

# COMMONWEALTH OF VIRGINIA DEPARTMENT OF THE TREASURY

## REQUEST FOR PROPOSALS # IS 09-004

for

Document Management and Imaging Software and Services

**J. Braxton Powell**  
**TREASURER OF VIRGINIA**

Kelley Denton, VCO  
Procurement Officer

October 6, 2008

**NOTE:** This public body does not discriminate against faith-based organizations in accordance with the *Code of Virginia*, §2.2-4343.1 or against an offeror because of race, religion, color, sex, national origin, age disability, or any other basis prohibited by state law relating to discrimination in employment.

**REQUEST FOR PROPOSALS**  
**# IS 09-004**

**ISSUE DATE:** October 6, 2008

**TITLE:** Document Management and Imaging Software and Services

**ISSUING AGENCY:** Attn: Kelley Denton VCO, Procurement Officer  
Commonwealth of Virginia  
Department of the Treasury  
P.O. Box 1879  
Richmond, Virginia 23218-1879

**USING AGENCY:** Department of the Treasury

Initial Period Of Contract: On or before December 1, 2008 through November 30, 2009

Sealed Proposals Will Be Received Until **1:00 p.m. (EST), Monday, November 3, 2008**, For Furnishing Document Management and Imaging Software and Services.

All Inquiries Shall Be Directed To: Kelley Denton by phone - (804) 786 - 4741, by fax - (804) 225-3187 or e-mail – [Kelley.Denton@trs.virginia.gov](mailto:Kelley.Denton@trs.virginia.gov). Written (e-mail) inquiries are preferred.

If Proposals Are Mailed, Mail Directly To Issuing Agency Shown Above, Adding One Line To The Top Of The Address As Follows: Proposal for Document Management and Imaging Software and Services, RFP # IS 09-004.

If Proposals Are Hand Delivered, Deliver To: Proposal for Document Management and Imaging Software and Services, RFP # IS 09-004, Commonwealth of Virginia, Department of the Treasury, James Monroe Building - 3rd Floor, 101 North 14th Street, Richmond, Virginia 23219, Attention: Kelley Denton.

In Compliance With This Request For Proposals And To All The Conditions Imposed Therein And Hereby Incorporated By Reference, The Undersigned Offers And Agrees To Furnish Document Management and Imaging Software and Services In Accordance With The Attached Signed Proposal Or As Mutually Agreed Upon By Subsequent Negotiations.

Offeror's Name:	By (Signature in Ink):
Complete Address:	Name (please print) and Title:
	Date:
City/State/Zip:	Federal Identification Number:
Telephone Number:	Facsimile Number:

**PRE-PROPOSAL CONFERENCE:** An optional pre-proposal conference will be held on Monday, October 20, 2008 (Reference: Section VI herein and found on page 7) at the Virginia Department of the Treasury.

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## **SECTION I PURPOSE**

The purpose of this Request for Proposal (RFP) is to solicit sealed proposals to establish a contract with one qualified agent to provide Document Management and Imaging Software and Services for the Department of the Treasury, Division of Information Systems (TRS/IS), an agency of the Commonwealth of Virginia.

## **SECTION II BACKGROUND**

One division, the Division of Unclaimed Property (UCP) of the Department of the Treasury currently uses a document management and imaging system consisting of Kofax's Ascent and Global 360's Keyfile applications. In preparation for expanding document management and imaging services to the rest of the Treasury, it is our primary goal to obtain a suitable replacement for the current system. The current system operates in the following environment and manner:

1. Environment:
  - a. Server: All Ascent and Keyfile data is currently stored on a Windows 2003 server connected to a SAN with more than 700 GB of space available. The version of Keyfile server is 8.x.
  - b. Scanning Stations: Currently the primary scanning equipment consists of a Kodak i260 scanner and a Fujitsu fi-6670 scanner. Both scanners are connected to HP computers running Kofax Ascent 8.x.
  - c. Clients: All Keyfile users access Keyfile through either the Keyfile Workspace or using the Keyfile ActiveX control in Internet Explorer, which is integrated into another application in use by Unclaimed Property. All client machines run Windows XP.
2. Process:
  - a. Currently a variety of paper documents the Division of Unclaimed Property receives daily and documents currently on file are being scanned in using Kofax Ascent.
  - b. All of the scanned documents are imported into Keyfile and most of the documents are linked into UCP's Unclaimed Property System (UPS). The Unclaimed Property System allows UCP to store and retrieve all data about unclaimed property in the Commonwealth of Virginia. The links provided in the current process allow UPS users to view the source documents for their data.

## **SECTION III STATEMENT OF NEED**

Our primary need is to obtain a new document management system to 1) replace the current Keyfile based system in the Division of Unclaimed Property, including migrating the current data into the new system, 2) replace Kofax Ascent as the paper capture tool and 3) expand usage of the new system to the entire Treasury where desired. Specific system requirements are provided in Section II, Paragraph C below.

The Treasury intends to perform all storage of document management data in-house. Remote data storage services will not be considered. Currently, we are not considering replacement of hardware unless absolutely required. Proposals should include all hardware and software requirements related to the proper operation of proposed system. Proposals should list any recommended services related to the installation of the proposed system as separate line items which can be excluded from the proposal, if the Treasury chooses.

## REQUIREMENTS FOR NEW SYSTEM

1. Environmental Requirements
  - a. The new system shall operate in a Microsoft based environment on equipment currently owned by the Treasury.
  - b. The server applications for the new system shall operate on at least one (1) Windows 2003 server.
  - c. The system shall be scalable to allow load balancing between future servers.
  - d. Any database applications shall operate in Microsoft SQL Server 2005.
  - e. Any web based applications shall operate through Internet Information Services (IIS) 7 or greater.
  - f. Any web based applications shall operate using SSL security.
  - g. Any client software shall operate on Windows XP workstations.
2. Data Requirements
  - a. The new system shall accept documents from a variety of sources and in a variety of formats
    - i. Sources shall include but are not limited to scanners, faxes, multi-purpose copier/scanner/fax machines, and digital media.
    - ii. Formats include all standard digital document formats in their native format.
  - b. The new system shall store documents in a non-proprietary format.
    - i. The new system shall be able to store all scanned documents as either image files or in PDF format.
    - ii. The new system shall store electronic documents in their native format.
  - c. The new system shall allow documents stored in it to be separated into logical heirarchical structure (such as electronic file cabinets) to allow the divisions (or any organizational group within the Treasury) of the Treasury to organize, maintain, and control their own data.
  - d. The new system shall accept data migrated from the current Keyfile based system in use by the Division of Unclaimed Property. Migrated data shall include both the images in Keyfile and all index/meta-data associated with those images.
  - e. The new system shall allow users to index the data both manually and automatically.
    - i. Manual indexing of the data may occur at any stage in the process once a document is scanned (in the case of paper) or imported (in the case of digital media).
    - ii. Automatic indexing should be achievable in, but not limited to, the following methods.
      1. Where possible, for those Treasury divisions that have systems where documents can be related to data in a database, the new system shall use database lookups to provide as much indexing information as possible.
      2. Where possible, the new system shall read bar codes to provide index data.
  - f. The new system shall allow various index data types including, but not limited to, alpha-numeric text data, dates and items selected from drop down lists.
  - g. The new system shall allow users, who have been granted permission by the system's administrator, to transmit documents through e-mail.
3. Scanning Software Requirements
  - a. The new system's scanning/capture software shall be easy to operate and maintain with an easy-to-use, intuitive user interface.
  - b. The new system's scanning/capture software shall operate with the Treasury's current variety of scan capable devices including, but not limited to:
    - i. Kodak i260 scanner
    - ii. Fujitsu fi-6670 scanner
    - iii. Ricoh copier/scanner/fax machines

- iv. HP printer/scanner machines
  - c. The new system's scanning/capture software shall not limit users as to the number of documents or pages scanned.
  - d. The new system's scanning/capture software shall allow users to perform various image cleanup operations:
    - i. Automatic blank page removal
    - ii. Deskew
    - iii. Border removal
  - e. The new system's scanning/capture software shall read bar codes to assist in indexing and filing scanned documents.
  - f. The new system shall allow users to insert/add new scanned images to a document at any time.
- 4. Client Software Requirements
  - a. The new system client software can be either web based or application based.
  - b. The new system client software shall provide an easy-to-use, intuitive user interface.
  - c. The new system client software shall allow users to view and/or modify documents in their native applications.
    - i. Optionally, the new system may provide a proprietary viewer capable of viewing multiple document types.
  - d. The new system client software shall provide the ability to add and/or modify index field data, as necessary.
  - e. The new system client software shall allow the users to annotate documents without modifying the original.
  - f. The new system client software shall allow the users to redact documents.
  - g. The user shall be able to print, export, or e-mail documents in their native format with or without annotations or redaction.
- 5. Search Requirements
  - a. The new system shall provide easy-to-use search capabilities.
  - b. The new system shall provide the capability to search using a variety of criteria including, but not limited to:
    - i. Index fields
    - ii. Dates (added date, last modified, etc.)
    - iii. Annotation data
- 6. Security and Administration Requirements
  - a. The new system shall provide easy-to-use administration tools for security, data storage management, auditing, reporting, and other necessary administrative functions.
  - b. Any web interface to the new system shall support browser based session cleanup where a user is logged out upon closing the browser.
  - c. User management for the new system shall integrate with the Treasury's Active Directory structure.
  - d. The new system shall allow the Treasury management to control user and group access at all levels of the hierarchical structure:
    - i. System level
    - ii. File Cabinet level
    - iii. Folder level
    - iv. Document level
  - e. The new system shall allow the Treasury management to control individual user and group capabilities in the system including, but not limited to:
    - i. The ability to read, write, modify, create, and delete access to documents, folders, and file cabinets

- ii. The ability to export, e-mail, or print documents from the system.
    - iii. The ability to annotate and redact documents in the system.
  - f. The new system shall allow Treasury management to create and view reports and statistics on the content, usage, and performance of the system.
  - g. The new system shall maintain audit data on all documents in the system including, but not limited to, date/time the file was created, dates/times the file was modified, user who created and modified the file.
7. Integration Requirements
- a. The new system shall provide a development API for Treasury IS staff and contractors to use in integrating the document management system into other Treasury applications.
    - i. There shall be a .NET 2.0 API and a COM API for non .NET applications.
    - ii. Optionally, other integration capabilities may be provided including, but not limited to, web services, screen scrapping/capture integration, etc.
  - b. The new system shall provide documentation for all APIs and integration tools. If possible, please provide a copy of the API documentation with the proposal.

## **SCOPE OF WORK**

The successful contractor must meet the following conditions:

1. Provide the software and licenses to implement the proposed Document Management and Imaging System for the Treasury.
2. Provide one year of support for the proposed software.
3. Provide all documentation and media needed for installation, support and use of proposed software.
4. Provide on-site consultation support to assist in installation and configuration of the software, migration of Keyfile data, and training of users and IS staff.
5. Provide on-site consultation to assist Treasury divisions and management with integrating the new software into their day-to-day processes, starting with the Unclaimed Property Division, followed by Risk Management, Cash Management, Operations and Debt Management.

## **GLOSSARY**

- New system is defined as the document management and imaging software and its configuration the contractor is proposing to provide the Treasury.
- Digital media is defined as any electronic document in its native format.

## **SECTION IV PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS**

### **A. GENERAL REQUIREMENTS:**

1. **RFP Response:** In order to be considered for selection, Offerors must submit a complete response to this RFP. One original (so marked) and six copies (so marked) of each proposal must be submitted to the Dept of the Treasury. Each hardcopy proposal must also contain the following:
  - a. An electronic version of the complete proposal on a compact disk, and
  - b. An electronic version of the complete proposal with any proprietary information removed. Proprietary information is detailed in section 2.e. below.

No other distribution of the proposal shall be made by the offeror.

2. Proposal Preparation:
  - a. Submission of Materials. An authorized representative of the Offeror shall sign proposals. All information requested should be submitted. Failure to submit all information requested may result in the Commonwealth requiring prompt submission of missing information and/or giving a lowered evaluation of the proposal. The Commonwealth may reject proposals, which are substantially incomplete or lack key information. Mandatory requirements are those required by law or regulation or are such that they cannot be waived and are not subject to negotiation.
  - b. Clarity of Proposals. Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.
  - c. Organization of Proposal. Proposals should be organized in the order in which the requirements are presented in the RFP. All pages of the proposal should be numbered. Each paragraph in the proposal should reference the paragraph number of the corresponding section of the RFP. It is also helpful to cite the paragraph number, sub-letter, and repeat the text of the requirement as it appears in the RFP. If a response covers more than one page, the paragraph number and sub-letter should be repeated at the top of the next page. Information, which the Offeror desires to present, that does not fall within any of the requirements of the RFP should be inserted at an appropriate place or be attached at the end of the proposal and designated as additional material. Proposals that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed.
  - d. Single Volume. Each copy of the proposal should be bound or contained in a single volume where practical. All documentation submitted with the proposal should be contained in that single volume.
  - e. Ownership of all data, materials and documentation originated and prepared for the Treasury pursuant to the RFP shall belong exclusively to the Treasury and be subject to public inspection in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by an Offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the Offeror must invoke the protections of §2.2-4342 of the *Code of Virginia*, in writing, either before or at the time the data or other material is submitted. The written notice must specifically identify the data or materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret material submitted with the hardcopy of the proposal must not be contained within the proposal, but in a separate section or envelope from the remainder of the proposal. See section IV.A.1 above for softcopy submittal requirements. The separate section or envelope must be clearly identified by some distinct method and must contain only the specific words, figures, or paragraphs that constitute trade secret or proprietary information. The electronic versions will also need to contain a separate file of the proprietary or trade secret material. **The classification of an entire proposal document, line item prices and/or total proposal prices as proprietary or trade secrets is not acceptable and will result in rejection of the proposal.**
3. Oral Presentation: Offerors who submit a proposal in response to this RFP may be required to give an oral presentation of their proposal to a designated committee of the Commonwealth. This provides an opportunity for the Offeror to clarify or elaborate on the proposal. This is a fact finding and explanation session only and does not include negotiation. The Commonwealth

will schedule the time and location of these presentations. Oral presentations are an option of the Commonwealth and may or may not be conducted.

**B. SPECIFIC REQUIREMENTS:**

Proposals should be as thorough and detailed as possible so that the evaluation panel may properly evaluate your capabilities to provide the required services. Offerors are required to submit the following items, separated by tabs within the proposal, as a complete proposal:

TAB 1. The complete RFP (One Copy **in the Original Proposal Only**), the RFP cover sheet and addenda, if any, filled out as required and signed.

TAB 2. General Qualifications:

1. Submit three references including contact name, address, and telephone number. References submitted should be applicable to the specific services requested in this RFP. If you provide this service or a similar service to a state or municipal government, please use that entity(ies) as a reference.
1. Provide an organizational chart.
2. Provide a list of contact personnel including senior level management who will be responsible for the relationship between the contractor and the Commonwealth of Virginia.
3. Provide an escalation hierarchy that identifies the roles, responsibilities, and phone numbers of each contact. Provide separate lists for implementation and the on-going relationship.

TAB 3. Specific plans for providing the proposed goods/services including:

1. Address your firm's ability to provide the services noted in SECTION III, STATEMENT OF NEEDS. Restate each requirement and discuss whether or not you can provide the service, how you will provide the service or the extent to which you can provide the service, recommend any alternatives in addition to or in lieu of the stated requirement.
2. Provide the availability schedule that will apply to this service.
3. Describe your approach to customer service provided.
4. Provide a detailed implementation schedule indicating tasks and number of days for completion of each. Indicate tasks that will occur concurrently. Show the total number of workdays required to complete implementation.

TAB 4. Proposed Price:

1. Complete the price schedules in Section VII: Pricing Schedules, showing the cost for each service listed as well as the cost for any service not listed, but your institution expects will be utilized and billed for in the performance of this Contract.

## SECTION V EVALUATION AND AWARD CRITERIA

- A. All proposals received will be reviewed and evaluated by a Selection Committee. The Committee will recommend proposals, which most closely meet the requirements of the RFP. The following will be used in making the selection:
1. Offeror's Qualifications -- This criterion includes the ability of the Offeror to meet the terms of the RFP, the quality controls in place to ensure a high-quality service, and any special processes that the Offeror feels may increase its ability to perform the contract. (Weighted at 25%)
  2. Soundness of Approach -- Emphasis here is on the techniques for providing the services requested, and on the Offeror's capability to deliver the desired services on schedule. (Weighted at 40%)
  3. Pricing -- Charges should be broken down as outlined in Section XI, PRICING SCHEDULE. While this area will be weighted heavily, it will not be the primary deciding factor in the selection process. (Weighted at 35%)
- B. Award of Contract: Selection shall be made of two or more Offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the Request For Proposals, including price, if so stated in the Request For Proposals. Negotiations shall be conducted with the Offerors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each Offeror so selected, the agency shall select the Offeror that, in its opinion, has made the best proposal, and shall award the Contract to that Offeror. The Commonwealth may cancel this Request For Proposals or reject proposals at any time prior to an award, and is not required to furnish a statement of the reason why a particular proposal was not deemed to be the most advantageous (Section 2.2-4359D, *Code of Virginia*). Should the Commonwealth determine in writing and in its sole discretion that only one Offeror is fully qualified, or that one Offeror is clearly more highly qualified than the others under consideration, a Contract may be negotiated and awarded to that Offeror. The award document will be a Contract incorporating by reference all the requirements, terms and conditions of the solicitation and the Contractor's proposal as negotiated. See **Appendix A**.

## SECTION VI OPTIONAL PRE-PROPOSAL CONFERENCE

An optional pre-proposal conference will be held on October 20, 2008 at 10:00 a.m at the Virginia Department of the Treasury, 101 N 14<sup>th</sup> Street, 3<sup>rd</sup> Floor, Richmond, VA 23219. The purpose of this conference is to allow potential offerors an opportunity to present questions and obtain clarification relative to any facet of this solicitation.

Bring a copy of the solicitation with you. Any changes resulting from this conference will be issued in a written addendum to the solicitation.

## SECTION VII GENERAL TERMS AND CONDITIONS

- A. **VENDORS MANUAL:** This solicitation is subject to the provisions of the Commonwealth of Virginia *Vendors Manual* and any changes or revisions thereto, which are hereby incorporated into this contract in their entirety. The procedure for filing contractual claims is in section 7.19 of the *Vendors Manual*. A copy of the manual is normally available for review at the purchasing office and is accessible on the Internet at [www.dgs.state.va.us/dps](http://www.dgs.state.va.us/dps) under "Manuals."
- B. **APPLICABLE LAWS AND COURTS:** This solicitation and any resulting contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The agency and the contractor are encouraged to resolve any issues in controversy arising from the award of the contract or any contractual dispute using Alternative Dispute Resolution (ADR) procedures (*Code of Virginia*, § 2.2-4366). ADR procedures are described in Chapter 9 of the *Vendors Manual*. The contractor shall comply with all applicable federal, state and local laws, rules and regulations.
- C. **ANTI-DISCRIMINATION:** By submitting their proposals, offerors certify to the Commonwealth that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and § 2.2-4311 of the *Virginia Public Procurement Act (VPPA)*. If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (*Code of Virginia*, § 2.2-4343.1E).

In every contract over \$10,000 the provisions in 1. and 2. below apply:

1. During the performance of this contract, the contractor agrees as follows:
    - a. The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
    - b. The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.
    - c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.
  2. The contractor will include the provisions of 1. above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.
- D. **ETHICS IN PUBLIC CONTRACTING:** By submitting their proposals, offerors certify that their proposals are made without collusion or fraud and that they have not offered or received any

kickbacks or inducements from any other offeror, supplier, manufacturer or subcontractor in connection with their proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

- E. **IMMIGRATION REFORM AND CONTROL ACT OF 1986:** By submitting their proposals, offerors certify that they do not and will not during the performance of this contract employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986.
- F. **DEBARMENT STATUS:** By submitting their proposals, offerors certify that they are not currently debarred by the Commonwealth of Virginia from submitting bids or proposals on contracts for the type of goods and/or services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.
- G. **ANTITRUST:** By entering into a contract, the contractor conveys, sells, assigns, and transfers to the Commonwealth of Virginia all rights, title and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Commonwealth of Virginia under said contract.
- H. **MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS FOR RFPs:** Failure to submit a proposal on the official state form provided for that purpose may be a cause for rejection of the proposal. Modification of or additions to the General Terms and Conditions of the solicitation may be cause for rejection of the proposal; however, the Commonwealth reserves the right to decide, on a case by case basis, in its sole discretion, whether to reject such a proposal.
- I. **CLARIFICATION OF TERMS:** If any prospective offeror has questions about the specifications or other solicitation documents, the prospective offeror should contact the buyer whose name appears on the face of the solicitation no later than five working days before the due date. Any revisions to the solicitation will be made only by addendum issued by the buyer.
- J. **PAYMENT:**
  - 1. **To Prime Contractor:**
    - a. Invoices for items ordered, delivered and accepted shall be submitted by the contractor directly to the payment address shown on the purchase order/contract. All invoices shall show the state contract number and/or purchase order number; social security number (for individual contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).
    - b. Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however.
    - c. All goods or services provided under this contract or purchase order, that are to be paid for with public funds, shall be billed by the contractor at the contract price, regardless of which public agency is being billed.

- d. The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.
- e. **Unreasonable Charges.** Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges which appear to be unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the Commonwealth shall promptly notify the contractor, in writing, as to those charges which it considers unreasonable and the basis for the determination. A contractor may not institute legal action unless a settlement cannot be reached within thirty (30) days of notification. The provisions of this section do not relieve an agency of its prompt payment obligations with respect to those charges which are not in dispute (*Code of Virginia*, § 2.2-4363).

2. To Subcontractors:

- a. A contractor awarded a contract under this solicitation is hereby obligated:
    - (1) To pay the subcontractor(s) within seven (7) days of the contractor's receipt of payment from the Commonwealth for the proportionate share of the payment received for work performed by the subcontractor(s) under the contract; or
    - (2) To notify the agency and the subcontractor(s), in writing, of the contractor's intention to withhold payment and the reason.
  - b. The contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the contract) on all amounts owed by the contractor that remain unpaid seven (7) days following receipt of payment from the Commonwealth, except for amounts withheld as stated in (2) above. The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier contractor performing under the primary contract. A contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Commonwealth.
3. Each prime contractor who wins an award in which provision of a SWAM procurement plan is a condition to the award, shall deliver to the contracting agency or institution, on or before request for final payment, evidence and certification of compliance (subject only to insubstantial shortfalls and to shortfalls arising from subcontractor default) with the SWAM procurement plan. Final payment under the contract in question may be withheld until such certification is delivered and, if necessary, confirmed by the agency or institution, or other appropriate penalties may be assessed in lieu of withholding such payment.

K. **PRECEDENCE OF TERMS:** The following General Terms and Conditions *VENDORS MANUAL*, *APPLICABLE LAWS AND COURTS*, *ANTI-DISCRIMINATION*, *ETHICS IN PUBLIC CONTRACTING*, *IMMIGRATION REFORM AND CONTROL ACT OF 1986*, *DEBARMENT STATUS*, *ANTITRUST*, *MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS*, *CLARIFICATION OF TERMS*, *PAYMENT* shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.

- L. **QUALIFICATIONS OF OFFERORS:** The Commonwealth may make such reasonable investigations as deemed proper and necessary to determine the ability of the offeror to perform the services/furnish the goods and the offeror shall furnish to the Commonwealth all such information and data for this purpose as may be requested. The Commonwealth reserves the right to inspect offeror's physical facilities prior to award to satisfy questions regarding the offeror's capabilities. The Commonwealth further reserves the right to reject any proposal if the evidence submitted by, or investigations of, such offeror fails to satisfy the Commonwealth that such offeror is properly qualified to carry out the obligations of the contract and to provide the services and/or furnish the goods contemplated therein.
- M. **TESTING AND INSPECTION:** The Commonwealth reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.
- N. **ASSIGNMENT OF CONTRACT:** A contract shall not be assignable by the contractor in whole or in part without the written consent of the Commonwealth.
- O. **CHANGES TO THE CONTRACT:** Changes can be made to the contract in any of the following ways:
1. The parties may agree in writing to modify the scope of the contract. An increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the contract.
  2. The Purchasing Agency may order changes within the general scope of the contract at any time by written notice to the contractor. Changes within the scope of the contract include, but are not limited to, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. The contractor shall comply with the notice upon receipt. The contractor shall be compensated for any additional costs incurred as the result of such order and shall give the Purchasing Agency a credit for any savings. Said compensation shall be determined by one of the following methods:
    - a. By mutual agreement between the parties in writing; or
    - b. By agreeing upon a unit price or using a unit price set forth in the contract, if the work to be done can be expressed in units, and the contractor accounts for the number of units of work performed, subject to the Purchasing Agency's right to audit the contractor's records and/or to determine the correct number of units independently; or
    - c. By ordering the contractor to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The contractor shall present the Purchasing Agency with all vouchers and records of expenses incurred and savings realized. The Purchasing Agency shall have the right to audit the records of the contractor as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the Purchasing Agency within thirty (30) days from the date of receipt of the written order from the Purchasing Agency. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this contract or, if there is none, in accordance with the disputes provisions of the Commonwealth of Virginia *Vendors Manual*. Neither the existence of a claim nor a dispute resolution process, litigation or any other provision of

this contract shall excuse the contractor from promptly complying with the changes ordered by the Purchasing Agency or with the performance of the contract generally.

- P. **DEFAULT:** In case of failure to deliver goods or services in accordance with the contract terms and conditions, the Commonwealth, after due oral or written notice, may procure them from other sources and hold the contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the Commonwealth may have.
- Q. **OMITTED**
- R. **OMITTED**
- S. **OMITTED**
- T. **INSURANCE:** By signing and submitting a proposal under this solicitation, the offeror certifies that if awarded the contract, it will have the following insurance coverage at the time the contract is awarded. For construction contracts, if any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with §§ 2.2-4332 and 65.2-800 et seq. of the *Code of Virginia*. The bidder or offeror further certifies that the contractor and any subcontractors will maintain these insurance coverages during the entire term of the contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

**MINIMUM INSURANCE COVERAGES AND LIMITS REQUIRED FOR MOST CONTRACTS:**

1. Workers' Compensation - Statutory requirements and benefits. Coverage is compulsory for employers of three or more employees, to include the employer. Contractors who fail to notify the Commonwealth of increases in the number of employees that change their workers' compensation requirements under the *Code of Virginia* during the course of the contract shall be in noncompliance with the contract.
  2. Employer's Liability - \$100,000.
  3. Commercial General Liability - \$1,000,000 per occurrence. Commercial General Liability is to include bodily injury and property damage, personal injury and advertising injury, products and completed operations coverage. The Commonwealth of Virginia must be named as an additional insured and so endorsed on the policy.
  4. Automobile Liability - \$1,000,000 per occurrence. (Only used if motor vehicle is to be used in the contract.)
  5. Accounting – 1,000,000 per occurrence, 3,000,000 aggregate
- U. **ANNOUNCEMENT OF AWARD:** Upon the award or the announcement of the decision to award a contract over \$50,000, as a result of this solicitation, the purchasing agency will publicly post such notice on the DGS/DPS eVA web site ([www.eva.virginia.gov](http://www.eva.virginia.gov)) for a minimum of 10 days.
- V. **DRUG-FREE WORKPLACE:** During the performance of this contract, the contractor agrees to (i) provide a drug-free workplace for the contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the contractor's workplace and specifying the actions that will be taken

against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the contractor that the contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, “*drug-free workplace*” means a site for the performance of work done in connection with a specific contract awarded to a contractor, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

- W. **NONDISCRIMINATION OF CONTRACTORS:** A bidder, offeror, or contractor shall not be discriminated against in the solicitation or award of this contract because of race, religion, color, sex, national origin, age, disability, faith-based organizational status, any other basis prohibited by state law relating to discrimination in employment or because the bidder or offeror employs ex-offenders unless the state agency, department or institution has made a written determination that employing ex-offenders on the specific contract is not in its best interest. If the award of this contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.
- X. **eVA Business-To-Government Vendor Registration:** The eVA Internet electronic procurement solution, website portal [www.eVA.virginia.gov](http://www.eVA.virginia.gov), streamlines and automates government purchasing activities in the Commonwealth. The eVA portal is the gateway for vendors to conduct business with state agencies and public bodies. All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution either through the eVA Basic Vendor Registration Service or eVA Premium Vendor Registration Service. All bidders or offerors must register in eVA; failure to register will result in the bid/proposal being rejected.
- a. eVA Basic Vendor Registration Service: \$25 Annual Registration Fee plus the appropriate order Transaction Fee specified below. eVA Basic Vendor Registration Service includes electronic order receipt, vendor catalog posting, on-line registration, electronic bidding, and the ability to research historical procurement data available in the eVA purchase transaction data warehouse.
  - b. eVA Premium Vendor Registration Service: \$25 Annual Registration Fee plus the appropriate order Transaction Fee specified below. eVA Premium Vendor Registration Service includes all benefits of the eVA Basic Vendor Registration Service plus automatic email or fax notification of solicitations and amendments.
  - c. For orders issued prior to August 16, 2006, the Vendor Transaction Fee is 1%, capped at a maximum of \$500 per order.
  - d. For orders issued August 16, 2006 and after, the Vendor Transaction Fee is:
    - (i) DMBE-certified Small Businesses: 1%, capped at \$500 per order.
    - (ii) Businesses that are not DMBE-certified Small Businesses: 1%, capped at \$1,500 per order.

- Y. **AVAILABILITY OF FUNDS:** It is understood and agreed between the parties herein that the agency shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.

## SECTION VIII SPECIAL TERMS AND CONDITIONS

- A. **ADVERTISING:** In the event a Contract is awarded for supplies, equipment, or services resulting from this proposal, no indication of such sales or services to the Department of the Treasury or State Lottery will be used in product literature or advertising. The Contractor shall not state in any of the advertising or product literature that the Commonwealth of Virginia or any agency or institution of the Commonwealth has purchased or uses its products or services.
- B. **AUDIT:** The Contractor hereby agrees to retain all books, records, and other documents relative to this Contract for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. The agency, its authorized agents, and/or State auditors shall have full access to and the right to examine any of said materials during said period.
- C. **AWARD OF CONTRACT:** Selection shall be made of two or more Offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the Request for Proposals, including price, if so stated in the Request for Proposals. Negotiations shall be conducted with the Offerors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each Offeror so selected, the agency shall select the Offeror that, in its opinion, has made the best proposal, and shall award the Contract to that Offeror. The Commonwealth may cancel this Request for Proposals or reject proposals at any time prior to an award, and is not required to furnish a statement of the reason why a particular proposal was not deemed to be the most advantageous. (Section 2.2-4359D, *Code of Virginia*.) Should the Commonwealth determine in writing and in its sole discretion that only one Offeror is fully qualified, or that one Offeror is clearly more highly qualified than the others under consideration, a Contract may be negotiated and awarded to that Offeror. The award document will be a Contract incorporating by reference all the requirements, terms and conditions of the solicitation and the Contractor's proposal as negotiated.
- D. **BEST AND FINAL OFFER (BAFO):** At the conclusion of negotiations, the offeror(s) may be asked to submit in writing, a best and final offer (BAFO). After the BAFO is submitted, no further negotiations shall be conducted with the offeror(s). The offeror(s) proposal(s) will be rescored to combine and include the information contained in the BAFO. The decision to award will be based on the final evaluation including the BAFO.
- E. **CANCELLATION OF CONTRACT:** The issuing Agency reserves the right to cancel and terminate any resulting Contract, in part or in whole, without penalty, upon 60 days written notice to the Contractor. In the event the initial Contract period is for more than 12 months, the resulting Contract may be terminated by either party, without penalty, after the initial 12 months of the Contract period upon 60 days written notice to the other party. Any Contract cancellation notice shall not relieve the Contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.
- F. **EXTRA CHARGES NOT ALLOWED:** No additional charges will be allowed under the Contract. Any changes to the scope of services that impact prices must be approved in advance by the Manager of Cash and Banking at the Department of the Treasury.
- G. **PRIME CONTRACTOR RESPONSIBILITIES:** The Contractor shall be responsible for completely supervising and directing the work under this Contract and all subcontractors that he may utilize, using his best skill and attention. Subcontractors who perform work under this Contract shall be responsible to the prime Contractor. The Contractor agrees that he is as fully responsible for the acts and omissions of

his subcontractors and of persons employed by them as he is for the acts and omissions of his own employees.

- H. **SUBCONTRACTS**: No portion of the work shall be subcontracted without prior written consent of the issuing Agency. In the event that the Contractor desires to subcontract some part of the work specified herein, the Contractor shall furnish the Issuing Agency the names, qualifications and experience of their proposed subcontractors. The Contractor shall, however, remain fully liable and responsible for the work to be done by its subcontractor(s) and shall assure compliance with all requirements of the Contract.

## **SECTION IX METHOD OF PAYMENT**

The standard form of payment utilized by the Commonwealth is by Electronic Data Interchange (EDI) (See Appendix B for description). Unless a different method is agreed upon through negotiations, the contractor should complete the EDI agreements required by the Department of Accounts.

**SECTION X PRICING SCHEDULE**

The Bidder agrees to provide pricing for Document Management and Imaging Software and Services for the period of one (1) year, and any fees associated with the services procured under this Request for Proposal. For those systems with user licensing schemes, please provide pricing for 20 concurrent user licenses. For those systems licensed by the amount of content stored in the system, please provide pricing for 500,000 documents.

<b>Item</b>	<b>Quantity</b>	<b>Unit Price</b>	<b>Extended Price</b>
Scanning Software & Licenses	2		
Scanning Software Annual Maintenance			
Client Software & Licenses (concurrent Users), for those systems priced by user.	20		
Client Software Annual Maintenance			
Document License, for those systems priced by quantity of documents stored.	500,000		
Server Software	1		
Server Software Annual Maintenance			
Administration Software & License (if separate)	1		
Administration Software Annual Maintenance			
Installation Service			
Training			
Consultation service to assist Treasury divisions in using the software			

**SECTION XI APPENDICES**

**APPENDIX A  
FORM OF COMMONWEALTH OF VIRGINIA CONTRACT**

Appendix A represents the proposed Contract, which the Commonwealth of Virginia would expect the Contractor to sign. Please note any suggestions or additions you would like considered.

COMMONWEALTH OF VIRGINIA  
Department of the Treasury  
LOCKBOX AND BANKING SERVICES  
Contract Number CMI 09-001

This Contract is entered into this \_\_\_ day of \_\_\_\_\_, 2008, by \_\_\_\_\_, hereinafter called the "Contractor", and the Commonwealth of Virginia Department of the Treasury, hereinafter called the "Issuing Agency".

WITNESSETH that the Contractor and the Issuing Agency, in consideration of the mutual covenants, promises, and agreements herein contained, agree as follows:

SCOPE OF CONTRACT: The Contractor shall provide the services to the Commonwealth as set forth in the Contract Documents.

PERIOD OF CONTRACT: From December 1, 2008 to November 30, 2011, **with three (3) successive one-year options to renew the Contract in accordance with the terms and conditions noted in the Contract.**

COMPENSATION AND METHOD OF PAYMENT: The service charges are to be included in the bank's monthly account analysis.

CONTRACT DOCUMENTS: The Contract Documents shall consist of:

- (1) This signed Contract;
- (2) The following portions of the Request For Proposals dated July 11, 2008:
  - (a) The Statement of Needs
  - (b) The General Terms and Conditions
  - (c) The Special Terms and Conditions, together with any negotiated modifications of those Special Conditions
- (3) The Contractor's proposal dated September XX, 2008 and all written modifications to the Proposal, **including all written vendor responses**, all of which documents are incorporated herein.

Any contractual claims shall be submitted in accordance with the contractual dispute procedures set forth in Section 7.15 of the Commonwealth of Virginia's *Vendor's Manual*.

IN WITNESS WHEREOF the parties have caused this Contract to be duly executed intending to be bound thereby, and certify they are authorized to sign this Contract for the Contractor or the Commonwealth.

**CONTRACTOR**

**COMMONWEALTH OF VIRGINIA  
Department of the Treasury**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
J. Braxton Powell  
(Printed Name)

\_\_\_\_\_  
Treasurer of Virginia  
(Title)

\_\_\_\_\_  
(Date)

## **APPENDIX B**

### **ELECTRONIC DATA INTERCHANGE (EDI)**

Financial Electronic Data Interchange Guide (EDI) can be found at the Web location below, please note you will need Adobe Acrobat Reader Software to view this document.

[http://www.doa.virginia.gov/General\\_Accounting/EDI/TradingPartnerGuide.pdf](http://www.doa.virginia.gov/General_Accounting/EDI/TradingPartnerGuide.pdf)