

Attachment L: Price Proposal

General Instructions

Prime Bidder must provide a fixed fee for the TLA Solution Project. Prime Bidder must not submit a price proposal based on a combination of fixed fee and time and materials, or any other arrangement such as a price based on a fixed period of time, number of resources provided or expected duration of the project. DES will only accept pricing proposals based on a fixed fee for fixed scope basis, with the scope defined by the Statement of Work and Hosting Services Exhibit (See **Appendices D.4** and **D.3**). Price proposals that do not meet the above requirements will be non-responsive and may jeopardize Prime Bidder's continued participation in the procurement.

The price proposal must be inclusive of all travel and other out-of-pocket expenses, and all subcontractor and third party costs and expenses. Include only the fees to be paid to Prime Bidder by DES, not internal DES costs associated with the TLA Solution Project.

Cost Proposals to be Based on Commitments Required by DES

Price proposals must be based on the terms, conditions and commitments set forth in the contract and project documents provided to Prime Bidder as part of the RFP (See **Appendices D.1, D.2, D.3** and **D.4**). Prime Bidder must not base its price proposal on its standard business terms or practices or any reduced service level agreements or other levels of commitments or obligations Prime Bidder believes it may negotiate. Basing Prime Bidder's price proposal on Prime Bidder's standard business terms or practices without adjusting for or taking into account the terms, conditions and commitments set forth in the contract and project documents will be considered non-responsive to the price proposal instructions and may jeopardize Prime Bidder's continued participation in the procurement.



Submitting a price proposal that does not reflect the terms, conditions and commitments set forth in the DES-provided contract and project documents will be deemed non-responsive to the price proposal instructions and may jeopardize Prime Bidder's continued participation in the procurement.

DES will not accept price adjustments that are based on Prime Bidder's standard terms and conditions, including any standard service level agreements customarily provided by Prime Bidder to its general customers.

This Price Proposal document sets forth various economic and other terms that Prime Bidders must consider as they develop their price proposals. These highlighted areas are not a substitute for a complete and thorough reading of the contract and project documents, as DES expects the Bidder to fulfill all the terms, conditions and commitments set forth therein.

Fixed Fee to Include all Travel and Out-of-Pocket Expenses

Prime Bidder must include all travel, living, meals, materials, incidentals, out-of-pocket, and other expenses as part of its price proposal. Upon DES' request, Prime Bidder is to provide documentation substantiating the amount of the fixed fee attributable to travel, out-of-pocket and other expenses, including the estimated number of flights, hotel stay nights or other accommodations used by Prime Bidder to develop the fixed fee.

Price Proposal Submission

Price proposals must be submitted using the Excel spreadsheets provided in **Appendix A** to this **Attachment L**. Prime Bidder needs to return the spreadsheets in a non-copy protected format, and not as a PDF file or any other type of document.

By submitting the price proposal materials, Prime Bidder agrees that:

- Any pricing information provided by Prime Bidder in any documents other than the price proposal spreadsheets will be disregarded and will not be used by DES in its evaluation. Only the pricing provided by Prime Bidder within the DES-provided spreadsheets will be considered Prime Bidder's official Price Proposal. Fees not included on **Appendix A** will not be paid by DES even if they have been referenced elsewhere in the Proposal or other parts or sections of Prime Bidder's RFP response. DES will not be responsible for erroneous, hidden, non-disclosed or underestimated fees or costs. Any pricing terms and/or modifications that are provided to DES outside the process described in this RFP will be disregarded.
- Where there is no charge or rate for a product or service enter "N/C" (no charge) or "Zero" or "0" in the applicable spreadsheet cell, as applicable. If Prime Bidder fails to provide a price, DES will assume the item is at no additional cost to DES and is part of the fixed fee. If the Prime Bidder states "N/C" for an item in the Price Proposal, DES will receive that item for no charge for the period represented in the price proposal, and if no period is represented, DES will receive that item for no charge for the length of the contract.
- Prime Bidders must complete the Price Proposal spreadsheets in their present structure. Unless otherwise instructed by DES, Prime Bidder cannot change or alter in any way the structure of the spreadsheets.

DES reserves the right to request that Prime Bidder provide additional and/or substantiating information and documentation regarding its price proposal, and use information it has learned during this procurement process to refine its needs and request additional price proposal information.

Prime Bidder must propose pricing based on the number of users. A user is any employee, consultant, volunteer, business partner or other person to whom DES provides access credentials for the purpose of using or supporting DES and the state Agencies that it serves. DES does not want pricing based on user types, such as supervisors, super users, etc. Do not propose pricing using any such user type designations.

Prime Bidder's price proposal must not include any taxes payable by DES.

Worksheet A: TLA Solution License Fees

Instructions

DES envisions licensing basic time, leave and attendance functionality ("**Basic Functionality**") for broader use, while it will be providing more specialized, advanced scheduling functionality ("**Advanced Scheduling Functionality**") to a smaller portion of the overall user base. Accordingly, Prime Bidder is to propose separate license fees for Basic Functionality and Advanced Scheduling Functionality based on the number of users specified below:

# of Users	Basic Functionality – # of Users	Advanced Scheduling Functionality – # of Users
Base License	10,000	1,500
Incremental License	Each additional 1,000	Each additional 100
Enterprise License	Unlimited	Unlimited

Conversion of User-Based License to Enterprise License:

Depending on the proposed pricing for the enterprise license and funding considerations, DES may elect to initially purchase the Base License and/or increments of additional users, and then want to expand into

an Enterprise License. Because the demand of the Agencies wanting to implement the TLA Solution will not be known at the outset of the project, DES will want price proposals based on different levels of then-current licensed user levels.

Based on the foregoing, Prime Bidder's price proposal is to include the following conversions to an Enterprise License:

TLA Solution Functionality	# of Users Licensed	Enterprise License
Basic Functionality		
	10,000	Unlimited
	20,000	Unlimited
	30,000	Unlimited
	40,000	Unlimited
	50,000	Unlimited
Advanced Scheduling Functionality		
	1,500	Unlimited
	3,000	Unlimited
	5,000	Unlimited
	7,000	Unlimited
	9,000	Unlimited

Price Terms and Considerations: The terms, limitations and constraints set forth below will apply to any pricing for the licenses to the TLA Solution to be agreed by DES. Do not submit a Pricing Proposal that does not meet these terms, limitations and constraints.

1. Pricing on a per unit basis for the incremental pricing must not be greater than the per unit price for the Base License. For example, if the Base License fee for Basic Functionality is \$100,000 for 10,000 users, the incremental pricing for the Basic Functionality for 1,000 users cannot exceed \$10/user or \$10,000.
2. An Enterprise License will provide DES with the ability for an unlimited number of users to use the Basic Functionality or Advanced Scheduling Functionality, or both if purchased by DES.
3. Basic Functionality - Includes functionality to satisfy the functional requirements set forth in the Assigning Position, Timekeeping, Leave Management and General Functional tabs in **Attachment G**, and the technical requirements set forth in **Attachment J**.
4. Advanced Scheduling Functionality - Includes functionality to satisfy the requirements set forth in the Shift Scheduling tab in **Attachment G**, and the technical requirements set forth in **Attachment J**.
5. License fees commence on production of the TLA Solution and will be based on the number of users using the applicable functionality.
6. License fees must include all fees applicable to all third party components of the TLA Solution.
7. Prime Bidder must provide pricing according to the tiers set forth in **Appendix A**.
8. Prime Bidder must provide a perpetual license to DES for the TLA Solution.

Worksheet B: Support and Maintenance Services

Instructions

Prime Bidder must propose pricing for support and maintenance services for both the Basic Functionality and the Advanced Scheduling Functionality. As Prime Bidder will propose software license pricing independently for the Basic Functionality and the Advanced Scheduling Functionality based on the number of users set forth in the Base License, Incremental License and Enterprise License groups, Prime Bidder must propose support and maintenance services pricing on the same basis. Accordingly, Prime Bidder must propose separate support and maintenance services fees for the following types of functionality based on the number of users specified below:

# of Users	Basic Functionality – # of Users	Advanced Scheduling Functionality – # of Users
Base License	10,000	1,500
Incremental License	Each additional 1,000	Each additional 100
Enterprise License	Unlimited	Unlimited

Price Terms and Considerations: The terms, limitations and constraints set forth below will apply to any pricing for the support and maintenance services for the TLA Solution to be agreed by DES. Do not submit a Pricing Proposal that does not meet these terms, limitations and constraints.

1. Pricing terms applicable to support and maintenance services cannot exceed 18% of the net license fees paid by DES.
2. Support and maintenance services fees for a particular software module cannot start until the software module is in production and will be based on the number of users using the applicable functionality.
3. Support and maintenance services fees must include fees applicable to all third party components of the TLA Solution.
4. Support and maintenance services fees can increase beginning 2 years after project completion.
5. Increases in support and maintenance fees will be limited to CPI, with a cap of 3%, and increases cannot accumulate from year to year.
6. Support and maintenance services for the TLA Solution (including interfaces, extensions and software-based deliverables) must be provided in the manner described in Schedule 7.1 of the Technology Agreement.
7. Support and maintenance services for interfaces, extensions and other software-based deliverables includes the obligation of Prime Bidder to retrofit such interface, extension or other deliverable to, and maintain the compatibility with, all enhancements.

Worksheet C: Hosting Services

Instructions

Prime Bidder must propose pricing for hosting services for the TLA Solution on a per user basis and for other potential additional resource charges (ARCs) as indicated below.

Hosting Services

Users	TLA Solution - # of Users
Base License	10,000
Incremental License	Each additional 1,000

Additional Storage Charges

Description	Monthly ARC for Useable Primary Storage
Database Storage	
Non-Database Storage	

Description	Monthly ARC
1 TB of unmanaged storage	

Additional Non-Production Environments

Description	Monthly ARC (per Environment)
Additional Non-Production Environment	

Additional Servers

Description	Monthly ARC
Windows Server	
Terminal Server	
Entry Level	
Mid-Range	
High End	

Additional Solution Modules (For any Software not proposed by Prime Bidder but may be licensed in the future)

Solution Module	Monthly ARC

End-to-End OLTP Measurements

One-Time Initial Setup	Monthly ARC

Additional VPN Connections

Description	ARC
Establish a VPN connection, includes testing and remediation of any problems with the connection	\$ _____ per setup
Managing the VPN connection	\$ _____ per month

Additional Refreshes

Description	ARC per Refresh
Additional Refreshes	

Price Terms and Considerations: The terms, limitations and constraints set forth below will apply to any pricing for the hosting services for the TLA Solution to be agreed by DES. Do not submit a Pricing Proposal that does not meet these terms, limitations and constraints.

1. See the Hosting Services Exhibit for additional description of the ARCs listed above.
2. Prime Bidder must comply with DES security policies.
3. Prime Bidder must provide redundant and diverse connectivity for Internet connections to enable high-availability.
4. Fixed fee arrangement fee for pre-production hosting services and a post-Production fixed fee arrangement for 4 years thereafter. If Prime Bidder delays the project, the term for hosting will be extended to account for the delay and such extension will be at no additional charge to DES.
5. Hosting services termination fees must be based on actual, non-amortized costs of hardware/software, cannot include lost profits. Prime Bidder will be required to provide sufficient information for DES to confirm and validate startup costs.
6. Prime Bidder must comply with the Service Level Agreements, Performance Credits and At Risk Amount set forth in the Hosting Services Exhibit.
7. Hosting services fees are fixed for the initial term. Hosting fees may not increase more than 2% per year thereafter.

Worksheet D: Project Management and Implementation Services

Instructions

Prime Bidder must provide a fixed fee for the project management and implementation services components of the TLA Solution Project. The Prime Bidder must provide pricing based on the terms, conditions and commitments set forth in the contract and project documents provided to Prime Bidder as part of the RFP (See **Appendices D.1, D.2, D.3 and D.4**).

Price Terms and Considerations: The terms, limitations and constraints set forth below will apply to any pricing for the project management and implementation services for the TLA Solution to be agreed by DES. Do not submit a Pricing Proposal that does not meet these terms, limitations and constraints.

1. Prime Bidder will provide quality deliverables, subject to quality credits and incentives as set forth in the contract and project documents.
2. Prime Bidder will include updates based on changing pay practices, policies, regulatory changes, and the like occurring during the TLA Solution Project.
3. Prime Bidder will provide upgrades, updates, etc., to the TLA Solution during the TLA Solution Project.

Worksheet E: Data Collection Devices

Instructions

Prime Bidder shall propose pricing for data collection devices ("**DCD(s)**") based on both a purchase model ("**Purchase Model**") and a service model ("**Service Model**").

DCD pricing based on a Purchase Model must include:

- Title to all DCD hardware;
- A hardware warranty of at least ninety (90) days;
- A perpetual license to all software on the DCD, including software needed to operate the DCD and to connect the DCD to the TLA Solution;
- Two (2) business day product exchange and replacement service; and
- Support and maintenance services that include:
 - Remote support to assist State field staff in the installation, setup, connection and configuration of DCDs;
 - Local and remote support for the installation of optional/peripheral equipment;
 - All upgrades to software (including firmware) related to DCDs.

DCD pricing based on a Service Model must include:

- A license to use the DCD;
- Connectivity to the TLA Solution;
- Upgrades to new DCDs (and compatible optional equipment) when such new DCDs are commercially available;
- Remote support to assist State field staff in the installation, setup, connection and configuration of DCDs;
- Local and remote support for the installation of optional/peripheral equipment;
- Two (2) business day product exchange and replacement service; and
- All upgrades to software (including firmware) related to DCDs.

Price Terms and Considerations: The terms, limitations and constraints set forth below will apply to any pricing for DCDs to be agreed to by DES. Do not submit a Pricing Proposal that does not meet these terms, limitations and constraints.

1. Prime Bidder must propose pricing based on both the Purchase Model and Service Model.
2. With respect to the Purchase Model, Prime Bidder must list the hardware, maintenance and support services separately.

3. With respect to the Service Model, Prime Bidder must provide one fully-bundled rate per device, per month.
4. Prime Bidder must propose pricing for all additional applicable fees (including third party fees) that are not already identified.
5. Prime Bidder must not propose pricing that exceeds any published GSA schedule pricing that it has provided to the State.

Assumptions

DES expects to procure up to eighty (80) DCDs for the TLA Solution Project at DOT and ECY. Additionally, DES may procure as many as six hundred and fifty (650) DCDs for the full implementation and rollout of the TLA Solution to the other Agencies served by DES.

Worksheet F: Interactive Voice Response (IVR) Services

Instructions

Prime Bidder must propose pricing for users to access the TLA Solution via an interactive voice response (IVR) service. Prime Bidder's proposal must include all fees related to an all-inclusive IVR service such as fees for licensing, hosting, connectivity, inbound/outbound calls, access/lines, 800 services, support and maintenance, hardware and messaging.

Assumptions

It is estimated that three percent (3%) of all users will access the TLA Solution via IVR services.

Worksheet G: 10 Year Total Cost of Ownership (TCO)

Instructions

Prime Bidder must provide the total cost of ownership of the TLA Solution for ten (10) years for the Base License and Enterprise License as follows:

Base License TLA Solution

10,000 users licensed for Basic Functionality
1,500 users licensed for Advanced Scheduling Functionality
Support and maintenance services for all licensed users
Hosting services fees for all licensed users
Project management and implementation services fees for the TLA Solution Project

Enterprise License TLA Solution

An enterprise license for Basic Functionality
An enterprise license for Advanced Scheduling Functionality
Support and maintenance services for all licensed users
Hosting services fees for 10,000
Project management and implementation services fees for the TLA Solution Project

Price Terms and Considerations: The terms, limitations and constraints set forth below will apply to any 10-year TCO pricing to be agreed by DES. Do not submit a Pricing Proposal that does not meet these terms, limitations and constraints.

1. All the pricing terms, limitations and constraints set forth above apply to the 10-year TCO pricing with the exception that the TCO proposals should assume the maximum potential increase in fees. Fees that do not reflect the application of any escalation will be deemed to be the submitted price and will not be subject to further adjustment.
2. All fees in **Worksheet G** must tie to fees set forth in the other worksheets.
3. All pricing terms and considerations items in the applicable sections of this **Attachment L** apply to the 10-year TCO. For example, as noted above, license and support and maintenance services fees commence on production and will be based on the number of users using the applicable functionality. Therefore, unless Prime Bidder's implementation plan contemplates production use of the TLA Solution in Year 1, the 10-year TCO must not reflect any license or support and maintenance fees in Year 1.

Worksheet H: Service Rates

Instructions

DES may purchase additional services from Prime Bidder from time-to-time both during and after the TLA Solution Project. Depending on the services required by DES, DES may choose to purchase on-site or off-site services from Prime Bidder and may choose to purchase services on a short-term basis (using hourly rates) or on a long-term basis (using weekly or monthly rates). Accordingly, Prime Bidder must propose a service rate card for on-site and off-site services (on an hourly basis) and a service rate card for on-site services (on a weekly and monthly basis). All service rate cards must include all potential roles/job titles that Prime Bidder offers (*i.e.*, the service rate cards must not be limited to the roles/job titles that Prime Bidder initially proposes for the TLA Solution Project), including organizational change management resources and reports developers.

On-Site Services Rates (Hourly)

Prime Bidder must propose a rate card for hourly services provided on-site at DES, which rates will be fully-burdened and include all applicable travel, living, meals, materials, incidentals, out-of-pocket and other expenses within the rate (*i.e.*, DES will not separately reimburse for any expenses).

Off-Site Services Rates (Hourly)

Prime Bidder must propose a second rate card for hourly off-site resources, which will not have any travel, living, meals, materials, incidentals, out-of-pocket and other expenses included in the rate as such expenses do not apply to off-site resources.

On-Site Services Rates (Weekly and Monthly)

Prime Bidder must propose a rate card for weekly and monthly services provided on-site at DES, which rates will be fully-burdened and include all applicable travel, living, meals, materials, incidentals, out-of-pocket and other expenses within the rate (*i.e.*, DES will not separately reimburse for any expenses).

Price Terms and Considerations: The terms, limitations and constraints set for the below will apply to any service rates to be agreed by DES. Do not submit a Pricing Proposal that does not meet these terms, limitations and constraints.

1. Service rates cannot be increased during the TLA Solution Project and for a period of one (1) year thereafter.
2. Commencing on the 1st anniversary date of project completion of the TLA Solution Project, rates can be increased, but such increases cannot exceed the lesser of CPI with a cap of 3%.

Worksheet I: Optional Software License Fees and Discounts

Instructions

As DES may purchase software or software-based solutions from Prime Bidder in the future, other than Basic Functionality and the Advanced Scheduling Functionality, Prime Bidder should propose license fees for additional software products sold by Prime Bidder and discounts for future products.

License Fees for Prime Bidder's Current Products

Prime Bidder must propose license fees for currently available products.

Price Terms and Considerations: The terms, limitations and constraints set forth below will apply to any discounted license fee structure to be agreed by DES. Do not submit a Pricing Proposal that does not meet these terms, limitations and constraints.

1. The discounted license fees stated will be valid for a period of 5 years following project completion of the TLA Solution Project.
2. The discount on license fees must not be less than the discount being proposed for the TLA Solution.
3. Prime Bidder must propose the discounted license fees on a per 1,000 users basis and enterprise basis.

Discounted License Fees for Future Products

Prime Bidder must propose a discount for future products.

Price Terms and Considerations: The terms, limitations and constraints set forth below will apply to any discounted license fee structure to be agreed by DES. Do not submit a Pricing Proposal that does not meet these terms, limitations and constraints.

1. The discounted license fees stated will be valid for a period of 5 years following project completion of the TLA Solution Project.
2. The discount on license fees must not be less than the discount being proposed for the TLA Solution.

Appendix A: Price Proposal Form

[Attached.]