Technical Panel of the
Nebraska Information Technology Commission
Review of the Nebraska Information System Request for Proposal
November 29, 2000

Background

Section 211 of LB 1217 (2000) authorized the Department of Administrative Services (DAS) to undertake the Nebraska Information System (NIS) Project, subject to approval of the Nebraska Information Technology Commission (NITC). The NIS is a project to provide software and implementation services for an integrated finance, procurement and human resources system. Funding for the NIS comes in part from the Information Technology Infrastructure Fund, which requires NITC approval of project implementation plans and on-going oversight of progress.

On February 8, 2000, the Technical Panel reviewed the project proposal for the NIS. The Technical Panel made the following findings:

> Resolution: The Technical Panel finds that the Nebraska Information System provides a proposed solution that is technically appropriate to meet identified requirements and is consistent with the statewide technology plan. The Technical Panel determines that the following issues must be addressed.
>
> 1. Stakeholders' involvement and acceptance is essential for the success of this project.
> 2. The implementation plan must address a timetable for incorporating agency participation.
> 3. The Technical Panel concurs with the decision of the steering committee to use an RFP for the selection of a vendor.
> 4. The RFP and vendor selection process must allow for participation of all agencies.
> 5. The RFP must articulate the e-government and e-commerce aspects of the project.
> 6. The process for selecting the vendor must document the technical impact, including network, desktop requirements, server hardware and software, database and support, ad hoc queries, and printing options.
> 7. At the request of the agency, the Technical Panel agrees to review the project prior to contract award.

On April 20, 2000, the NITC adopted the following resolution in response to a request from DAS to begin work on the NIS:

> 1. The Department of Administrative Services is authorized to expend funds appropriated in LB 1217 (2000) Section 211 for work relating to vendor selection, project management, and preparation of a detailed project plan to guide implementation.
> 2. The Technical Panel shall review the following documents relating to the NIS: a) the request for proposal, b) the project implementation plan, and c) quarterly status reports. The Technical Panel shall report its findings to the project sponsor and the NITC.
> 3. NITC approval of the project implementation plan is required, prior to further expenditure of funds for the NIS.
> 4. The implementation plan shall include, but not be limited to, objectives, scope, financial plan, change management, project management and project team, timetable and milestones, and technical requirements.

Since May, DAS has appointed a project manager, assembled a core team for the project, worked with the NIS Steering Committee to draft a project charter, and conducted focus meetings and

other activities with agencies to define requirements and develop an RFP. On November 14, the NIS Project published a draft RFP for review and comment. Information about the NIS Project is available at: http://www.das.state.ne.us/nis/.

The NIS project manager has maintained communication with the Technical Panel through periodic status reports and occasional briefings. On November 29, the project manager for NIS and other members of the NIS Project team met with the Technical Panel in a special meeting to review the RFP. This document represents the formal record of that review. It includes a summary of findings and major issues. Specific comments are included as an attachment. The NIS project manager agreed to incorporate these comments where appropriate, along with other comments and suggestions from affected agencies.

Summary of Findings and Issues
The NIS project manager reviewed each of the topics identified by the Technical Panel in February. Based on the presentation and ensuing discussion, the Technical Panel determined that all seven points had been addressed in a satisfactory manner or were in the process of being addressed. In particular, the NIS Project has taken specific steps to involve state agencies in the process and insure stakeholder acceptance of the project. Agencies participated in developing the RFP and will be involved in evaluating responses and selecting a product and vendor. There are plans to train and use agency staff on the implementation team. The NIS project recognizes the importance of user acceptance and intends to define specific strategies for training and change management in the implementation plan. Other major areas of discussion included:
1) The proposed timetable (Section I.F., on pages 7-8) should reflect dates for publishing the implementation plan and the NITC review and approval process.
2) The RFP should emphasize the importance of adequate testing with a period of parallel processing.
3) The discussion of technology interfaces (Section IV C.1.d., page 25) should request the vendor to describe how NIS will exchange data with existing and future systems. It should consider a single set of interface requirements, rather than developing and maintaining several unique interfaces with different systems.
4) The list of "common characteristics" (Section IV C, page 25) should include a summary of how the NIS can support e-government and e-commerce initiatives. For example, the human resource module could provide basic information to a central e-mail directory and authentication server (LDAP directory), with automatic notices of new hires and terminations.
5) The NIS Project should consider the full life cycle cost for the enterprise in the evaluation and selection of a vendor.
6) The RFP should include a subsection in Section IV C, which recognizes the need to prepare budgets and track expenditures on information technology. This should include the ability to segregate information technology-related costs in the budgeting and accounting components, without sacrificing other levels of reporting or requiring duplicate data entry. The system should support multi-year budgeting and expenditure tracking for purposes of preparing status reports on information technology projects.
7) Success of the project depends on having sufficient state personnel from affected agencies assigned to the implementation team. Lack of sufficient personnel should trigger a reassessment of the project.

The appendix includes additional comments from members of the Technical Panel.

APPENDIX

Page 7 NIS MANAGEMENT
State statute requires the Nebraska Information Technology Commission to approve the project plan for implementation. By resolution the NITC has directed the Technical Panel to review the implementation plan, which shall include, but not be limited to objectives, scope, financial plan, change management, project management and project team, timetable and milestones, and technical requirements. The same resolution requires quarterly progress status reports. The NITC must approve the release of project funds before the contractor may start work.

Page 8 SCHEDULE OF EVENTS

Submit the implementation plan for NITC review	4/24/2001

Page 9 COMMUNICATION WITH STATE STAFF
From the date the Request for Proposal is issued until a determination is made and announced regarding the selection of the contractor, contact regarding this project between potential contractors and individuals employed by the State is restricted only to written communication with the staff designated specifically to this Request for Proposal.

Page 11 PROPOSAL EVALUATION
The State will conduct a fair, impartial and comprehensive evaluation of all proposals in accordance with the criteria set forth below. The evaluation process must comply with the terms and conditions, for competitive proposals. The criteria for determining the responsiveness level of each contractor shall include but not be limited to:
1. The ability of the system to meet the requirements of this Request for Proposal;
2. The ability, capacity and skill of the contractor to deliver and implement the system;
3. The character, integrity, reputation, judgment, experience and efficiency of the contractor;
4. Whether the contractor can perform the contract within the specified time frame;
5. The quality of contractor performance on prior contracts;
6. The ability, skill, and experience of the project team;
7. The effectiveness of the project approach;
8. Such other information that may be secured and that has a bearing on the decision to award the contract; and
9. Initial and ongoing Costs.

Page 11 CONTRACTOR PERSONNEL
The State reserves the right to review employee resumes prior to their assignment on the project and to require the contractor to reassign or remove from the project any contractor or subcontractor employee.

Page 22 PROJECT OVERVIEW
NOTE: Current system metrics are provided in that they may help potential contractors better understand State requirements. The State recognizes that NIS will have substantially different functionality and metrics.

…State's communication network can be found at http://www.doc.state.ne.us/tina/tina.html. Information about DAS IMServices information systems and services can be found at http://www.ims.state.ne.us/.

Page 25 PROJECT REQUIREMENTS
TECHNOLOGY INTERFACES
The contractor should provide standard application programming interfaces, tools and methodologies that allow future releases to accommodate interfaces without re-programming. A standard approach to interfaces should be employed to avoid multiple, unique approaches for different systems.

USER INTERFACE
The system should provide an intuitive, user-friendly, and easy-to-use interface that minimizes the need for training. Online help should be available for all applications and should allow for customization. The system must address the needs of infrequent or low volume users as well as those who use the system several hours each day. A "fast path" should be available to enable uncomplicated transactions to be quickly executed. The State anticipates that the primary interface for most system users will be a Microsoft Internet Explorer browser. The system must support reasonable accommodations for accessibility by disabled persons per the State's proposed standards. See http://www.nitc.state.ne.us/tp/documents/tac.htm. for detailed information about technology access requirements.

Page 27 ONLINE DOCUMENTATION
The system must include customizable online documentation and training materials such as context-

STORAGE/RECORD RETRIEVAL
Record collection and retention is an important government requirement. The system must provide a scanning/imaging tool as well as optical character recognition capabilities. The ability to easily archive, retain and access records is required. Records retention procedures must conform to state law and must allow information to be stored in a way that can be accessible indefinitely. Draft records retention requirements are described at http://www.nol.org/home/SOS/RecordsMgmt/recmenu.htm.

Page27 ELECTRONIC GOVERNMENT (new)
The system must enable the State's electronic government initiatives. The electronic government strategic plan can be found at http://www.nitc.state.ne.us/sgc/workgroups/egovstrategy/strategy.pdf.

Page28 SUMMARY OF THE CURRENT BUDGET SYSTEM
The approved appropriations set spending limits by fund type for programs within each agency. These limits may include up to five budgetary fund types. Thus, the legal level of control is fund type within program within agency. In addition, the Budget Division establishes and changes allotments that limit the expenditure of approved appropriations. The allotment limit is typically done automatically for most appropriations, with manual overrides for specific programs. The central accounting system maintains this control. A separate publication titled "Annual Budgetary Report" shows the detail of this legal level of control. A copy can be found at http://www.das.state.ne.us/accounting/budrept/contents.htm.

Page 35 ACCOUNTS PAYABLE
The system should provide ability for State employees to initiate reimbursement for their travel expenses through direct entry of travel expenses into the System, and to query on the status of their pending travel reimbursements. The system should prompt employees for all information required to meet reimbursement standards (e.g. prompt for detailed receipts if expenditures exceed the standard per diem amount for the location).

Page 37 LABOR DISTRIBUTION
The system should distribute labor costs (and related fringe benefit costs) back to cost centers for which an employee works during any given pay period, including to specific grants, projects and contracts.

Page 40 EMPLOYEE DIRECTORY (new)
The system should be the official repository for employee information such as phone number(s), electronic mail address, home address, emergency contact data and other employee-specific information. The system should enable integration between the directory and related functions, such as phone lists and security authorization systems. Changes to employee information, including personnel actions such as employee terminations, transfers and new hires, should automatically prompt appropriate actions in the integrated system.

Page 41 APPLICANT TRACKING
simultaneously, data collection and reporting capabilities in the areas of Affirmative Action (AA) and EEO,

Page 43 MULTIPLE ENVIRONMENTS

Where possible, the servers will be housed in the DAS IMServices climate- and power-controlled processing center. The production server configuration will include redundant (RAID) data storage, multiple processors and redundant high-speed gigabit Ethernet connections. In addition, scalability will be an important consideration in the State's choice of a server processing platform.

Page 44 PRINT MANAGEMENT (new)

The system should provide a method for managing the print environment for report distribution so that reports are directed to the appropriate print facility. The State anticipates that both high speed centralized printing facilities as well as local LAN-based printing facilities will be employed.

Page 44 INFORMATION TECHNOLOGY BUDGETING AND MANAGEMENT (new)
SUMMARY OF THE CURRENT PROCESS -- BUDGETING AND PROJECT REVIEWS

When submitting their operating budget requests agencies must prepare a separate set of budget documents for information technology. Presently the information technology budget requests are at the agency level, because there is no easy way of linking the two sets of documents. The information technology budget requests are for planning informational purposes, only. They do not result in appropriation controls.

In addition, agencies must prepare detailed budget documents for information technology projects that represent new or additional spending. Agencies must submit project proposal forms to the Nebraska Information Technology Commission for any projects that represent new or additional spending. The NITC conducts technical reviews of these projects and recommends a prioritized list of projects to the Governor and Legislature.

Budgetary information in the project proposal form duplicates the project level budget forms in the existing budget system. Both the project level budget data and the agency-level information technology budget requests duplicate portions of the agency's operating budget request.

SUMMARY OF CURRENT PROCESS -- PROJECT MANAGEMENT

Agencies must submit periodic status reports on selected information technology projects. The status reports include original budget amounts and recent expenditure amounts at a highly aggregated level.

GENERAL REQUIREMENTS

The system should support budgeting and accounting for activities that relate to information technology. The system should allow the user to segregate those activities into separate reports or combine them with the other operational breakdowns (agency, program, subprogram, fund, activity, grant, and project). The system should permit aggregation of information technology expenditures for multiple agencies.

The system should support multi-year budgeting and expenditure tracking for information technology projects for purposes of project status reporting. The system should permit data input and extracts with project management software such as Niku (ABT) Project Workbench and Microsoft Project.

Page 45 IMPLEMENTATION

The contractor, with appropriate involvement from State employees, must perform all tasks required to implement the NIS system, including constructing interfaces where required. Skill transfer to state staff for support and maintenance must be included.

The implementation must include adequate provisions for testing, including parallel testing to assure that the system delivers the expected results.

Page 45 POST-IMPLEMENTATION SUPPORT

The contractor, with appropriate involvement from State employees, must provide ongoing support for three months after the date of the final successful implementation. In addition, the contractor must recommend a plan for continuing support by State employees including a description of skill requirements and staffing numbers required after the three month period is complete. The State's intent is to establish a smooth transition from the project activities to the ongoing support activities.

The software manufacturer must provide telephone support twenty-four hours per day, seven days per week including holidays. Telephone response time must not exceed one hour for critical problem calls (as categorized by the State). The software manufacturer must provide a problem escalation procedure that assures appropriate management contacts can be made in the event that the support response is not effective.

Page 51 SERVICE AND SUPPORT
The contractor must describe their approach to service and support of the software. The description must include support hours, methods, committed response times and escalation procedures. Differences in support provided during the implementation of NIS from the support provided after implementation must be clearly described. Additional support resources that may be available to assist with the implementation of future software releases should also be described. The process for adapting the software to external changes in technology such as new versions of web browsers must be described. The description should include the typical lag time between general availability of the technology change and the introduction of appropriate capability into the software.

Page 51 IMPLEMENTATION PLAN (new)
The contractor must include an implementation plan in the response to this RFP. The implementation plan shall include, but not be limited to, objectives, scope, financial plan, change management, project management and project team, timetable and milestones and technical requirements.

The plan will be finalized after the intent to contract is announced and will be approved by the Nebraska Information Technology Commission before the contractor begins work.

Page 51 PRICING SUMMARY
project site in Lincoln, Nebraska (i.e. travel and living expenses must be included in the rates). The contractor must, in addition to providing the total cost for each of the following categories, break down the total cost into component parts where possible. For example, implementation costs should be broken down by project phase and labor categories. If portions of the solution (such as software modules) are priced separately, they must be broken out in detail. . Software tools and utilities that are required to support the design, configuration or testing of NIS must also be detailed.

The categories are:
1. Initial software license fees;
2. Annual maintenance, license and support fees for the initial term of the contract;
3. Annual maintenance, license and support fees for the first five-year renewal period;
4. Annual maintenance, license and support fees for the second five-year renewal period;
5. Cost of additional users or functions (if applicable to the vendor pricing methodology) for the initial term of the contract:
6. Cost of additional users or functions (if applicable) for the first five-year renewal period;
7. Cost of additional users or functions (if applicable) for the second five-year renewal period;
8. Software tools and utilities costs;
9. Implementation costs;
10. Change rates; and
11. Education & Training.

Page 52 PAYMENT SCHEDULE
The contractor shall propose a payment schedule for the project that is tied to specific dates and deliverables as specified in section V.A.4.e) "Key Deliverables and Dates". The contractor may submit invoices on specific dates based on the completion and acceptance of the related deliverables. No invoice will be approved unless the associated deliverable(s) have been approved by the State Project Director. Fifteen percent of each payment will be held back until the State formally accepts the entire NIS system at the end of the post implementation support period. A payment schedule for subsequent annual software maintenance must also be provided.

Page 52 DATA SERVER PLATFORM
State the optimal data server platform for each of the alternatives listed below. Include number of processors, processor speed, memory size, disk space and any other unique components required. Additionally, state the optimal number of data servers (for each alternative listed below) and the database deployment approach (e.g. centralized, distributed, mirrored, etc…) required to support NIS processing. The response must be in the spreadsheet format shown below.