

NASACT
Benchmarking and Related Consulting Services RFP
Questions and Answers

1. Page 1, RFP Purpose and Overview (#s 1&2). Will vendors who also provide business information systems and consulting services related to the business process areas identified in the RFP for baseline measurements and comparisons be allowed to compete for this RFP?

Answer: Yes, all interested parties are encouraged to submit proposals.

2. Page 1, Section 1.1 (Background). Is there an incumbent currently providing any benchmarking services for NASACT and its membership at the present time? If so, could you identify the name of the firm?

Answer: Yes. The Hackett Group, with Accenture as a subcontractor to Hackett, has been providing benchmark services to NASACT since 2005.

3. Pages 1-2, Purpose and Background (first paragraph and two bullets).
 - a. How many states have stated that they will pursue this work?
 - b. What is the anticipated project/program load at any given time?
 - c. What level of “pre-selling” has NASACT done to date with the states?
 - d. Is this effort being driven by NASACT, or by member states?
 - e. Are any states prepared to move forward immediately, and if yes, which ones?
 - f. What level of consistency in definition of the identified process areas exists across states? Do all states define and “bound” the processes in the same/similar way?
 - g. Has NASACT done any initial work to define the current state of named processes across states – basically some level of As-Is analysis across states? If yes, what states.
 - h. How do you take into account the size of the state government from a process perspective (example: California and Rhode Island)?

Answers:

- a. Fourteen states have participated in the benchmarking program since it first started in 2005. Of these, two states sought additional benchmarking related services. This history is no guarantee of future activity; however, we are optimistic that more states will participate when the economy recovers.
 - b. Load is uncertain; based on individual states requesting the service.
 - c. Program has been in existence since 2005. Various marketing and presentations have been made at national conferences.
 - d. Member states initially requested national benchmarks of business functions. As a result of this request, the national program was developed.
 - e. No states have expressed immediate interest.
 - f. Yes, processes must be defined consistently to maximize an “apples to apples” comparison.
 - g. No, other than the 14 states that have already participated.
 - h. Variations in pricing are the responsibility of the proposer. For example, limitations in the number of agencies included in the base price should be outlined in the proposal.
4. Page 1, Section 1.1. How many and which states does NASACT currently have enrolled as participants in this study (Part A)?

Answer: Fourteen states have participated in the benchmarking program since it first started in 2005. Of these, two states sought additional benchmarking related services. This history is no guarantee of future activity; however, we are optimistic that more states will participate when the economy recovers.

5. Page 1, Section 1.1. How many States does NASACT foresee as participants by project kick-off (on or about March 1, 2012)? Which other states has NASACT invited or have all 50 + DC been invited?

Answer: Participation in the program is based on the state's desire to participate. It is a fee-based service. All states plus Washington, DC, are eligible to participate, but the choice is theirs.

6. Page 1, Section 1.1. In order to effectively manage the scope, timelines, and price points in our proposal, will NASACT establish a participation deadline after which States/State Agencies and/or functions (IT, HR, Procurement, etc.) cannot be added to the study?

Answer: States will be able to participate anytime during the contract period (i.e., three years plus three one-year renewals for a total of six possible years). Once a state enters into a contract, the scope (i.e., agencies and functions) are set and cannot be adjusted without approval of all parties.

7. Page 1, Section 1.1. We understand that every state is a little different in how they define their business processes, as well as where these processes reside within each state; for example in some states procurement will reside in a general services agency. Given this example, if a state says they want their comptroller's office to participate for the procurement process, shall the contractor limit the scope to just the procurement process components of the comptroller's office (where they touch the process or their agency-level procurement) or go beyond that to include the state-wide procurement agency?

Answer: The benchmark study examines the procurement function, regardless of where it resides. Therefore, scope should not be limited to only the comptroller's office.

8. Section 1.1 (Delivery of Services). Would it be appropriate for a contractor to propose delivering benchmarking services provided by off-shore resources? If not, would it be acceptable for off-shore resources to provide data and analytical support to the proposed on-shore project resources who would be interfacing directly with NASACT?

Answer: No, on-shore resources are preferred. Likewise, it is preferred that off-shore resources not provide data and analytical support to the proposed on-shore resources that are interfacing directly with NASACT. In addition, there may be specific state requirements that are mentioned in Sections 2.14 and 6.14 that might be applicable to individual states.

9. Page 2, Purpose and Background (1st paragraph after the bullets & #1).
- a. What process is NASACT going to use to ensure consistent use of processes across sites, or is this the responsibility of the selected consulting firm?
 - b. What other similar efforts has NASACT sponsored/driven, and what were the results, Critical Success Factors, issues, concerns, etc.?
 - c. Will there be cross state initiatives, or will all transformation initiatives be focused on a single state's requirements? If cross state initiatives, what process has NASACT developed to help ensure alignment and management of the initiative over time?
 - d. What is the agreed on level of alignment amongst the states on the process and deliverables required, or will this be developed on a state by state/initiative by initiative basis?

Answers:

- a. The processes contained in Part A of this RFP are the responsibility of the selected bidder.
- b. NASACT first started the benchmarking program in 2005. To date, 14 states have participated.

- c. Transformation initiatives resulting from the benchmarking comparisons are determined by the individual state.
 - d. A standardized taxonomy or questions set is the responsibility of the proposer.
10. Page 2, Purpose and Background (#1). Can NASACT provide examples of the baseline measures it is expecting to collect for this project? Three baseline measures (Key Performance Indicators) per business process area are requested.

Answer: The development of the baseline measures is the responsibility of the proposer.

11. Page 2, Section 1.1 (#1). It is stated: "A representative sample of state agencies will comprise the scope of the baseline measurements for the human resource (including payroll), procurement, IT, financial business processes for each Contracting State."
- a. Has NASACT identified the specific agencies and processes that will comprise the scope of the baseline measurement exercise? And can these be provided at this time, by specific state (e.g., the Comptroller's Office of State of ABC has agreed to participate in the baseline measurement for the financial business process)?
 - b. Will each state and/or state agency determine the functions (IT, HR, Procurement, etc.) they wish to baseline and benchmark prior to project initiation (on or about March 1, 2012)?

Answers:

- a. Specific agencies and processes are determined in the contracts with the individual states, and cannot be determined at this time by NASACT. Any limitations on either the number of agencies or processes examined should be established by the proposer.
 - b. States and/or state agencies will determine the functions that they wish to benchmark at the time they decide to enter into a contract.
12. Page 2, Section 1.1, (#1). Human resources (including payroll), procurement, information technology and financial business processes are the principal focus of this initiative. Would NASACT and its member states be interested in having benchmarking and consulting services for other back-office (e.g., facilities management, grants management, etc.) and front-office (eligibility processing, claims processing, etc.) functions?

Answer: Yes, as discussed in this section, bidders may propose on any other benchmarking services that they wish to propose.

13. Page 2, #3. How many "Contracting States" are you expecting?

Answer: Fourteen states have participated in the benchmarking program since it first started in 2005. Of these, two states sought additional benchmarking related services. This history is no guarantee of future activity; however, we are optimistic that more states will participate when the economy recovers.

14. Page 2, #4. Who will own the "evaluation tool"? The tool will most likely be proprietary. Will we be able to charge each state separately?

Answer: The evaluation tool is propriety and owned by the proposer. Contacts are with each individual state and fees are established based upon the desired functions requested by the states.

15. Page 2, Section 1.1, Definition of IT. What is the implied scope of IT? Does it include Applications Maintenance and Development, Network Management, Help Desk, End User Computing, Data Center (including storage) and any other components?

Answer: It is the proposer's responsibility to set the scope of the benchmarks that it will provide in each of the functional areas, including IT.

16. Page 3, Proposed Schedule (paragraph 2, line 1).

- a. Please define what is meant by "re-assessment."
- b. If this is indeed a follow on benchmark some defined period of time after the initial benchmark for the same function, is it expected that the "re-assessment" be built into the pricing for the initial benchmark or is it NASACT's goal for there to be additional consideration paid by the states that ask for the re-assessment?

Answers:

- a. "Re-assessment" is a second benchmarking engagement to measure improvements from the original benchmarking engagement.
- b. It is not expected that pricing for a re-assessment be built into the pricing of the initial benchmark. However, proposers may include separate pricing for a re-assessment if they so choose.

17. Page 3, Minimum Qualifications (#1). What are the applicable business and professional licenses to which this section refers?

Answer: See pages xi and xii in the General Terms and Conditions which describes local, state and federal licensing requirements, including registration with the Commonwealth of Kentucky.

18. Page 5, Section 2.3, Submission of Proposals. Given the fact that many of the people involved in developing firm proposals and evaluating responses will be taking holiday leave during the week when the proposal is due, would NASACT consider postponing the due date until after the first of January 2012?

Answer: Schedule has been revised.

19. Page 5, Submission of Proposals (1st paragraph). Can proposals be electronically delivered via email?

Answer: Yes.

20. Page 5, Section 2.3, Submission of Proposals. The RFP states that proposals should be submitted on an "appropriate electronic storage device". Is a CD considered an appropriate device or would NASACT prefer proposals be submitted using a USB flash drive? Additionally, can proposals be submitted via email to the RFP Coordinator?

Answer: CD, USB flash drive or email are acceptable.

21. Page 5, Section 2.3, Submission of Proposals. If a contractor is submitting responses to both Part A and Part B of the RFP, can those responses be submitted as part of one proposal or should each Part be submitted as a comprehensive, self-contained proposal?

Answer: Two separate responses are preferred.

22. Page 7, Commitment of Funds (#s 1&2). Will there be a minimal number of states that will participate in order to make the initial cost to the vendor feasible and the survey results statistically valid?

Answer: NASACT cannot guarantee a specific number of states that will participate in the future. Financial feasibility and statistical validity are determined by the proposer.

23. Page 8, Section 2.11 (#6). The RFP states that 'NASACT will pay approved invoices within thirty (30) days or earlier if the Contractor offers a prompt pay discount for early payment. Page iii of the Professional Services Contract states that ' Payment shall be considered timely if made by NASACT within forty-five (45) days after receipt of properly completed invoices. Payment shall be sent to the address designated by the CONTRACTOR.' Please clarify.

Answer: Page 8, Section 2.11 (#6), and Page 22, Section 6.11 (#6) should be changed to 45 days.

24. Page 10, Section 3.3, A.1. The RFP guidance for benchmarking (Part A) specifically mentions subcontractors and the guidance for related services (Part B) is silent. Is use of subcontractors for Part B contemplated and/or allowed?

Answer: Yes. A subcontractor can be used in Part B; however, the Proposer must include a list of all subcontractors that it intends to use.

25. Page 12, Section 3.4, A (last bullet) & C. The RFP guidance for benchmarking (Part A) specifically mentions "hourly rates for additional consulting" and "additional services. Please provide further clarity on how "additional services" included in Part A relate to related services in Part B, as these seem to be duplicative.

Answer: These references relate only to conducting of the benchmarking study, not the follow-up consulting services contemplated in Part B.

26. Page 12, Evaluation Procedure.

- a. Who will make the final selection of a Tier II firm? Who will be involved in the decision?
- b. What is the level of consistency/alignment among member states on the defined process and selection criteria?
- c. What is the criteria for consulting firms to opt out of specific state RFP's? Is opting out acceptable (or are you in for all regardless?)

Answers:

- a. As described on page 28, section 9.1, Tier II firms are selected by NASACT in consultation with the state requesting the service.
- b. For Tier II assignments, the Contracting State will work to define the scope of projects as well as the evaluation criteria. The assignment awards will be based on the technical, management and cost components as defined in section 9.2 on page 28.
- c. For Tier II assignments, a consulting firm would simply not respond to a state specific RFP. Opting out of a particular state specific RFP is acceptable.

27. Page 17, Section 5.3 (#1). Please provide further clarity on the types of "necessary, applicable business and professional licenses."

Answer: See pages xi and xii in the General Terms and Conditions which describes local, state and federal licensing requirements, including registration with the Commonwealth of Kentucky.

28. Page 17, Section 5.3 (1st paragraph). The RFP states: "The Firm should provide a narrative description or overview of its company including, but not limited to, the number of years it has been in business, and its capacity to undertake and successfully provide the range of services required by NASACT. Firms should demonstrate in their proposals a depth and breadth of experience in providing the services outlined in this RFP." Please confirm if this narrative should be provided as part of the Technical Proposal or in another alternative location. Also in regards to Item 7 of the desired qualifications and the requirement to provide documentation of

financial responsibility and stability, please advise where in the response this documentation should be submitted.

Answer: The Firm's narrative description and the documentation of financial responsibility should be included as part of the Technical Proposal.

29. Page 17, Section 5.3. The RFP states: "*Desired qualifications of the Firms include:*". Can a clarification be provided as to whether the qualifications mentioned in this section are "mandatory" or "desired"?

Answer: Sentence will change to "The minimum qualifications of the Firms should include." This will be consistent wording with Part A.

30. Page 17, Section 5.3 – Minimum Qualifications (Desired Qualification #2), *Within the past five (5) years, performed the scope of services outlined above for three (3) governmental entities which includes a state, local, or federal agency, public authority, or public educational institution within the United States.* Can a clarification be provided as to whether the Contractor's past five years of experience in providing benchmarking and related consulting services needs to be specific to state agencies' human resource (including payroll), procurement, IT, and financial business processes? Will NASACT allow experience in other functional areas as meeting the qualification?

Answer: Yes, the desired experience should relate to consulting services in the areas of human resource (including payroll), procurement, IT, and financial business processes. Proposers can offer other experience for consideration.

31. Page 19, Section 6.3. Due Date Reschedule. We would like to respectfully request a 2 week extension to the RFP response. Current due date is Dec. 28. We would like to request NASACT to extend the RFP response date until Wed. Jan. 11, 2012. It is many companies fiscal year end. The resources needed to review the response prior to submission are very busy with the fiscal year end closing or quite honestly taking vacation so as not to lose it.

Answer: Given the holidays, the revised schedule for Sections 2.2 and 6.2 will be:

Request for Proposals posted on NASACT's website	November 15, 2011
Deadline for submission of written questions	November 30, 2011
Responses to written questions	December 7, 2011
Issue addendum to RFP, if necessary	December 9, 2011
Proposals due	January 11, 2012
Evaluate proposals	January 16 - 27, 2012
Conduct oral interviews with finalists, if required	January 30 – February 2, 2012
Announce "Apparent Successful Contractor(s)" and send email notification to unsuccessful proposers	February 13, 2012
Negotiate contract	February 15 – March 2, 2012
Begin contract work	On or about March 5, 2012

32. Page 19, Section 6.3. The RFP states that proposals may be submitted on an appropriate electronic storage device. Please advise whether electronic submission of proposals via email would be permitted.

Answer: Yes, electronic submission via email is permitted.

33. Page 24, Section 7.3 (3rd paragraph). The RFP states: "Firms should also demonstrate in the Technical Proposal how these proposed key staff meet the desired qualifications in this RFP." Please confirm whether this response should be in the Management Proposal or in the Technical Proposal as stated in the RFP.

Answer: Section 7.2 is asking for the Firm's unique experiences, skills, and abilities. Section 7.3, conversely, is requesting specific qualifications and experience of the team's leadership; that is, the lead Engagement Partner and lead Project Manager.

34. Page 24, Section 7.3 (5th paragraph). The RFP states: "In an appendix to the Firm's Technical Proposal, the Firm is instructed to include the resumes for the proposed Engagement Partner and Project Manager, including their function in the company, title, office address, and number of years of service with the Firm as well as relevant training and experience that would qualify the individual for this engagement." Please confirm whether these resumes should be included as an Appendix to the Management Proposal or to the Technical Proposal as stated in the RFP.

Answer: An appendix to either the Technical Proposal or the Management Proposal are acceptable.

35. Can NASACT provide further clarity pertaining to the cost proposal for Part B:
- Page 24, Section 7.3. The RFP guidance for the management proposal stipulates two roles, the engagement partner and the project manager, while the guidance for the cost proposal (Page 25, Section 7.4, A) requires rates by title and position. In projects of this nature, it is typical for a team of consultants at various roles and rates to deliver the work. Does NASACT want just these two, or rates representative of a team with multiple positions and roles?
 - The intended contract is for multiple years, but we do not see guidance for inflationary increase to rates over that timeframe. Please provide further clarity on how you would like to address inflationary increases to the year 1 rates.
 - It is possible and likely, that implementation of "related services" in Part B can generate hard dollar benefits, and such benefits could be used to offset the costs of the "related services." Currently we do not see guidance for creative or innovative funding options for Part B. Is a respondent allowed to suggest creative and innovative funding options under part B?

Answers:

- Page 24, Section 7.3 is requesting names and titles of the leadership of the engagement; i.e., the lead Engagement Partner and the lead Project Manager. Section 7.4, A is requesting hourly for all positions and titles of the consulting team.
 - Inflationary increases after year one are left to the proposer.
 - Yes.
36. Page i, Exhibit A Certifications and Assurances (# 7). Notwithstanding that we will submit a list of contract exceptions with our proposal, if we submit a proposal are we obligated to accept the General Terms and Conditions without any of our exceptions being addressed?

Answer: All exceptions to the General Terms and Conditions in Exhibit D should be noted in the proposal.

37. The RFP states in several places the concept of linkage between the results and recommendations in a benchmark study (Part A), and the need and desire for related services (Part B). The RFP also mentions in several places the desire for flexibility to meet emerging and changing needs. Please provide further clarity on the relationship between Part A and Part B, addressing questions such as:

- a. Must a benchmark study be done under Part A as a prerequisite for related services under Part B?
- b. Can a state which has not done a benchmark study under Part A conduct a “tier II” procurement for services under Part B?
- c. Does a state have leeway in determining scope for Part B services as long as a logical relationship exists with a benchmark type study?

Answer: The consulting services contemplated in Part B are contingent upon the state conducting a benchmark study described in Part A. Specific answers are:

- a. Yes
- b. No
- c. Yes

38. Have states indicated interest in either benchmark studies (Part A) or related services (Part B)? This is useful and important to know when making the business decision to create a proposal for this RFP.

Answer: Fourteen states have participated in the benchmarking program since it first started in 2005. Of these, two states sought additional benchmarking related services. This history is no guarantee of future activity; however, we are optimistic that more states will participate when the economy recovers.

39. Benchmark - Related Consulting Services. Benchmark services allows for subcontracting, Benchmark related services does not state that subcontractors are allowed.
- a. Are subcontractors allowed to participate in Related Consulting Services?
 - b. If so, do they need to qualify as one of the 10 firms in Section Part B?

Answers:

- a. Yes. A subcontractor can be used in Part B; however, the Proposer must include a list of all subcontractors that it intends to use.
- b. The subcontractor does not have to qualify as one of the 10 Firms if they have been listed as a subcontractor for one of the approved 10 Firms.

40. General Contracting. Have the states agreed by using the NASACT contract to accept whatever terms that we agree to with NASACT?

Answer: No. Individual states may have specific requirements that should be met as noted in Sections 2.14 and 6.14.

41. Will there be any goals or set-asides to encourage or accommodate small businesses or minority-owned businesses?

Answer: No, NASACT does not have any set-asides for small or minority-owned businesses. Individual states may have requirements related to small and minority owned businesses.

42. General RFP Question. Who will have ownership of the data that is submitted by the state agencies?

Answer: The data collection tool, definitions, questionnaires, process taxonomy, database, research and programs are proprietary to the Vendor. However, each state shall retain ownership of its individual data.