount specified in [KRS 121.150](#) to the campaign of the gubernatorial slate elected in the election last preceding the date of contract award.
 - b. In accordance with [KRS 121.330\(1\) and \(2\)](#), and if this is a non-bid contract, neither the contractor, nor officers or employees of the contractor or any entity affiliated with the contractor, nor the spouses of

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officers or employees of the contractor or any entity affiliated with the contractor, have knowingly contributed more than \$5,000 in aggregate to the campaign of a candidate elected in the election last preceding the date of contract award that has jurisdiction over this contract award.

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REQUIRED AFFIDAVIT FOR BIDDERS, OFFERORS AND CONTRACTORS

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- c. In accordance with [KRS 121.330\(3\) and \(4\)](#), and if this is a non-bid contract, to the best of his/her knowledge, neither the contractor, nor any member of his/her immediate family, his/her employer, or his/her employees, or any entity affiliated with any of these entities or individuals, have directly solicited contributions in excess of \$30,000 in the aggregate for the campaign of a candidate elected in the election last preceding the date of contract award that has jurisdiction over this contract.

As a duly authorized representative for the bidder, offeror, or contractor, I have fully informed myself regarding the accuracy of all statements made in this affidavit, and acknowledge that the Commonwealth is reasonably relying upon these statements, in making a decision for contract award and any failure to accurately disclose such information may result in contract termination, repayment of funds and other available remedies under law.

Signature

Printed Name

Title

Date

Company Name _____

Address _____

Subscribed and sworn to before me by

(Affiant)

(Title)

of _____ this ____ day of _____, 20____.
(Company Name)

Notary Public

[seal of notary]

My commission expires: _____

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Beginning of Modification Number One (1), dated 6/15/2011

This mod is posted to

- a) **extend the bid closing date to 7/18/2011**
- b) post questions and answers which are listed below.

1. Would KYOET consider extending the due date by up to 2 week?

KYOET is willing to extend the due date by up to 2 weeks.

2. On page 10 of 36 the center location for site visit is blank. Is this intentional, would KYOET identify the center to be visited?

The center location was intentionally left blank. Upon award to the successful bidder, the location will be jointly identified

3. On page 16 of 36 section 11.1, the on or before date is missing. Is this intentional, would KYOET identify the missing date?

The on or before date was intentionally left blank inasmuch as this will be negotiated with the successful bidder once an award is made.

4. On page 22 of 36 in section 14.0 the statement the work should be complete in 3 months seems to conflict with a 16 week schedule through the document.

The statement of work should be completed within 16 weeks instead of 3 months. This time frame can be negotiated from the start date.

5. We would like to request that, in order for us to provide a best-value, comprehensive, and thorough response, KYOET consider granting an extension of 2 weeks for the RFP due date?

KYOET is willing to grant an extension of 2 weeks for the RFP due date.

6. Please confirm whether the contract will be awarded on the basis of Fixed-Price or Time and Materials?

The contract will be awarded on the basis of Fixed-Price.

7. Please validate that KY will provide the necessary State resources to assist the Contractor with discovery and workshop activities per the project plan.

Kentucky will provide the necessary State resources to assist the Contractor with discovery and workshop activities per the project plan. While Ky. is committed to providing whatever resources are necessary, the successful bidder should realize and take into account that workload issues may have some impact on such resources

8. Page 22, Section 14. Schedule, states, 'The tentative start date for the project is July 31, 2011. It is anticipated that work should be completed within 3 months.' Please clarify that the project will be completed in 4 months (16 weeks) instead.

The project should be completed in 16 weeks instead of 3 months.

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9. Page 2 of 36, Extended Description: Does KYOET expect the bidder to propose the Kaizen analytical approach, or is this given as an example of the kind of process that a proposal might utilize?

KYOET does not expect the bidder to propose the Kaizen analytical approach, it was given as an example.

10. Page 10 of 36, Section 2.3, 4th paragraph cites “process flows already provided.” Are these process flows available to offerors?

The process flows will be made available to the successful bidder.

11. Page 16 of 36, Section 11.1: Will the Commonwealth provide the date by which the contractor must be available to commence work?

The date will be negotiated with the successful bidder.

12. Page 22 of 36, Section 14.0 cites the tentative start date of the project as July 31, 2011. Is this the intended contract award date, or the “program commencement” date as cited in Section 11.1 a and elsewhere? Specifically, Section 11.1a says the Plan Proposal must be submitted no later than 5 business days in advance of the program’s commencement. Thus, would the Plan Proposal be due by August 5, assuming a July 31 award date? (Also note that July 31 is a Sunday).

July 31, 2011 represented the tentative "program commencement" date. However, such date will be negotiated with the successful bidder once an award is made.

13. Page 22 of 36, Section 14.0, Schedule, states that it is anticipated that the work should be completed within 3 months. This contradicts that reference to 16 weeks on page 13, section 3.0 Anticipated Duration. This also contradicts the deliverable and payment schedule shown on pages 20-22, Section 12.1 Payment. In this section, there is reference to Deliverable 3 which cites delivery no later than 30 business days post Tax Claims Processes Business Analysis program completion, which is cited as 16 weeks. Can clarification be provided on the appropriate length of time of the contract?

The contract should be completed in 16 weeks.

14. General: The UI system in any state is a complex matrix of staff assisted activities and technologically based activities. While the interaction of these must be incorporated in any description of the existing system and in any analysis of strengths and weaknesses, does the RFP envision detailed technological suggestions or solutions?

General: The RFP envisions a detailed "business process analysis" and "performance improvement plan" which should include the identification of issues where existing technology is being utilized and how new technology could be assist in improving program performance

15. Are activities related to Reemployment Services (e.g. training, job searching, skills evaluations, etc.) part of the scope of analysis?

Activities related to Reemployment Services are not part of the scope of analysis

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16. We are assuming that the Shared-Work Program is not in effect in Kentucky, and that it would not be in the scope of the business analysis. Is that correct?

Shared-Work is not in the scope of the business analysis

17. Do you participate in the Trade Readjustment Allowances program? If so, would this be in scope?

Kentucky does participate in the Trade Readjustment Allowances program. Only to the extent of establishing the claim and payment of allowances

18. As part of claim processing, do you receive separation notices from Employers? If so, is this in scope?

Yes, Kentucky receives separation notices from employers. This would be in the scope

19. Would the review and analysis of accounting processes triggered by tax and claim processing be in scope?

Review and analysis of accounting processes triggered by tax and claim processing is included in the scope.

20. Would you be able to provide or clarify the timeline, milestones, review sessions and payment schedule together in a calendar format, or worksheet by week number.

The timeline proposed (11.2) can be negotiated upon awarding of the contract

21. In §11.2.c and §11.2.d What is meant by 'program completion' in these two sentences. Are these the same? Do they mean completion of the whole 16 week program?

Yes. Yes

22. Page 22 indicates a 3 month (12 week) timeframe yet the timeline on page 18 indicates 16 weeks, and the milestone payment schedule implies an even longer timeline. Could you please clarify.

The contract should be completed in 16 weeks

23. Have the locations and dates in the blank parenthesis on pages 10, 16, 17 been defined?

No. Upon award to the successful bidder, the location and dates will be jointly identified and negotiated.

24. Are the 30-45 day, 60-75 day and 90-105 day review sessions based on calendar days or business days?

Calendar days

25. When is the final 90-105 day follow-up, on site review session (90-105 after week 16)?

30 days

26. Could you please clarify the deliverable and milestone date (10 days after 60-75 day

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follow-up) for the 5th and final payment.

Milestone payments and deliverable timelines will be negotiated with the successful bidder.

27. Are you flexible to have the KYOET subject matter experts more involved in the Assessment & Analysis, and Validation phases, than is inferred in 2.4 and 2.6. What degree of availability/accessibility to these resources can we expect?

The degree to which KYOET subject matter experts may be more involved in the Assessment and Analysis and Validation phases will be dependent upon workloads. The successful bidder should expect a relatively high degree of availability/accessibility to these resources.

28. Would you want to be able to use or access any software, modeling tool or BPMS that we might be using (which could require licensing costs) to create the reports and deliverables requested?

Possibly. We would want to evaluate that option if the opportunity presents itself

29. Do you have any preferences for the use of any BPMS or other tools? In these cases, would you be providing licenses or access?

At this point in time we have no preferences, but would evaluate as that option may present itself

30. As part of the background information review, would we expect to be provided a comprehensive and complete set of validated KPI's, CSF's, goals and objectives or would you like the discovery, definition and validation of these to be included in our plan?

KYOET would prefer to have discovery, definition, and validation to be included in the bidders plan.

31. Do we need to fill out all the forms included in the RFP: page 1, 4, 5 (notarized copy), 26, 27, 29, 30, 31, 34, 35 or are these forms to be submitted after the selection?

Refer to Vendor Check List on page 40.

32. In §11.3, is there a preferred format (CD, DVD, thumb drive, etc.) for the electronic (PDF) copy of the RFP response?

CD

End of Modification Number One (1)

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In order to improve performance the Kentucky Office of Employment and Training Unemployment Insurance Program, hereinafter referred to as KYOET, seeks to engage a consultant, hereinafter referred to as CONTRACTOR, to evaluate the current business processes for tax functions including liability investigations, determinations, tax rate assignments, employer audits, data collection and federal reporting, as well as, timely 1st payments and non-monetary determinations, claims processing, adjudication, timely rendering of lower level appeals and the security of UI Employer and Claimants data and make recommendations for improvements so that KYOET is in full compliance with the U.S. Department of Labor, hereinafter referred to as USDOL, standards. Through this engagement, other problem areas may be identified that would require a new SOW and subsequent amendment to implement corrective action.

This document will serve as the basis for the Statement of Work (SOW) between KYOET, and the selected CONTRACTOR to apply to work on the KY-OET Business Process Analysis Project, hereinafter referred to as PROJECT. Work effort under this SOW will include but not be limited to services relating to the KY-OET Business Analysis process.

Restrictions on Communications and Valid Submission of Bids and Addenda:

The Office of Administrative Services contact listed below shall be the sole point of contact throughout the procurement process. All communications, oral and written (regular mail, express mail, electronic mail, or fax) concerning this procurement shall be addressed to:

Nancy Sherrow
502-564-2782 (ph)
502-564-2782 (fax)
Nancye.sherrow@ky.gov (email)

Please note that violation of this restriction on communications to individuals other than the designated individual, the Commonwealth shall reserve the right to consider the bid of the offending bidder non-responsive.

All questions concerning this RFP must be submitted by noon June 10, 2011. Answers to any questions will be posted by June 14, 2011.
Please send all questions via email to: nancye.sherrow@ky.gov

Bid responses shall be submitted in "Original" hard copy form. Fax and electronic bids shall not be accepted. The actual bid shall be submitted to:

Nancy Sherrow,
Education & Workforce Development Cabinet
234 CPT 500 Mero Street
Frankfort, Kentucky 40601

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PLEASE NOTE ORIGINAL BID IS DUE BY 4:00 PM JULY 1, 2011 AND CANNOT BE ACCEPTED ELECTRONICALLY OR FAXED.

Please check the e-Procurement website at <https://eprocurement.ky.gov> for any updates and or addenda that may be posted to the solicitation. It is the responsibility of the vendor to obtain copies of all information and forms.

Acknowledgment of Addenda to Solicitations

It is the Vendor's responsibility to check the web site for any modifications to this Solicitation. If modifications have been made, the Vendor's signature is required on the latest addendum. Receipt of an addendum to a Solicitation shall be acknowledged by the offeror in writing. Acknowledgment shall be received prior to the hour and date specified for receipt of offers. Verbal acknowledgment shall not be accepted. Failure to acknowledge addenda may cause the bid to be considered non-responsive.

Scope of Services

KENTUCKY OFFICE OF EMPLOYMENT AND TRAINING
UNEMPLOYMENT INSURANCE BUSINESS PROCESS ANALYSIS PROJECT

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14.0	SCHEDULE

1.0 INTRODUCTION

In order to improve performance the Kentucky Office of Employment and Training Unemployment Insurance Program, hereinafter referred to as KYOET, seeks to engage a consultant, hereinafter referred to as CONTRACTOR, to evaluate the current business processes for tax functions including liability investigations, determinations, tax rate assignments, employer audits, data collection and federal reporting, as well as, timely 1st payments and non-monetary determinations, claims processing, adjudication, timely rendering of lower level appeals and the security of UI Employer and Claimants data and make recommendations for improvements so that KYOET is in full compliance with the U.S. Department of Labor, hereinafter referred to as USDOL, standards. Through this engagement, other problem areas may be identified that would require a new SOW and subsequent amendment to implement corrective action.

This document will serve as the basis for the Statement of Work (SOW) between KYOET, and the selected CONTRACTOR to apply to work on the KY-OET Business Process Analysis Project, hereinafter referred to as PROJECT. Work effort under this SOW will include but not be limited to services relating to the KY-OET Business Analysis process.

2.0 PROJECT DESCRIPTION

In order to improve the performance of the KYOET UI Program for tax functions, timely first payments and non-monetary determination of issues, appeals and security of employer and claimant information, KYOET seeks to engage a CONTRACTOR with considerable professional experience administering and delivering UI programs on the state level; knowledge, experience and demonstrated proven results for the UI program and experience in intensive, process-reengineering efforts (e.g., "Kaizen") involving UI or workforce programs.

The CONTRACTOR will work with representatives from KYOET UI Management and program

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stakeholders to conduct an intensive analysis (five to ten business days) of the current UI tax processes, claims taking process from intake to adjudication through payment of claim, and lower authority appeals. This intensive reengineering project will identify each step in the processes, assess its impact on the process in terms of efficiency and timeliness, and develop recommended improvements. This would ensure that the KYOET UI program meets USDOL performance standards for tax operations, timely first payments and non-monetary determinations. The CONTRACTOR will produce an Initial UI tax, Claims-Taking Process Reengineering Report and Performance Improvement Plan after the sixteen (16) week process reengineering project.

2.1 PROJECT DEFINITION

Kentucky Office of Employment and Training (KYOET) has thirty eight Workforce Centers and the state Central Office that provide services for unemployed workers. These centers handle initial claims, subsequent claims, and questions and other matters regarding claims and the claims process. KYOET has identified several key issues including (in order of significance):

1. Wait times and responsiveness on contacts
2. Wait time for claims appeals
3. "Extra" workload volume caused by service level problems and overall process issues
4. Systems capabilities, built over time, not optimized for today's environment

Claim volumes have increased significantly, overburdening staff and resources. Identifying opportunities for process improvement and an actionable plan that emphasizes effectiveness and efficiencies in the Workforce Centers and Central Office will benefit employers and claimants and KYOET.

An assessment of operations and related tax and claims processing and appeals workflow will cover strategy, operations, processes, metrics, call routing, quality monitoring, self-service strategy, workflow and technology. An assessment and planning effort will define quick hits that can reap immediate benefits, create a vision and prioritize recommendations that will provide the best value and operational efficiency, while ensuring employer and claimant centric operations that support business objectives.

2.2 Project Approach

The approach we are seeking will effectively and efficiently create a plan that is actionable. The diagram below provides a framework for the analysis our approach. The details of each step follow.

Discover: Understand Kentucky OET environment, issues, and goals through information review, site visits, and discussions.

Assess and Analyze: Identify issues, opportunities, and options based on understanding of Kentucky OET environment, best practices and market knowledge. Conduct initial analysis. Develop recommendations.

Define and Develop: Define and develop plans based on discussion of issues, opportunities, options, tradeoffs and recommendations in working session.

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Document and Validate: Document plan. Revise, discuss, validate/revise and finalize

2.3 PROJECT DISCOVERY

The discovery process provides an understanding of KYOET environment – what is unique about it, the issues we face, the directions our organization, and the operations, processes, and technology we have today and are planning for tomorrow. Discovery provides a complete view of the current environment, as well as the challenges and opportunities we are trying to address, and the goals and needs defined for going forward.

Discovery will cover the tax operations, claims processing, adjudication, appeals and security of employer and claimant information areas.

After a kick-off call or meeting to review the project scope, objectives, and approach, the discovery process will begin, which consists of:

Background information review: A review of background information provided on the current strategy, organization, operations and technology. In response to a detailed information request by the Contractor, KYOET will provide available information (in addition to the process flows already provided) such as lists of technology that the Workforce Centers and Central Office uses, high level system diagrams, overview of technology infrastructure, screen shots, operational overviews that show the functions and sizes, organizational charts, quality assurance forms, key performance indicators, sample reports, and any documentation that defines goals, directions, and strategy. All this information will help the Contractor to gain a basic understanding of our environment today and planned directions.

Site visit: The Contractor will conduct a site visit to our center in (_____), Kentucky focusing on the workflow through the appeals process, claims processing, adjudication and appeals. The site visit allows the Contractor to experience operations first hand, and gain a deeper understanding of how the organization and operations work, how technology is used, claims, adjudication and appeals processes, the support functions and processes, what works well, and what challenges are faced. The Contractor will discuss current and planned operations and the technology environment, and begin to identify opportunities for improvement. The Contractor will spend time in the Workforce Center and Central Office, as well as with the appropriate technology staff and support functions. In meetings, the Contractor may pose “what if” scenarios and gain input and feedback on some preliminary ideas. The Contractor will provide KYOET with a detailed agenda identifying how the Contractor’s time will be spent. The visit will include:

- Overview of operations and how KYOET uses technology
- Meetings with leadership to understand issues, opportunities, challenges, and goals, and planned changes
- System and process demonstrations
- Side-by-side observations and process walk through including the claims, adjudication and appeals processes
- Meetings with operations leaders to discuss current operations, the challenges faced,

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strengths and weaknesses, and additional opportunities

Meetings with supervisors/managers and any relevant support roles to discuss support functions such as workforce planning, quality assurance, reporting/metrics/performance optimization, process optimization, etc. to understand current processes, issues, opportunities, and directions

Meetings with technology staff to discuss the current technology infrastructure and applications, how it is being applied, issues, and potential directions

Focus groups with staff to understand their view of the strengths and challenges in meeting constituent needs

Additional information needs: Following the on-site visits, the Contractor will identify any additional information that would be helpful to them as well also requesting any follow up discussions.

2.4 Project Assessment and Analysis

The Contractor will use the information and insights gained from the discovery process, as well as their industry knowledge and experience, to conduct an assessment and analysis. This step creates input to the definition and development of the recommendations and action plan, including quick hits. The Contractor will identify issues, opportunities, options, pros and cons, and generate topics for further discussion based on the assessment of KYOET's situation and the Contractor's knowledge of best practices and business functions. The Contractor will frame preliminary recommendations, priorities, options, and tradeoffs and also conduct any research necessary.

The focus of the Contractor's effort will cover strategy, operations, processes, metrics, call and work routing, quality monitoring, self-service strategy, technology and other opportunities identified through discovery. The Contractor will develop options as appropriate, with supporting analysis of tradeoffs and decisions. The Contractor will also assess the potential impact of the changes identified for their value to KYOET's organization. The Contractor will identify short-term changes that can quickly improve KYOET's your operations and performance.

The assessment and analysis should address these topics:

- Business, operations, and technology strategy – definition, clarity, communication of strategies, and their alignment
- Operations and processes – process design and definition, contact routing, workflows, quality review, process improvement approach and opportunities, etc.
- Organizational structure – including roles and responsibilities
- Metrics and reporting and alignment with goals – including reporting, Key Performance Indicators, processes for review, feedback, and action
- Technology (voice and data) infrastructure and applications – including use of technology, support structure and processes, addressing your existing systems and their optimization, as well as opportunities for other technologies

The Contractor's analysis in each of these areas addresses strengths to build on, opportunities to improve, actions to take, critical success factors, priority, and outcomes to expect for each recommendation. Further, each of these areas should provide a list of topics that the Contractor

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can address based on the current environment and KYOET goals. The Contractor will evaluate the pros and cons of options, and identify key decision factors and impacts. The Contractor will also identify the value the key recommendations may have for consideration in phasing and prioritization.

During this phase of the project, the Contractor will provide any preliminary information for review and validation or discussion. The Contractor will use conference calls as needed to address preliminary information, or to seek additional information review, input or validation to support their analysis.

2.5 Project Define and Develop

The Contractor will conduct this step with preparation for and execution of a working session with KYOET's team. This collaborative approach maximizes the efficiency of the process and leverages best practices, while creating an action plan optimized to KYOET's specific needs and what is achievable for KYOET. The Contractor will schedule a working session with KYOET to discuss the scope defined.

The Contractor will provide a detailed agenda for the working session that focuses on achieving the goals defined, and addressing the issues and opportunities identified. The Contractor will develop charts to support the discussion, based on the assessment and analysis. These charts should provide the Contractor's preliminary findings and recommendations.

The working session should be a highly interactive event. The session will cover the following topics, at a minimum, and discuss findings, recommendations, and key areas for discussion and refinement to reach an action plan:

- Introduction – validation of goals, objectives, and scope (this should be brief, as they should be validated prior to the meeting)
 - Feedback from discovery and analysis steps – provide comments on discovery observations; validate or correct understanding of key factors; discuss specific issues identified (brief, as expected to be validated these prior to the meeting)
 - Vision of operations and technology – review suggested operational, organizational and technology characteristics that may be appropriate for your employer accounts and claims handling; define vision to meet goals; discuss challenges and ways to mitigate risks
 - Operations and process recommendations– identify process and operational changes that are recommended for contact handling, claims processing, adjudication and appeals, or support functions
 - Technology implications – identify issues in using existing systems differently, or priorities for new technology
 - Metrics considerations – review issues and opportunities to change metrics and reporting.
 - Organization and people impacts – identify impacts on staff and changes that are required in organizational structure or roles and responsibilities to support other changes
 - Value – discuss value of recommended changes and cost and benefit considerations
 - Implementation approach – define key steps to pursue the changes defined, prioritization (including quick hits), target timeline and phasing

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Critical success factors – define factors to ensure success in executing the plan
Next steps

The Contractor will vary the time and depth on these various topics depending on their findings. The outcome of the working session is a commonly understood vision and action plan, with specific recommendations and timing. It will serve as a roadmap for moving forward.

2.6 Document and Validate

Following the working session, the Contractor will conduct any follow up actions required, either internal or external research, information gathering, analysis, or idea development. The Contractor will finalize the recommendations, action plan and supporting information.

The Contractor will document the recommendations and action plan in an executive summary. The Contractor should provide a starter outline. The Contractor will review and update the plan with KYOET to ensure they have accurately and completely captured what was discussed and agreed to, and that the plan is clear and complete. The Contractor will conduct this review by sending KYOET the document electronically, and discussing it in a conference call (or, optionally, a face-to-face meeting). The Contractor will make any changes needed. Completion of this meeting will finalize the assessment and plan, and define next steps.

3.0 ANTICIPATED DURATION

The contract shall become effective on the date on which it is executed by both parties and is anticipated to last for a period of sixteen (16) weeks. The contract may be amended to include additional UI Program business processes for reengineering purposes.

4.0 SINGLE POINT OF CONTACT

CONTRACTOR and KYOET will each assign a Single Point of Contact (SPOC) with respect to the SOW. It is expected that the SPOC will not change throughout the period of the SOW. In the event that a change is necessary, the party requesting the change will provide a written notice to the other party as soon as possible. KYOET retains the right of refusal of the CONTRACTOR's new SPOC. Specific information regarding the CONTRACTOR's contact person must be provided upon execution of this contract (i.e., name, title, phone, fax, address, etc.).

The KYOET SPOC name and contact information will be provided upon execution of this contract.

5.0 SYSTEM SECURITY

The CONTRACTOR will be required to use KYOET data and IT resources in order to fulfill part of its specified tasks. For purposes of this work effort, "KYOET Data" shall mean data provided by KYOET to the CONTRACTOR. In connection with such data, the CONTRACTOR will implement reasonable safeguards necessary and required by the Department of Services DTS and Commonwealth Office of Technology (COT) to:

- Prevent unauthorized access to KYOET Data from any public or private network;
- Prevent unauthorized physical access to any KYOET data and/or information technology resources involved in the PROJECT; and,
- Prevent interception and manipulation of data during transmission to and from any servers as applicable.

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CONTRACTOR will notify the KYOET immediately if any breaches to the system occur. Contractor will be required to conduct criminal background checks on all personnel who will be on-site or who will have access to KYOET information systems. CONTRACTOR will be asked to sign a KYOET Confidentiality Policy as he/she may acquire or have access to confidential information including unemployment insurance information (including wage records) and employment service information as well as personal data.

6.0 PROJECT MANAGERS

6.1 KYOET PROJECT MANAGER

Project management of this PROJECT will be performed by KYOET. KYOET's Project Manager will:

- Work closely with the CONTRACTOR Project Manager to ensure successful completion of the project.
- Consult with the CONTRACTOR Project Manager to develop the Project Management Plan.
- Review weekly status reports and schedule weekly meetings with CONTRACTOR, as necessary.
- Coordinate participation from internal and external stakeholders as required.
- Establish a KYOET project team.
- Coordinate KYOET's review of deliverables and recommend acceptance.

KYOET's Project Manager reports to the KYOET UI Director, who reports to the Executive Director of the Kentucky Office of Employment and Training, who reports to the Commissioner of the OET, who reports to the Secretary of the Education and Workforce Development Cabinet.

6.2 CONTRACTOR PROJECT MANAGER

The CONTRACTOR Project Manager will:

- Serve as an interface between the KYOET Project Manager and all CONTRACTOR personnel participating in this engagement.
- Develop and maintain the Project Management Plan, in consultation with the KYOET Project Manager.
- Facilitate regular communication with the KYOET Project Manager, including weekly status reports/updates, and review the project performance against the project plan.
- Facilitate weekly project status meetings for the duration of the engagement.
- Update the project plan on a weekly basis and distribute at weekly meetings for the duration of the engagement.
- Be responsible for the management, coordination and deployment of CONTRACTOR personnel.

The CONTRACTOR must provide the following information prior to contract execution: CONTRACTOR's Project Manager reports to _____, who reports to _____ [repeat until reaching engagement partner or equivalent]. [Name and title], being an authorized signatory named in the CONTRACTOR's response to PROJECT, will sign this contract and all amendments thereto on behalf of CONTRACTOR.

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6.3 ISSUE RESOLUTION

The Project Managers from each organization bear the primary resolution responsibility for ensuring issue resolution. If they mutually agree that they are unable to resolve an issue, they are required to escalate the issue to the KYOET UI Director and the CONTRACTOR (contractor information).

6.4 CHANGES IN TASK ORDER SCOPE OF WORK

The Project Manager who would like to request a change in scope for this PROJECT will submit the suggested change in writing to the other team's Project Manager. The Project Managers will jointly determine whether the change impacts the PROJECT schedule. The parties must mutually agree to the change through a written amendment to the SOW. Any changes to the SOW will require an official modification to the original contract which will require the same signature process.

6.5 KEY PERSONNEL

CONTRACTOR will assign all of the following personnel to this PROJECT on the time basis established in Table 1. In the event that a change is necessary, CONTRACTOR SPOC must provide prompt written notice to KYOET Project Manager of the proposed change. If the personnel change is a result of a non-emergency, a two-week written notice must be provided by CONTRACTOR SPOC to KYOET Project Manager.

TABLE 1 KEY PERSONNEL

Staff Members	Role	Hours	Rate Per Hour
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7.0 EQUIPMENT, WORK SPACE, OFFICE SUPPLIES

KYOET will provide workspace necessary to conduct meetings for the PROJECT for CONTRACTOR team members working on-site for activities required by this project. CONTRACTOR will submit a list of employees who will need access to the building and to state systems as required for execution of the Business Process Analysis. Any CONTRACTOR employee(s) who requires access to IT resources must sign and comply with KYOET's and DTS and COT Policies.

8.0 RELATED PROJECT KNOWLEDGE

In addition, to contract specifications, CONTRACTOR shall, prior to commencing any other work will become familiar with the following documents: USDOL performance reports, KYOET tracking reports, and other relevant data to be provided by KYOET SPOC upon award of this contract.

9.0 RESUME & REFERENCES

Resumes are required from CONTRACTOR for all assigned personnel. The CONTRACTOR must submit three (3) business reference contact names, with preferred contact phone numbers and email addresses. References for projects of similar size and scope are highly preferred.

10.0 PLAN PROPOSAL

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CONTRACTOR to provide in this RFP a detailed plan on how he/she proposes to lead an intensive sixteen (16) week process reengineering program with KYOET, DTS and COT staff to breakdown, end-to-end, the current UI (tax process), claims taking process from intake through adjudication through payment of claim, appeal filing, appeal process, and confidentiality of employer and claimant information; identify inefficiencies in said process; develop and map a new process for doing the same; and provide recommendations (workflow analysis) on how to quantify/evaluate effectiveness.

11.0 CONTRACTOR TASKS & DELIVERABLES

This section describes the tasks and deliverables that CONTRACTOR will provide to KYOET and the tasks that CONTRACTOR will complete by the end of the engagement described in this RFP. Deliverables will be considered “complete” when all the acceptance criteria set forth in the SOW have been met or the prescribed review period for each deliverable or task has expired without written response from KYOET. The task/deliverable numbers are referred to in subsequent sections throughout this RFP.

All written documents should be delivered in machine-readable format, capable of being completely and accurately reproduced by computer software on a networked printer. All itemized and/or annotated lists shall be delivered in Excel computer spreadsheets or spreadsheet data capable of being imported to. Meetings shall be scheduled at a mutually agreed upon time and location acceptable to all parties. All meeting results will be described in a follow-up report generated by the CONTRACTOR’s Project Manager and approved by the KYOET Project Manager as set forth above.

The PROJECT will be “rate based”. The PROJECT, without amendment(s), should not exceed the amount submitted through this report.

11.1 DELIVERABLES:

CONTRACTOR must be available to commence work on or before (_____)

TABLE 2 – DELIVERABLES

Deliverable

- a. Proposed Tax and Claims Process Business Analysis Project Intensive Program Plan

Description and Metrics of Acceptance:

As outlined in 10.0 PLAN PROPOSAL, deliver to KYOET Project Manager no later than 5 business days in advance of the program’s commencement

Deliverable

- b. Lead sixteen (16) week process Business Analysis program with staff from KYOET, DTS and COT, USDOL and interested parties to breakdown, end-to-end, the current UI Tax processes, claims processing, adjudication, appeals and security of claimant information and payment of claim; identify inefficiencies in said process; develop and map a new process for doing the same; and provide recommendations (workflow analysis) on how to quantify plan effectiveness

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Description and Metrics of Acceptance

To begin (_____) – (_____), 2011 in KYOET

Deliverable

c. Compile an Initial UI Tax, Claims and Appeals Process Business Analysis Report and Performance Improvement Plan

Description and Metrics of Acceptance

Deliver to KYOET Project Manager no later than 30 business days post Tax, Claims and Appeals Process Business Analysis program completion

Deliverable

d. Conduct a one day follow-up session within 30-45 days after program completion

Description and Metrics of Acceptance

On site in KYOET

Deliverable

e. Provide an interim report identifying UI Tax and Claim Process Business analysis against the Initial UI Tax and Claims Process Report and Performance Improvement Plan, risks, and recommendations

Description and Metrics of Acceptance

Deliver within 10 business days of the 30-45 day follow-up, on-site review session

Deliverable

f. Provide Action Plan for Process changes which should include recommendations and actions summaries including quick hit items, as well as a timeline for implementation of the items.

Description and Metrics of Acceptance

Deliver within 10 business days of the 30-45 day follow-up, on-site review session

Deliverable

g. Provide Vision and Strategy report which highlight operational, Organizational and Technological vision going forward.

Description and Metrics of Acceptance

Deliver within 10 business days of the 30-45 day follow-up, on-site review session

Deliverable

h. Provide key observations and recommendations for each area in the SOW.

Description and Metrics of Acceptance

Deliver within 10 business days of the 30-45 day follow-up, on-site review session

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Deliverable

- i. Provide a Final UI Tax and Claims Process Business Analysis Report and Performance Improvement Plan.

Description and Metrics of Acceptance

Deliver within 30 business days of the final 90-105 day follow-up, on-site review session.

Deliverable

- j. Documentation of Specific changes with assessment of the potential impact and value to the organization including any short-term changes that can quickly improve operations/performance.

Description and Metrics of Acceptance

Deliver within 10 business days of the 30-45 day follow-up, on-site review session

Deliverable

- k. Provide Appendices – supporting information-assumptions, best practices, options analysis, etc (within final deliverable)

Description and Metrics of Acceptance

Deliver within 10 business days of the 30-45 day follow-up, on-site review session

11.2 TIMELINE:

Proposed – dependant upon awarding of the contract.

Proposed Project Timeline

4 Weeks

4 Weeks

3 Weeks

5 Weeks

Discovery

Assess and Analyze

Define and Develop

Document and Validate

Total: 16 Weeks

11.3 QUALIFICATIONS AND PROPOSAL:

Selection of the consultant will be based on Qualifications, the proposed Scope of Services and proposed Fee. Page limits for each section of the proposal are provided.

To be considered responsive, three (3) paper copies and one electronic copy (in PDF format) of the proposal shall be submitted, including one original signed by a member of the firm with contracting

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authority. The document with the original signature must be clearly identified on the cover with the work "ORIGINAL." The proposal must include the following items in order:

1. Cover letter (1 page maximum)
2. History of firm and description of services offered (1 page maximum)
3. Project team (5 pages maximum)
 - a) Team organization chart
 - b) Project manager resume
 - c) Key team member skill sets (may be presented as bios or a matrix)
4. Experience on similar projects (2 page maximum)
5. Detailed Scope of Services, based on Scope listed in this RFP (6 pages maximum)
6. Proposed Timeline, including major milestones and meetings to be obtained in 16 weeks (3 pages maximum)
7. Proposed fee – to be presented as a lump sum including all staff time, travel, communications and report preparation, billing should be monthly and based on percent complete (1 page maximum)
8. References (1 page maximum)
9. Additional materials (no page limit)

11.4 SELECTION/COMMITTEE:

The following will comprise the committee empowered to select the Contractor as well as monitor and provide guidance to the Contractor once under contract. This committee will be responsible for updating the Commissioner for the Department of Workforce Investment and other stakeholders on the progress of the project.

1. Executive Director of the Office of Employment and Training
2. Unemployment Insurance Director of the Office of Employment and Training
3. Department of Technology Services Representative
4. Assistant Director – Benefits
5. Assistant Director – Tax

11.5 SELECTION PROCESS:

Top three rated proposers will be interviewed by the selection committee.

Selection committee will recommend preferred consultant for contract.

Proposers may not contact members of the selection committee at any point during the selection process.

11.6 EVALUATION CRITERIA:

Selection committee will score each proposal based on the following criteria with the corresponding total possible points for each criterion.

Firm Experience – proposer's experience includes similar projects with complex management systems and multiple brands, agencies, divisions or departments.

Points Possible 15

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Project Manager – the point person assigned to manage the project has experience working with similar clients on similar projects.

Points Possible 10

Project Team – staff assigned to the project have experience with similar or complex projects and the variety of disciplines required to fulfill scope is represented.

Points Possible 10

Innovation/Creativity – Firm, project manager and staff demonstrate creativity and innovation in past experience

Points Possible 5

Project Approach – Consultant is responsive to the scope and demonstrates an approach that improves upon the written scope. Consultant proposes a reasonable timeline for completion of the proposed Scope.

Points Possible 15

References – listed references provide positive feedback about their experience with the proposer and would use the consultant again.

Points Possible 5

Cost – Proposed fee for services is within budget and reasonable for the scope of the project.

Points Possible 40

12.0 FUNDING:

The project may be funded in part or whole using Unemployment Grant funds. All applicable reporting requirements must be met.

12.1 PAYMENT:

CONTRACTOR agrees to invoice the KYOET for the deliverables or work completed per the requirements set forth in the appropriate Deliverables in Table 2. KYOET will make payments to CONTRACTOR only after receiving an accurate invoice for deliverables completed and accepted. A deliverable will be considered “completed” when KYOET has determined that the acceptance criteria for that specific deliverable has been met as specified in Table 2 of this SOW. Payments for specific deliverables shall be made in accordance with Table 3.

Table 3 – Payment – 5 Areas

1.

Deliverable :

Provide proposed Tax and Claims Process Business Analysis Project Intensive Program Plan

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Description:

As outlined in 10.0 PLAN PROPOSAL, deliver to KYOET Project Manager no later than 5 business days in advance of the program's commencement

Milestone Payment:

25% Project payment upon receipt of proposed Tax and Claims Processes Business Analysis Project Program Plan accompanied by a payment voucher/invoice

Proposed Cost:

\$

2.

Deliverable:

Project Plan Lead

Description:

Lead an intensive sixteen (16) week process business analysis program with staff from KYOET, DTS and COT, USDOL and interested parties to breakdown, end-to-end, the current UI Tax and claims processing, adjudication, adjudication appeals and security of claimant information and payment of claim; identify inefficiencies in said process; develop and map new process for doing the same; and provide recommendations (workflow analysis) on how to quantify plan effectiveness

Milestone Payment

25% Project payment following completion of sixteen (16) week Tax Claims Processes Business Analysis program.

Proposed Cost

\$

3.

Deliverable

Compile an Initial UI Tax and Claims Processes Business Analysis Report and Performance Improvement Plan

Description:

Deliver to KYOET Project Manager no later than 30 business days post Tax Claims Processes Business Analysis program completion

Milestone Payment

15% Project payment following receipt of Initial UI Tax and Claims Processes Business Analysis Report and Performance Improvement Plan

Proposed Cost

\$

4.

Deliverable

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Provide an interim report identifying progress against the Initial UI Tax and Claims Processes Business Analysis report (documented in items E-K of the Table 2 deliverables)

Description:

Deliver within 10 business days of the 30-45 day follow-up, on-site review session

Milestone Payment

15% Project payment following receipt of interim report

Proposed Cost

\$

5.

Deliverable

Provide an interim report identifying progress against the Initial UI Tax and Claims Processes Business Analysis Plan

Description:

Deliver within 10 business days of the 60-75 day follow-up, on-site review session

Milestone Payment

20% Project payment following receipt of interim report identifying UI Processes Business Analysis Report

Proposed Cost

\$

Payments will be made in accordance with the KYOET's bill paying policy

13.0 PROPOSAL SUBMISSION DATE:

For consideration, the proposal must be submitted by July 1, 2011 at 4:00pm.

14.0 SCHEDULE:

The tentative start date for the project is July 31, 2011. It is anticipated that work should be completed within 3 months.

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The following clauses are provided for information purposes. The vendor that wins the award (this does not apply to Universities) MUST comply with all of the below:

PSC Standard Terms and Conditions

Whereas, the first party, the state agency, has concluded that either state personnel are not available to perform said function, or it would not be feasible to utilize state personnel to perform said function; and

Whereas, the second party, the contractor, is available and qualified to perform such function; and

Whereas, for the abovementioned reasons, the state agency desires to avail itself of the services of the second party;

NOW THEREFORE, the following terms and conditions are applicable to this contract:

Effective Date:

This agreement is not effective until the Secretary of the Finance and Administration Cabinet or his authorized designee has approved the contract and until the contract has been submitted to the Legislative Research Commission, Government Contract Review Committee ("LRC").

Payments on personal service contracts and memoranda of agreement shall not be authorized for services rendered after government contract review committee disapproval, unless the decision of the committee is overridden by the Secretary of the Finance and Administration Cabinet or agency head, if the agency has been granted delegation authority by the Secretary.

Renewals:

Upon expiration of the initial term, the contract may be renewed in accordance with the terms and conditions in the original solicitation. Renewal shall be subject to prior approval from the Secretary of the Finance and Administration Cabinet or his authorized designee and the LRC Government Contract Review Committee in accordance with KRS 45A.695 and KRS 45A.705, and contingent upon available funding.

LRC Policies:

Pursuant to KRS 45A.725, LRC has established policies which govern rates payable for certain professional services. These are located on the LRC webpage (<http://www.lrc.ky.gov/Statcomm/Contracts/homepage.htm>) and would impact any contract established under KRS 45A.690 et seq., where applicable.

Choice of Law and Forum:

All questions as to the execution, validity, interpretation, construction and performance of this agreement shall be governed by the laws of the Commonwealth of Kentucky. Furthermore, the parties hereto agree that any legal action which is brought on the basis of this agreement shall be filed in the Franklin County Circuit Court of the Commonwealth of Kentucky.

Cancellation:

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The state agency shall have the right to terminate and cancel this agreement at any time not to exceed thirty (30) days' written notice served on the contractor by registered or certified mail.

Funding Out Provision:

The state agency may terminate this contract if funds are not appropriated to the contracting agency or are not otherwise available for the purpose of making payments without incurring any obligation for payment after the date of termination, regardless of the terms of the contract. The state agency shall provide the contractor thirty (30) calendar days written notice of termination of the contract.

Reduction in Contract Worker Hours

The Kentucky General Assembly may allow for a reduction in contract worker hours in conjunction with a budget balancing measure for some professional and non-professional service contracts. If under such authority the agency is required by Executive Order or otherwise to reduce contract hours, the contract will be reduced by the amount specified in that document.

Authorized to do Business in Kentucky:

The contractor affirms that it is properly authorized under the laws of the Commonwealth of Kentucky to conduct business in this state and will remain in good standing to do business in the Commonwealth of Kentucky for the duration of any contract awarded.

The Contractor shall maintain certification of authority to conduct business in the Commonwealth of Kentucky during the term of this Contract. Such registration is obtained from the Secretary of State, who will also provide the certification thereof.

Invoices for fees:

The contractor shall maintain supporting documents to substantiate invoices and shall furnish same if required by state government.

Pursuant to KRS 45A.695, no payment shall be made on any personal service contract unless the individual, firm, partnership, or corporation awarded the personal service contract submits its invoice for payment on a form established by the Government Contract Review Committee.

*Invoice form is available on the Legislative Research Commission, Government Contract Review Committee website:

<http://www.lrc.ky.gov/Statcomm/Contracts/homepage.htm>

Travel expenses, if authorized:

The contractor shall be paid for no travel expenses unless and except as specifically authorized by the specifications of the contract.

Other expenses, if authorized herein:

The contractor shall be reimbursed for no other expenses of any kind, unless and except as specifically authorized within the specifications of the contract.

If the reimbursement of such expenses is authorized, the reimbursement shall be only on an out-of-pocket basis. Request for payment of same shall be processed upon receipt from the contractor of valid, itemized statements

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submitted periodically for payment at the time any fees are due. The contractor shall maintain supporting documents that substantiate every claim for expenses and shall furnish same if requested by state government.

- Invoicing for fee: the contractor's fee shall be original invoice(s) and shall be documented by the contractor. The invoice(s) must conform to the method described in the specifications of the contract.
- Invoicing for travel expenses: the contractor must follow instructions described in the specifications of the contract. Either original or certified copies of receipts must be submitted for airline tickets, motel bills, restaurant charges, rental car charges, and any other miscellaneous expenses.
- Invoicing for miscellaneous expenses: the contractor must follow instructions prescribed in the specifications of the contract. Expenses submitted shall be documented by original or certified copies.

Purchasing and specifications:

The contractor certifies that he will not attempt in any manner to influence any specifications to be restrictive in any way or respect nor will he attempt in any way to influence any purchasing of services, commodities or equipment by the Commonwealth of Kentucky. For the purpose of this paragraph and the following paragraph that pertains to conflict-of interest laws and principles, "he" is construed to mean "they" if more than one person is involved and if a firm, partnership, corporation, or other organization is involved, then "he" is construed to mean any person with an interest therein.

Conflict-of-interest laws and principles:

The contractor certifies that he is legally entitled to enter into this contract with the Commonwealth of Kentucky, and by holding and performing this contract will not be violating either any conflict of interest statute (KRS 45A.330-45A.340, 45A.990, 164.390), or KRS 11A.040 of the executive branch code of ethics, relating to the employment of former public servants.

Campaign finance:

The contractor certifies that neither he/she nor any member of his/her immediate family having an interest of 10% or more in any business entity involved in the performance of this contract, has contributed more than the amount specified in KRS 121.056(2), to the campaign of the gubernatorial candidate elected at the election last preceding the date of this contract. The contractor further swears under the penalty of perjury, as provided by KRS 523.020, that neither he/she nor the company which he/she represents, has knowingly violated any provisions of the campaign finance laws of the Commonwealth, and that the award of a contract to him/her or the company which he/she represents will not violate any provisions of the campaign finance laws of the Commonwealth.

Certification

The state agency certifies that it is in compliance with the provisions of KRS 45A.695. "Access to contractor's books, documents, papers, records, or other evidence directly pertinent to the contract." The contractor, as defined in KRS 45A.030(9) agrees that the contracting agency, the Finance and Administration Cabinet, the Auditor of Public Accounts, and the Legislative Research Commission, or their duly authorized representatives, shall have access to any books, documents, papers, records, or other evidence, which are directly pertinent to this contract for the purpose of financial audit or program review. Records and other prequalification information confidentially disclosed as part of the bid process shall not be deemed as directly pertinent to the contract and shall be exempt from disclosure as provided in KRS 61.878(1)(c). The contractor also recognizes that any books, documents, papers, records, or other evidence, received during a financial audit or program review shall be

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subject to the Kentucky Open Records Act, KRS 61.870 to 61.884.

Protest

Pursuant to KRS 45A.285, The Secretary of the Finance and Administration Cabinet, or his designee, shall have authority to determine protests and other controversies of actual or prospective Vendors in connection with the solicitation or selection for award of a Master Agreement or Contract.

Any actual or prospective Vendor, who is aggrieved in connection with the solicitation or selection for award of a Master Agreement or Contract, may file protest with the Secretary of the Finance and Administration Cabinet. A protest or notice of other controversy must be filed promptly and in any event within two (2) calendar weeks after such aggrieved person knows or should have known of the facts giving rise thereto. All protests or notices of other controversies must be in writing and shall be addressed to:

Jonathan Miller, Secretary
Commonwealth of Kentucky
Finance and Administration Cabinet
Room 383, New Capitol Annex
702 Capitol Avenue
Frankfort, KY 40601
Phone #: (502) 564-4240
Fax #: (502) 564-6785

The Secretary of Finance and Administration Cabinet shall promptly issue a decision in writing. A copy of that decision shall be mailed or otherwise furnished to the aggrieved party and shall state the reasons for the action taken.

The decision by the Secretary of the Finance and Administration Cabinet shall be final and conclusive.

Social security: (check one)

_____ the parties are cognizant that the state is not liable for social security contributions pursuant to 42 U.S. Code, section 418, relative to the compensation of the second party for this contract.

_____ the parties are cognizant that the state is liable for social security contributions pursuant to 42 U.S. Code, section 418, relative to the compensation of the second party for this contract.

Violation of tax and employment laws:

KRS 45A.485 requires the contractor to reveal to the Commonwealth, prior to the award of a contract, any final determination of a violation by the contractor within the previous five (5) year period of the provisions of KRS chapters 136, 139, 141, 337, 338, 341, and 342. These statutes relate to the state sales and use tax, corporate and utility tax, income tax, wages and hours laws, occupational safety and health laws, unemployment insurance laws, and workers compensation insurance laws, respectively.

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To comply with the provisions of KRS 45A.485, the contractor shall report any such final determination(s) of violation(s) to the Commonwealth by providing the following information regarding the final determination(s): the KRS violated, the date of the final determination, and the state agency which issued the final determination.

KRS 45A.485 also provides that, for the duration of any contract, the contractor shall be in continuous compliance with the provisions of those statutes which apply to the contractor's operations, and that the contractor's failure to reveal a final determination as described above or failure to comply with the above statutes for the duration of the contract, shall be grounds for the Commonwealth's cancellation of the contract and the contractor's disqualification from eligibility for future state contracts for a period of two (2) years.

Contractor must check one:

_____ The contractor has not violated any of the provisions of the above statutes within the previous five (5) year period.

_____ the contractor has violated the provisions of one or more of the above statutes within the previous five (5) year period and has revealed such final determination(s) of violation(s). A list of such determination(s) is attached.

Discrimination:

Discrimination (because of race, religion, color, national origin, sex, age, or disability) prohibited. This section applies only to contracts utilizing federal funds, in whole or in part. During the performance of this contract, the contractor agrees as follows:

1. The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, national origin, sex or age. The contractor further agrees to comply with the provisions of the Americans with Disabilities Act (ADA), Public Law 101-336, and applicable federal regulations relating thereto prohibiting discrimination against otherwise qualified disabled individuals under any program or activity. The contractor agrees to provide, upon request, needed reasonable accommodations. The contractor will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, religion, color, national origin, sex, age or disability. Such action shall include, but not be limited to the following; employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensations; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.

2. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, sex, age or disability.

3. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or workers' representative of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance.

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4. The contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965 as amended, and of the rules, regulations and relevant orders of the Secretary of Labor.

5. The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, as amended, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

6. In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further government contracts or federally-assisted construction contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, as amended, and such other sanctions may be imposed and remedies invoked as provided in or as otherwise provided by law.

7. The contractor will include the provisions of paragraphs (1) through (7) of section 202 of Executive Order 11246 in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor, issued pursuant to section 204 of Executive Order No. 11246 of September 24, 1965, as amended, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

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The below invoice document will be required by the vendor that wins this award whenever the vendor request payment. Please note our personal service contracts will allow invoices to be submitted every thirty (30) days instead of the ninety (90) days listed below.

PERSONAL SERVICE CONTRACT INVOICE FORM
GOVERNMENT CONTRACT REVIEW COMMITTEE
LEGISLATIVE RESEARCH COMMISSION

Pursuant to KRS 45A.695, **no payment shall be made on any personal service contract** unless the individual, firm, partnership, or corporation awarded the personal service contract submits its invoice for payment on a form established by the committee.

Invoices shall be submitted every ninety (90) days, unless the personal service contract specifies a different submission time period.

Separate invoices shall be submitted for each distinct matter covered by the personal service contract, and shall be signed by the individual responsible for that matter

The issuance of an invoice to the Commonwealth constitutes an affirmation by the individual, firm, partnership, or corporation awarded the personal service contract that the invoice truly and accurately represents work actually performed, and the expenses actually incurred.

The head of the contracting body shall approve the invoice, indicating that the charges in the invoice reflect the value of the work performed, and all recorded costs and disbursements were reasonably and necessarily incurred in connection with the matter invoiced.

NOTE: All questions must be answered fully. If the space provided is insufficient, additional pages should be attached referencing the specifically numbered item. Any questions regarding the invoice requirements should be directed to the contracting agency.

Contract Number: _____ **Date of Invoice:** _____

Contracting Body

Division, Branch, etc.

1. Name & Address of Contractor:

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2. Contractor's Tax I.D. Number: _____

3. Effective Period of Contract:

Starting Date: _____

Ending Date: _____

4. Combined Total Amount Charged in this Invoice for Services and Reimbursable Disbursements: _____

5. Dates of Service Covered under this invoice:

Starting Date: _____

Ending Date: _____

6. Is this the FINAL invoice for services performed under this contract:

_____ Yes _____ No

7. Date of most recent invoice submitted prior to this invoice: _____

8. How often is the contractor required to submit invoices under the terms of the personal service contract:

9. Provide a description of the matter covered by this invoice:

10. Provide a full description of each service provided, including the date each service was performed, the name and title of each individual who worked on the matter, and the time the individual spent on the matter:

11. Provide the hourly rate for each individual working on the matter and the total charge for that individual for each matter involved:

12. Provide the subject matter and recipient of any correspondence:

13. Provide a full description of any work product produced, designating the way in which the work product is associated with the matter being invoiced. (Attorneys Billing for Legal Services: If you contend that any information is subject to privilege, please identify the privileged item, and provide sufficient information to evaluate the claim of privilege):

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14. Provide an itemized list of all disbursements to be reimbursed by the state for each matter invoiced and the total charge for that matter:

SIGNATURES:

Contractor:_____

Date:_____

Title:_____

Contracting Body

Approved by:_____

Date:_____

Title:_____

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Kentucky Preference Laws

The scoring of bids/proposals is subject to Reciprocal preference for Kentucky resident bidders and Preferences for a Qualified Bidder or the Department of Corrections, Division of Prison Industries.

Reciprocal preference for Kentucky resident bidders

KRS 45A.490 Definitions for KRS 45A.490 to 45A.494.

As used in KRS 45A.490 to 45A.494:

- (1) "Contract" means any agreement of a public agency, including grants and orders, for the purchase or disposal of supplies, services, construction, or any other item; and
- (2) "Public agency" has the same meaning as in KRS 61.805.

KRS 45A.492 Legislative declarations.

The General Assembly declares:

- (1) A public purpose of the Commonwealth is served by providing preference to Kentucky residents in contracts by public agencies; and
- (2) Providing preference to Kentucky residents equalizes the competition with other states that provide preference to their residents.

KRS 45A.494 Reciprocal preference to be given by public agencies to resident bidders -- List of states -- Administrative regulations.

- (1) Prior to a contract being awarded to the lowest responsible and responsive bidder on a contract by a public agency, a resident bidder of the Commonwealth shall be given a preference against a nonresident bidder registered in any state that gives or requires a preference to bidders from that state. The preference shall be equal to the preference given or required by the state of the nonresident bidder.
- (2) A resident bidder is an individual, partnership, association, corporation, or other business entity that, on the date the contract is first advertised or announced as available for bidding:
 - (a) Is authorized to transact business in the Commonwealth; and
 - (b) Has for one (1) year prior to and through the date of the advertisement, filed Kentucky corporate income taxes, made payments to the Kentucky unemployment insurance fund established in KRS 341.490, and maintained a Kentucky workers' compensation policy in effect.
- (3) A nonresident bidder is an individual, partnership, association, corporation, or other business entity that does not meet the requirements of subsection (2) of this section.
- (4) If a procurement determination results in a tie between a resident bidder and a nonresident bidder, preference shall be given to the resident bidder.
- (5) This section shall apply to all contracts funded or controlled in whole or in part by a public agency.
- (6) The Finance and Administration Cabinet shall maintain a list of states that give to or require a preference for their own resident bidders, including details of the preference given to such bidders, to be used by public agencies in determining resident bidder preferences. The cabinet shall also promulgate administrative regulations in accordance with KRS Chapter 13A establishing the procedure by which the preferences required by this section shall be given.
- (7) The preference for resident bidders shall not be given if the preference conflicts with federal law.

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(8) Any public agency soliciting or advertising for bids for contracts shall make KRS 45A.490 to 45A.494 part of the solicitation or advertisement for bids.

The reciprocal preference as described in KRS 45A.490-494 above shall be applied in accordance with 200 KAR 5:400.

Determining the residency of a bidder for purposes of applying a reciprocal preference

Any individual, partnership, association, corporation, or other business entity claiming resident bidder status shall submit along with its response the attached Required Affidavit for Bidders, Offerors, and Contractors Claiming Resident Bidder Status. The BIDDING AGENCY reserves the right to request documentation supporting a bidder's claim of resident bidder status. Failure to provide such documentation upon request shall result in disqualification of the bidder or contract termination.

A nonresident bidder shall submit, along with its response, its certificate of authority to transact business in the Commonwealth as filed with the Commonwealth of Kentucky, Secretary of State. The location of the principal office identified therein shall be deemed the state of residency for that bidder. If the bidder is not required by law to obtain said certificate, the state of residency for that bidder shall be deemed to be that which is identified in its mailing address as provided in its bid.

Preferences for a Qualified Bidder or the Department of Corrections, Division of Prison Industries.

Pursuant to 200 KAR 5:410, and KRS 45A.470, Kentucky Correctional Industries will receive a preference equal to twenty (20) percent of the maximum points awarded to a bidder in a solicitation. In addition, the following "qualified bidders" will receive a preference equal to fifteen (15) percent of the maximum points awarded to a bidder in a solicitation: Kentucky Industries for the Blind, any nonprofit corporation that furthers the purposes of KRS Chapter 163 and any qualified nonprofit agencies for individuals with severe disabilities as defined in KRS 45A.465(3). Other than Kentucky Industries for the Blind, a bidder claiming "qualified bidder" status shall submit along with its response to the solicitation a notarized affidavit which affirms that it meets the requirements to be considered a qualified bidder- affidavit form included. If requested, failure to provide documentation to a public agency proving qualified bidder status may result in disqualification of the bidder or contract termination.

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Solicitation/Contract #: _____

REQUIRED AFFIDAVIT FOR BIDDERS, OFFERORS AND CONTRACTORS CLAIMING RESIDENT BIDDER STATUS

FOR BIDS AND CONTRACTS IN GENERAL:

The bidder or offeror hereby swears and affirms under penalty of perjury that, in accordance with KRS 45A.494(2), the entity bidding is an individual, partnership, association, corporation, or other business entity that, on the date the contract is first advertised or announced as available for bidding:

1. Is authorized to transact business in the Commonwealth;
2. Has for one year prior to and through the date of advertisement
 - a. Filed Kentucky income taxes;
 - b. Made payments to the Kentucky unemployment insurance fund established in KRS 341.49; and
 - c. Maintained a Kentucky workers' compensation policy in effect.

The BIDDING AGENCY reserves the right to request documentation supporting a bidder's claim of resident bidder status. Failure to provide such documentation upon request shall result in disqualification of the bidder or contract termination.

Signature Printed Name

Title Date

Company Name:

Address:

Subscribed and sworn to before me by

(Affiant) (Title)

Of _____
(Company Name)

this ____ day of _____, 20____.

Notary Public: _____

[seal of notary] My commission expires: _____

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Solicitation/Contract #: _____

REQUIRED AFFIDAVIT FOR BIDDERS, OFFERORS AND CONTRACTORS CLAIMING QUALIFIED BIDDER STATUS

FOR BIDS AND CONTRACTS IN GENERAL:

I. The bidder or offeror swears and affirms under penalty of perjury that the entity bidding, and all subcontractors therein, meets the requirements to be considered a "qualified bidder" in accordance with 200 KAR 5:410(3); and will continue to comply with such requirements for the duration of any contract awarded. Please identify below the particular "qualified bidder" status claimed by the bidding entity.

_____ A nonprofit corporation that furthers the purposes of KRS Chapter 163

_____ Per KRS 45A.465(3), a "Qualified nonprofit agency for individuals with severe disabilities" means an organization that:

- (a) Is organized and operated in the interest of individuals with severe disabilities; and
- (b) Complies with any applicable occupational health and safety law of the United States and the Commonwealth; and
- (c) In the manufacture or provision of products or services listed or purchased under KRS 45A.470, during the fiscal year employs individuals with severe disabilities for not less than seventy-five percent (75%) of the man hours of direct labor required for the manufacture or provision of the products or services; and
- (d) Is registered and in good standing as a nonprofit organization with the Secretary of State.

The BIDDING AGENCY reserves the right to request documentation supporting a bidder's claim of qualified bidder status. Failure to provide such documentation upon request may result in disqualification of the bidder or contract termination.

Signature Printed Name

Title Date

Company Name:

Address:

Subscribed and sworn to before me by

(Affiant) (Title)

Of _____
(Company Name)

this ____ day of _____, 20__.

Notary Public: _____

[seal of notary] My commission expires: _____

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Vendor Check List

1. Have you submitted your bid prices on the vendor bid sheet (page 2 or entered the words “**see attached proposal**”) and enclosed in the envelope?
2. Have you completed the Required Affidavit for Bidders of Offerors and enclosed in the envelope?
3. Have you completed page one (1) of the Solicitation Sheet and enclosed in the envelope?
4. Have you enclosed your proposal?
5. Have you completed the Affidavit Claiming Resident Bidder Status (if this applies to you)?
6. Have you completed the Affidavit Claiming Qualified Bidder Status (if this applies to you)?
7. Is Bid Number **RFP 531 1100000324** clearly marked on your sealed envelope and addressed to

Education and Workforce Development Cabinet
Administrative Services
Attn: Nancy Sherrow
234 CPT 500 Mero St.
Frankfort, KY 40601

PLEASE NOTE ORIGINAL BID IS DUE BY 4:00 PM JULY 18, 2011 AND CANNOT BE ACCEPTED ELECTRONICALLY OR FAXED.