

CITY OF SAN ANTONIO

FINANCE DEPARTMENT



REQUEST FOR COMPETITIVE SEALED PROPOSAL ("RFCSP")

for

ACCOUNTS PAYABLE INVOICE AUTOMATION SYSTEM

6100003224

Release Date: August 23, 2013

Proposals Due: October 2, 2013

Exhibit A

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003 BACKGROUND

The City of San Antonio Finance Accounts Payable (AP) organization is seeking proposals from qualified Respondents for professional services and software recommendations to further **automate and streamline Accounts Payable invoice processing**.

The organization is undergoing a phased effort to modernize the invoice management and payment process. The initial phase, which went live in April 2010, focused on scanning invoices and delivering electronic images throughout the organization using workflow to obtain all the necessary information to process the invoices into SAP.

The volume of transaction activity handled currently by COSA's Accounts Payable Section includes:

- 3,000 Total Active Vendors; (~7,000 vendor master records)
- Total Invoices Received Annually = 110,000 PO; 36,000 Non-PO; 10,000 Employee Travel & Expense Reimbursements
- 50% of invoice transactions correspond to <8% of total dollar spend

Through subsequent phases, the Accounts Payable department seeks to (1) Further automate and improve the total solution for the capture, workflow and financial posting of invoices; (2) Develop a comprehensive program for onboarding vendors to the improved invoice capture solutions; and (3) Incorporate performance measurement and reporting through a comprehensive standardized and ad hoc reporting capability.

Initial Phase Implementation

The major components of the current, first phase of the AP invoice automation solution include:

| System Component | | Description of Utilization and General Design |
|-------------------------|------------------|--|
| 1 | Kofax | Image capture and indexing system. Integrated with FileNet for workflow and document search (case #). Web lookup to SAP for retrieving key fields such as Vendor, Invoice #, SAP IR#. |
| 2 | FileNet | Enterprise Document Management System across CoSA. Barcode is generated to allow link between SAP and FileNet for viewing document stored in FileNet. No data exchange from FileNet attributes to SAP. SAP passes payment document information back to FileNet case via automatic process. Web lookup to SAP for retrieving key fields such as Vendor, Invoice #, SAP IR#. |
| 3 | Business Process | Toolkit used to provide the AP Case Management Solution. It is a configurable |

| | | |
|----|-------------------------|---|
| | Framework (BPF) Toolkit | case management framework that allows for rapid application development. Toolkit components include: Configurable case user interface for work presentation; Case search capabilities; Case Fields; Picklists; Inbaskets; Inbasket Filters. BPF Explorer – The configuration tool that is used to set the configuration parameters for the application. |
| 4 | SAP | CoSA ERP. All Accounts Payable transactions processed via SAP ECC |
| 5 | US Mail | Majority of incoming invoices from vendors/suppliers received via US Mail. |
| 6 | Fax to File | Internal fax number allows faxing to a TIFF file for electronic image capture. |
| 7 | MS Outlook | Emails with invoice attachment(s) sent to shared AP inbox from vendors. |
| 8 | Shared Folders | Common drive K folders used to store electronic document for capture and history retention. |
| 9 | Adobe (PDF) | Emailed and faxed invoices received in PDF format for image capture. |
| 10 | Widows Explorer | Used to access shared folders where invoices are stored for capture/history. |
| 11 | Internet Vendor Sites | On occasion, COSA staff will access Vendor website for documents. Examples are: original invoices, individual invoices in lieu of monthly summary, detailed backup to invoices. |

In addition, under a separate effort, the Capital Improvements Management Services (CIMS) Department developed a web portal to allow on-line management of contracts and corresponding invoices for capital improvement construction projects. The CIMS portal is built using a combination of tools including: Skire Unifier hosted billing system; PDF metadata extraction; FileNet; and SAP's Supplier Relationship Management (SRM) software.

Current Environment Process Analysis

From April to June 2012, a COSA project team analyzed current processes to identify improvement opportunities and overall user experience and system performance. Methodology included one on one interviews with individual users within the centralized Accounts Payable group as well as distributed user within the departments that submit invoices. Facilitated workshops were also conducted to evaluate specific process areas within the overall invoice receipt to posting workflow.

The following sections summarize the results of these interviews and workshops. Additional detail by process step can be found in [Exhibit 4: Analysis of As-Is Processes](#).

System Performance

Following the initial phase, invoices from vendors continue to be received in both paper and electronic format as follows:

| Method Invoices Sent | % by Mode |
|-------------------------------|-----------|
| Paper (US Mail) | 65% |
| eMail (to AP Inbox, Staples) | 26% |
| Faxed to file (Internal Dept) | 5% |
| Portal – Pay Estimates (CIMS) | 4% |

One of the primary measures of overall process performance is payment within invoice terms. Recent analysis of performance remains below the targeted goal. The City's goal with this RFCSP will be to increase on-time payments to at least 82%.

| Period | % Invoices paid within terms (by count) – Fiscal Quarters | | | |
|-------------------|---|---------|---------|---------|
| | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 |
| All COSA Invoices | 80.0% | 79.1% | 81.7% | 82.7% |
| PO-based only | 76.8% | 75.6% | 79.6% | 80.5% |

The workflow design implemented in the initial phase consists of seven (7) inboxes to which invoices may be routed during the lifecycle of receipt-to-posting. Recent analysis of workflow queues indicates the following processing volumes and times by workflow inbox:

| Workflow In-Basket Routing (Monthly Averages) | Average Queue Load Monthly | Average Days in Queue per Item |
|---|----------------------------|--------------------------------|
| 1. SAP Entry | 1124 | 3.2 |

| Workflow In-Basket Routing (Monthly Averages) | Average Queue Load Monthly | Average Days in Queue per Item |
|--|-------------------------------|-----------------------------------|
| 2. Analysis | 707 | 19 |
| 3. Research | 154 | 79 |
| 4. Pending Payment | 3817 | 180 |
| 5. Management Review | 204 | 1.0 |
| 6. Referred Work | 1941 | 16.4 |
| 7. Pay Estimate | 3 | .06 |

Department Accounts Payable Review

Departments throughout the City assist in the processing of invoices. 12 key departments (of a total of approximately 40) were interviewed based on a recommendation by the Finance Fiscal Administrator. These represented departments of varied size, invoice volume and business functions. The review included a walkthrough of the invoice review process, viewing reports and soliciting feedback.

Departments review invoices that cannot be paid immediately due to discrepancies in pricing, quantity, PO#, contract value, goods receipt missing, etc. Often departments process PO/GR information in advance of sending the invoice on to Accounts Payable. Three departments also use non-Enterprise systems to assist in purchasing/invoice processing. The workflow in-basket used for routing to departments is "Referred Work".

Interview Results:

| Department | # Invoices Q2 | DFA Staff | # Referred Workflow Items / Month Ave | Other P2P Systems | Invoices Paid w/in Terms Q2 | Fax Invoices to AP? |
|----------------------|---------------|-----------|---------------------------------------|-------------------|-----------------------------|---------------------|
| 1. Building Services | 6234 | 4 | 1010 | | 78% | |
| 2. Library | 2093 | 2 | 223 | Millennium | 49% | |
| 3. DHS | 1709 | 5 | 517 | | 53% | Yes |
| 4. Police | 1368 | 6 | 606 | | 42% | |
| 5. Aviation | 1082 | 13 | 474 | | 47% | |
| 6. Public Works | 680 | 12 | 439 | CIMS Primelink | 76% | |
| 7. City Council | 408 | 4 | 93 | | 73% | |
| 8. Fleet | 139 | 4 | 22 | Fleet Faster | 56% | |
| 9. City Manager | 86 | 4 | 29 | | 67% | |
| 10. City Clerk | 74 | 4 | 14 | | 51% | |
| 11. City Attorney | 61 | 4 | 12 | | 67% | |
| 12. PCD (Grants) | 51 | 1 | 12 | | 35% | Yes |

Participants were generally from the Department Fiscal Administrator (DFA) role, which is a Finance staff position embedded within each department. The DFA role was created as part of a recent Shared Services initiative. Formerly, invoice processing was highly decentralized with departments often receiving vendor invoices and correspondence directly and subsequently providing finished documents to the Finance AP group. The Shared Services model is expected to bring standardization and efficiency to overall processes, but ongoing change management has been required during the transition to make the reorganization successful. These interviews resulted in identification of common pain points and identification of areas of improvement summarized as follows:

| Functional Area / System | Opportunity, Process Correction |
|--------------------------|---|
| Departments | 1. Do not include the correct GL account on the purchase order |
| | 2. Purchase goods before getting a PO |
| | 3. Have a need for additional training |
| Vendors | 4. Vendors are putting the wrong PO number on the invoice |
| | 5. Send invoices to departments instead of AP |
| | 6. Send invoices to both the department and AP creating duplicates |
| SAEPS | 7. Due to shared services the approval workflow is not always routed to the appropriate person or department. |

| | |
|------------------|--|
| | 8. If the approver is out of the office, there is no backup person identified with the appropriate approval role. The request remains in this queue until the approver returns. |
| | 9. PO approval process is too long. |
| Accounts Payable | 10. The department receives notification from AP via FileNet regarding researching an invoice after the invoice is already past due. |
| | 11. Notification emails from FileNet are sent by department not unit/area. Therefore, everyone with FileNet Access receives the same email notifications, where true business activity could be more granular. |
| | 12. Research request are routed to the wrong department. For example Airport Police and Park Police may go to SAPD. |

Invoice Review & Payment Process Components:

The current end-to-end process was broken down into ten major steps or components for analysis purposes. The ten major process steps are:

| Process Step | Description / Key Actions |
|---|---|
| 1. Scan Images from Paper | |
| 2. Scan Images from eMail attachments | Receive Invoices, Prep and Capture in Batch Management Program. Invoices received via Paper mail, eMail with attachment(s), and/or Faxed TIFF documents to file. |
| 3. Scan Images from Fax to file | |
| 4. Index Invoices | Identify key attributes of scanned document via Batch Management Program to generate workflow per business rules. |
| 5. Route for Processing (AUTO) | Apply Rules per BPF (Business Process Framework) to store and route document to correct workflow in-basket or archive. |
| 6. Manage Research In-Basket Work Items | Review invoices in AP "Research" in-basket and determine if document should move forward as workflow or stop. |
| 7. Process AP In-Baskets | Review invoices in AP workflow and take appropriate action to complete steps necessary to post for payment in SAP. AP workflow In-Baskets: SAP Entry, Pay Estimates, Analysis. |
| 8. Refer to Departments | Back-and-forth communication of items for resolution between AP and originating Departments via Workflow In-Baskets: Referred Work & AP Referral |
| 9. Manage Invoice-to-Payment Process | Provide Management oversight and review of documents posted for payment via Workflows In-Baskets: Manager Review & Pending Payment. |
| 10. Vendor Assignment Maintenance | Define assignment of initial incoming invoices to AP Specialists based on Vendor name, size and/or special priority based on available discounts or sensitivity of on-time payment. |

Respondents submitting proposals will be asked to analyze known deficiencies and desired improvements, as well as bring their own knowledge of recommended best practices in automated invoice processing, particularly with SAP as the financial system of record. Results of workshops and interviews can be found in [Exhibit 4: Analysis of As-Is Processes](#).

Proposed solution designs will include evaluation and reengineering of current processes and the tools selected for each step.

004 SCOPE OF SERVICE

Desired solution: Phased Program of Work

Design & Implementation Plan; Delivery of Prioritized Components of Proposed Program

The complete set of solutions sought for this and subsequent phases of the Accounts Payable invoices process improvement initiative at the City of San Antonio should be presented as a program of work to be implemented in a phased, prioritized approach.

The scope of work presented in respondent proposals should include:

1. Professional services for consulting and analysis work including best practice recommendations for process design and software tools to support efficient invoice management system.
2. Proposed preliminary design of an overall invoice receipt-to-posting system with timeline and approach to development of design document or documents for all major components and phases. Final design when implemented, should allow City Accounts Payable to achieve targeted performance level in key indicator areas defined.
3. Phased implementation plan for development and deployment of program components including recommended priority and sequence of deployment with budgetary cost/staffing estimates.

The program consists of three (3) major deliverable areas with subcomponents as outlined below. Attachments to this packet include detailed requirements of each component as well as a proposed plan questionnaire. Both will require respondent input as part of the complete proposal. See Exhibits for additional analysis to help in crafting solutions.

(1) Invoice Capture, Workflow, Posting

Further automate and improve the total solution for the capture, workflow and financial posting of invoices. Solution designs proposed in these areas should address efficiency and performance issues identified in the existing process workflows through new or upgraded system functionality. Additional system or process components may be identified to help achieve targeted performance improvements, as long as they integrate with SAP and FileNet. While the City is open to reevaluating both our processes and the selected suite of tools implemented, SAP and FileNet will not be replaced. We are seeking best practices design recommendations for purchase-to-pay and invoice processing.

Subcomponents for this program deliverable area are:

- a) **Invoice Image and Data Capture**
- b) **Workflow Improvements – Functions and Interfaces**
- c) **Data Integration Between Systems**

(2) Vendor Outreach

Identification and development of a suite of data and/or image capture solutions to be made available to vendors. The goal is to move away from high-touch paper invoices. Proposal should include methodology for matching vendors to most appropriate solution for invoice submission based on consistent, repeatable criteria. Standard onboarding process will be defined by method. Timeline and sequence should also be included. It is anticipated that vendor outreach program will be executed over a period of one to three years.

(3) Performance Measurement and Reporting

Incorporate performance measurement and reporting through a comprehensive standardized and ad hoc reporting capability. Data must be captured and consolidated across all steps of invoice processing system. Solution design will include dashboard-style presentation, standardized reports for distribution, and ad hoc capability to allow measurement and trend analysis of key metrics and performance measures.

005 ADDITIONAL REQUIREMENTS

Statutory Requirements. Exceptions to the following provisions and exhibits by Respondent and/or their agent will lead to automatic disqualification of Respondent's proposal from consideration.

Sections:

Venue, Jurisdiction and Arbitration
Intellectual Property
Undisclosed Features
Ownership and Licenses
Certifications
Restrictions on Communication
Acceptance Criteria (if required)

Exhibits:

Insurance Requirements
Indemnification Requirements

Venue, Jurisdiction and Arbitration. For any dispute or claim arising under the award of a contract for this proposal, venue shall be in Bexar County, Texas, and the laws of the State of Texas shall apply. The City will not contractually agree to engage in binding arbitration and will not contractually agree to relinquish its right to a trial by jury.

Intellectual Property. If selected, Respondent agrees to abide by the following regarding intellectual property rights:

Respondent shall pay all royalties and licensing fees. Respondent shall hold the City harmless and indemnify the City from the payment of any royalties, damages, losses or expenses including attorney's fees for suits, claims or otherwise, growing out of infringement or alleged infringement of copyrights, patents, trademarks, trade secrets, materials and methods used in the project. It shall defend all suits for infringement of any Intellectual Property rights. Further, if Respondent has reason to believe that the design, service, process or product specified is an infringement of an Intellectual Property right, it shall promptly give such information to the City.

Upon receipt of notification that a third party claims that the program(s), hardware or both the program(s) and the hardware or any other intellectual property infringe upon any United States or International patent, copyright or trademark, Respondent will immediately:

Either:

Obtain, at Respondent's sole expense, the necessary license(s) or rights that would allow the City to continue using the programs, hardware, both the programs and hardware or any other intellectual property as the case may be, or,

Alter the programs, hardware, or both the programs and hardware so that the alleged infringement is eliminated, and

Reimburse the City for any expenses incurred by the City to implement emergency backup measures if the City is prevented from using the programs, hardware, or both the programs and hardware while the dispute is pending.

Respondent further agrees to:

Assume the defense of any claim, suit, or proceeding brought against the City for infringement of any United States patent, copyright, trademark or any other intellectual property rights arising from the use and/or sale of the equipment or software under this Agreement,

Assume the expense of such defense, including costs of investigations, reasonable attorneys' fees, expert witness fees, damages, and any other litigation-related expenses, and

Indemnify the City against any monetary damages and/or costs awarded in such suit;

Provided that:

Respondent is given sole and exclusive control of all negotiations relative to the settlement thereof, but that Respondent agrees to consult with the City Attorney of the City during such defense or negotiations and make good faith effort to avoid any position adverse to the interest of the City,

The Software or the equipment is used by the City in the form, state, or condition as delivered by Respondent or as modified without the permission of Respondent, so long as such modification is not the source of the infringement claim,

The liability claimed shall not have arisen out of the City's negligent act or omission, and

The City promptly provide Respondent with written notice within 15 days following the formal assertion of any claim with respect to which the City asserts that Respondent assumes responsibility under this section.

Undisclosed Features. CONTRACTOR warrants that the code and software provided to the City of San Antonio under this agreement does not contain any undisclosed features or functions that would impair or might impair the CITY'S use of the equipment, code or software. Specifically, but without limiting the previous representation, CONTRACTOR warrants there is no "Trojan Horse," lock, "time bomb," backdoor or similar routine. This Agreement shall not now nor will it hereafter be subject to the self-help provisions of the Uniform Computer Information Transactions Act or any other law. CONTRACTOR specifically disclaims any unilateral self-help remedies.

Ownership and Licenses.

In accordance with Texas law, Respondent acknowledges and agrees that all local government records created or received in the transaction of official business or the creation or maintenance of which were paid for with public funds are declared to be public property and subject to the provisions of Chapter 201 of the Texas Local Government Code and Subchapter J, Chapter 441 of the Texas Government Code. Thus, no such local government records produced by or on the behalf of Respondent pursuant to this Contract shall be the subject of any copyright or proprietary claim by Respondent.

The term "local government record" as used herein shall mean any document, paper, letter, book, map, photograph, sound or video recording, microfilm, magnetic tape, electronic medium, or other information recording medium, regardless of physical form or characteristic and regardless of whether public access to it is open or restricted under the laws of the state, created or received by local government or any of its officials or employees pursuant to law including an ordinance, or in the transaction of official business.

Respondent acknowledges and agrees that all local government records, as described in herein, produced in the course of the work required by any contract awarded pursuant to this RFCSP, will belong to and be the property of City. Respondent, if awarded this contract, will be required to turn over to City, all such records as required by said contract. Respondent, if awarded this contract, shall not, under any circumstances, release any records created during the course of performance of the contract to any entity without City's written permission, unless required to do so by a Court of competent jurisdiction.

In accordance herewith, Respondent, if selected, agrees to comply with all applicable federal, state and local laws, rules and regulations governing documents and ownership, access and retention thereof.

Certifications. Respondent warrants and certifies that Respondent and any other person designated to provide services hereunder has the requisite training, license and/or certification to provide said services, and meets all competence standards promulgated by all other authoritative bodies, as applicable to the services provided herein.

006 TERM OF CONTRACT

The anticipated term of the proposed contract is one year, with one additional option to renew. This period may be extended, as necessary, at the City's instruction, and without further City Council approval, in order to accomplish the contract tasks.

007 PRE-SUBMITTAL CONFERENCE

A Pre-Submittal Conference will be held at the Finance Hill Country Conference Room located at 111 Soledad Street, Suite 1100, San Antonio, Texas 78205 at **11:30 a.m.**, Central Time, on **September 9, 2013**. Respondents are encouraged to prepare and submit their questions in writing 5 calendar days in advance of the Pre-Submittal Conference in order to expedite the proceedings. City's responses to questions received by this due date may be distributed at the Pre-Submittal Conference and posted with this solicitation. Attendance at the Pre-Submittal Conference is optional, but highly encouraged. Respondents that are not able to attend in person may participate by Conference Call. Respondents may call the toll free number listed below and enter access code to participate the day of the conference.

Toll Free Dial-In Number: 1-877-226-9790
Access Code: 4148136

This meeting place is accessible to disabled persons. The Hill Country Conference Room is wheelchair accessible. The accessible entrance is located at 111 Soledad Street. Accessible parking spaces are located at the Rand Parking Garage. Auxiliary aids and services are available upon request. Interpreters for the Deaf must be requested at least 48 hours prior to the meeting. For assistance, call (210) 207-7245 Voice/TTY.

Any oral response given at the Pre-Submittal Conference that is not confirmed in writing and posted with this solicitation shall not be official or binding on the City. Only written responses shall be official and all other forms of communication with any officer, employee or agent of the City shall not be binding on the City. Respondents are encouraged to resubmit their questions in writing, to the City Staff person identified in the Restrictions on Communication section, after the conclusion of the Pre-Submittal Conference.

008 PROPOSAL REQUIREMENTS

Respondent's Proposal shall include the following items in the following sequence, noted with the appropriate heading as indicated below. If Respondent is proposing as a team or joint venture, provide the same information for each member of the team or joint venture.

If submitting a hard copy proposal, submit one original, signed in ink and one copy of the proposal on compact disk (CD) containing an Adobe PDF version of the entire proposal. Each of the items listed below must be labeled with the heading indicated below as a separate file on the CD.

If submitting electronically through City's portal, scan and upload these documents with your proposal. Each of the items listed below must be uploaded as a separate attachment, labeled with the heading indicated below.

TABLE OF CONTENTS

EXECUTIVE SUMMARY. The summary shall include a statement of the work to be accomplished, how Respondent proposes to accomplish and perform each specific service and unique problems perceived by Respondent and their solutions.

GENERAL INFORMATION FORM. Use the Form found in this RFCSP as Attachment A Part One.

EXPERIENCE, BACKGROUND & QUALIFICATIONS. Use the Form found in this RFCSP as Attachment A, Part Two.

PROPOSED PLAN. Use the Form found in this RFCSP as Attachment A Part Three.

PRICING SCHEDULE. Use the Pricing Schedule that is found in this RFCSP as Attachment B. Respondent must provide cost breakdown by task and applicable hourly rates for each member that will be assigned to this project.

DISCRETIONARY CONTRACTS DISCLOSURE FORM. Use the Form in RFCSP Attachment C which is posted separately or Respondent may download a copy at:

<https://www.sanantonio.gov/eforms/atty/ContractsDisclosure.pdf>.

Instructions for completing the Discretionary Contracts Disclosure form:

Download form and complete all fields. All fields must be completed prior to submitting the form.

Click on the "Print" button and place the copy in your proposal as indicated in the Proposal Checklist.

LITIGATION DISCLOSURE FORM. Complete and submit the Litigation Disclosure Form, found in this RFCSP as Attachment D. If Respondent is proposing as a team or joint venture, then all persons or entities who will be parties to the contract (if awarded) shall complete and return this form.

ADDITIONAL PROJECT DOCUMENTS. Complete and return as Attachment E.

SMALL BUSINESS ECONOMIC DEVELOPMENT ADVOCACY (SBEDA) PROGRAM FORM(S). Complete, sign and submit any and all SBEDA form(s), found in this RFCSP as Attachment F.

SIGNATURE PAGE. Respondent must complete, sign and submit the Signature Page found in this RFCSP as Attachment G. The Signature Page must be signed by a person, or persons, authorized to bind the entity, or entities,

submitting the proposal. Proposals signed by a person other than an officer of a corporate respondent or partner of partnership respondent shall be accompanied by evidence of authority.

PROPOSAL CHECKLIST. Complete and submit the Proposal Checklist found in this RFCSP as Attachment H.

PROOF OF INSURABILITY. Submit a letter from insurance provider stating provider's commitment to insure the Respondent for the types of coverages and at the levels specified in this RFCSP if awarded a contract in response to this RFCSP. Respondent shall also submit a copy of their current insurance certificate.

FINANCIAL INFORMATION. Submit a recent copy of a Dun and Bradstreet financial report, or other credit report, on Respondent and its partners, affiliates and subtenants, if any.

Respondent is expected to examine this RFCSP carefully, understand the terms and conditions for providing the services listed herein and respond completely. FAILURE TO COMPLETE AND PROVIDE ANY OF THESE PROPOSAL REQUIREMENTS MAY RESULT IN THE RESPONDENT'S PROPOSAL BEING DEEMED NON-RESPONSIVE AND THEREFORE DISQUALIFIED FROM CONSIDERATION.

009 CHANGES TO RFCSP

Changes to the RFCSP, made prior to the due date for proposals shall be made directly to the original RFCSP. Changes are captured by creating a replacement version each time the RFCSP is changed. It is Respondent's responsibility to check for new versions until the proposal due date. City will assume that all proposals received are based on the final version of the RFCSP as it exists on the day proposals are due.

No oral statement of any person shall modify or otherwise change or affect the terms, conditions or specifications stated in the RFCSP.

010 SUBMISSION OF PROPOSALS

Proposals may be submitted in hard copy format only.

Submission of Hard Copy Proposals.

Respondent shall submit a total of 14 copies, one original, signed in ink, and 13 copies. Please include a full copy of your proposal on compact disk (CD) containing an Adobe PDF version of the entire proposal. Please submit your response in a sealed package clearly marked with the project name, "AP Invoice Automation System" on the front of the package.

Proposals must be received in the City Clerk's Office no later than 2:00 p.m., Central Time, on **October 2, 2013** at the address below. Any proposal or modification received after this time shall not be considered, and will be returned, unopened to the Respondent. Respondents should note that delivery to the P.O. Box address in a timely manner does not guarantee its receipt in the City Clerk's Office by the deadline for submission. Therefore, Respondents should strive for early submission to avoid the possibility of rejection for late arrival.

Mailing Address:

City Clerk's Office
Attn: Finance Department AP Invoice Automation System
P.O. Box 839966
San Antonio, Texas 78283-3966

Physical Address:

City Clerk's Office
Attn: Finance Department AP Invoice Automation System
100 Military Plaza
2nd Floor, City Hall San Antonio, Texas 78205

Proposals sent by facsimile or email will not be accepted.

Proposal Format. Each proposal shall be typewritten, single spaced and submitted on 8 1/2" x 11" white paper. If submitting a hard copy, place proposal inside a three ring binder or other securely bound fashion. The use of recycled paper and materials is encouraged. Unnecessarily elaborate brochures, artwork, bindings, visual aides, expensive paper or other materials beyond that sufficient to present a complete and effective submission are not required. Font size shall be no less than 12-point type. All pages shall be numbered and, in the case of hard copy submissions, printed two-sided. Margins shall be no less than 1" around the perimeter of each page. A proposal response to RFCSP Attachment A- Respondent Questionnaire form may not exceed 150 pages in length. Websites, or URLs shall not be submitted in lieu of the printed proposal or electronic submission through City's portal. Each proposal must include the sections and attachments in the sequence listed in the RFCSP Section 008, Proposal Requirements, and each section and attachment must be indexed and, for hard copy submissions, divided by tabs and indexed in a Table of Contents page. For electronic submissions, whether through the portal or on a CD, each separate section should be attached as a separate file. Failure to meet the above conditions may result in disqualification of the proposal or may negatively affect scoring.

Modified Proposals. Proposals may be modified provided such modifications are received prior to the due date for submission of proposals and submitted in the same manner as original proposal. For hard copy proposals, provide a cover letter with the proposal, indicating it is a modified proposal and that the Original proposal is being withdrawn. For electronic proposals, a modified proposal will automatically replace a prior proposal submission.

Correct Legal Name.

Respondents who submit proposals to this RFCSP shall correctly state the true and correct name of the individual, proprietorship, corporation, and /or partnership (clearly identifying the responsible general partner and all other partners who would be associated with the contract, if any). No nicknames, abbreviations (unless part of the legal title), shortened or short-hand, or local "handles" will be accepted in lieu of the full, true and correct legal name of the entity. These names shall comport exactly with the corporate and franchise records of the Texas Secretary of State and Texas Comptroller of Public Accounts. Individuals and proprietorships, if operating under other than an individual name, shall match with exact Assumed Name filings. Corporate Respondents and limited liability company Respondents shall include the 11-digit Comptroller's Taxpayer Number on the Respondent Questionnaire form found in this RFCSP as Attachment A.

If an entity is found to have incorrectly or incompletely stated its name or failed to fully reveal its identity on the General Information form, the Director of Finance shall have the discretion, at any point in the contracting process, to suspend consideration of the proposal.

Firm Offer. All provisions in Respondent's proposal, including any estimated or projected costs, shall remain valid for 120 days following the deadline date for submissions or, if a proposal is accepted, throughout the entire term of the contract.

Confidential or Proprietary Information. All proposals become the property of the City upon receipt and will not be returned. Any information deemed to be confidential by Respondent should be clearly noted; however, City cannot guarantee that it will not be compelled to disclose all or part of any public record under the Texas Public Information Act, since information deemed to be confidential by Respondent may not be considered confidential under Texas law, or pursuant to a Court order.

Cost of Proposal. Any cost or expense incurred by the Respondent that is associated with the preparation of the Proposal, the Pre-Submittal conference, if any, or during any phase of the selection process, shall be borne solely by Respondent.

011 RESTRICTIONS ON COMMUNICATION

Respondents are prohibited from communicating with: 1) elected City officials and their staff regarding the RFCSP or proposals from the time the RFCSP has been released until the contract is posted as a City Council agenda item; and 2) City employees from the time the RFCSP has been released until the contract is awarded. These restrictions extend to "thank you" letters, phone calls, emails and any contact that results in the direct or indirect discussion of the RFCSP and/or proposal submitted by Respondent. Violation of this provision by Respondent and/or its agent may lead to disqualification of Respondent's proposal from consideration.

Exceptions to the Restrictions on Communication with City employees include:

Respondents may ask verbal questions concerning this RFCSP at the Pre-Submittal Conference.

Respondents may submit written questions concerning this RFCSP to the Staff Contact Person listed below until **September 24, 2013** at 2:00 p.m. Central Time. Questions received after the stated deadline will not be answered. All questions shall be sent by e-mail or through the portal.

Patricia Cavazos, Procurement Specialist III
City of San Antonio, Finance Department –Procurement Division
patricia.cavazos@sanantonio.gov

Questions submitted and the City's responses will be posted with this solicitation.

Respondents and/or their agents are encouraged to contact the Small Business Office of the International and Economic Development Department for assistance or clarification with issues specifically related to the City's Small Business Economic Development Advocacy (SBEDA) Program policy and/or completion of the SBEDA form(s), if any. The point of contact is Catherine Olukotun and may be reached by telephone at (210) 207-8088 or by e-mail at catherine.olukotun@sanantonio.gov. Contacting the Small Business Office regarding this RFCSP after the proposal due date is not permitted.

Respondents may provide responses to questions asked of them by the Staff Contact Person after responses are received and opened. During interviews, if any, verbal questions and explanations will be permitted. If interviews are conducted, Respondents shall not bring lobbyists. The City reserves the right to exclude any persons from interviews as it deems in its best interests.

Upon completion of the evaluation process, Respondents shall receive a notification letter indicating the recommended firm and anticipated City Council agenda date. Respondents desiring a review of the solicitation process may submit a written request no later than seven (7) calendar days from the date letter was sent. The letter will indicate the name and address for submission of requests for review.

012 EVALUATION CRITERIA

The City will conduct a comprehensive, fair and impartial evaluation of all Proposals received in response to this RFCSP. The City may appoint a selection committee to perform the evaluation. Each Proposal will be analyzed to determine overall responsiveness and qualifications under the RFCSP. Criteria to be evaluated may include the items listed below. The selection committee may select all, some or none of the Respondents for interviews. If the City elects to conduct interviews, Respondents may be interviewed and re-scored based upon the same criteria. The City may also request additional information from Respondents at any time prior to final approval of a selected Respondent. The City reserves the right to select one, or more, or none of the Respondents to provide services. Final approval of a selected Respondent is subject to the action of the City of San Antonio City Council.

Evaluation criteria:

Proposed Solution (25 points)

Experience, Background, Qualifications (40 points)

Pricing (15 points)

Small Business Economic Development Advocacy Program (SBEDA) (total possible 20 points)

SBE Prime Contract Program – 15 points

Certified SBE firms headquartered or having a Significant Business Presence within the San Antonio Metropolitan Statistical Area responding to this solicitation as Prime Contractors proposing at least 51% SBE participation (prime and/or subcontractor) will receive fifteen (15) evaluation criteria percentage points.

No evaluation criteria percentage Points will be awarded to non-SBE Prime Contractors through subcontracting to certified SBE firms.

Mentorship Incentive – 5 points

Respondents certifying their commitment to serve as mentors in the City of San Antonio's Mentor Protégé Program will receive five (5) evaluation criteria percentage Points. Respondents document such commitment by initialing and signing the "Mentor Commitment Form" attached to this solicitation.

For joint venture respondents, each joint venture partner must initial, sign and submit a "Mentor Commitment Form" for the joint venture respondent to receive the five (5) evaluation preference Points.

013 AWARD OF CONTRACT AND RESERVATION OF RIGHTS

City reserves the right to award one, more than one or no contract(s) in response to this RFCSP.

The Contract, if awarded, will be awarded to the Respondent(s) whose Proposal(s) is deemed most advantageous to City, as determined by the selection committee, upon approval of the City Council.

City may accept any Proposal in whole or in part. If subsequent negotiations are conducted, they shall not constitute a rejection or alternate RFCSP on the part of City. However, final selection of a Respondent is subject to City Council approval.

City reserves the right to accept one or more proposals or reject any or all proposals received in response to this RFCSP, and to waive informalities and irregularities in the proposals received. City also reserves the right to terminate this RFCSP, and reissue a subsequent solicitation, and/or remedy technical errors in the RFCSP process.

City will require the selected Respondent(s) to execute a contract with the City, prior to City Council award. No work shall commence until City signs the contract document(s) and Respondent provides the necessary evidence of insurance as required in this RFCSP and the Contract. Contract documents are not binding on City until approved by the City Attorney. In the event the parties cannot negotiate and execute a contract within the time specified, City reserves the right to terminate negotiations with the selected Respondent and commence negotiations with another Respondent.

This RFCSP does not commit City to enter into a Contract, award any services related to this RFCSP, nor does it obligate City to pay any costs incurred in preparation or submission of a proposal or in anticipation of a contract.

If selected, Respondent will be required to comply with the Insurance and Indemnification Requirements established herein.

The successful Respondent must be able to formally invoice the City for services rendered, incorporating the SAP-generated contract and purchase order numbers that shall be provided by the City.

Conflicts of Interest. Respondent acknowledges that it is informed that the Charter of the City of San Antonio and its Ethics Code prohibit a City officer or employee, as those terms are defined in the Ethics Code, from having a financial interest in any contract with City or any City agency such as City-owned utilities. An officer or employee has a "prohibited financial interest" in a contract with City or in the sale to City of land materials, supplies or service, if any of the following individual(s) or entities is a party to the contract or sale: the City officer or employee; his parent, child or spouse; a business entity in which he or his parent, child or spouse owns ten (10) percent or more of the voting stock or shares of the business entity, or ten (10) percent or more of the fair market value of the business entity; or a business entity in which any individual or entity above listed is a subcontractor on a City contract, a partner or a parent or subsidiary business entity.

Respondent is required to warrant and certify that it, its officers, employees and agents are neither officials nor employees of the City, as defined in Section 2-42 of the City's Ethics Code. (Discretionary Contracts Disclosure – form may be found online at <https://www.sanantonio.gov/eforms/atty/DiscretionaryContractsDisclosure.pdf>.)

Independent Contractor. Respondent agrees and understands that, if selected, it and all persons designated by it to provide services in connection with a contract, are and shall be deemed to be an independent contractors, responsible for their respective acts or omissions, and that City shall in no way be responsible for Respondent's actions, and that none of the parties hereto will have authority to bind the others or to hold out to third parties, that it has such authority.

Effective January 1, 2006, Chapter 176 of the Texas Local Government Code requires that persons, or their agents, who seek to contract for the sale or purchase of property, goods, or services with the City, shall file a completed conflict of interest questionnaire with the City Clerk not later than the 7th business day after the date the person: (1) begins contract

discussions or negotiations with the City; or (2) submits to the City an application, response to a request for proposals or bids, correspondence, or another writing related to a potential agreement with the City. The conflict of interest questionnaire form is available from the Texas Ethics Commission at <http://www.ethics.state.tx.us/forms/CIQ.pdf>. Completed conflict of interest questionnaires may be mailed or delivered by hand to the Office of the City Clerk. If mailing a completed conflict of interest questionnaire, mail to: Office of the City Clerk, P.O. Box 839966, San Antonio, TX 78283-3966. If delivering a completed conflict of interest questionnaire, deliver to: Office of the City Clerk, City Hall, 2nd floor, 100 Military Plaza, San Antonio, TX 78205. Respondent should consult its own legal advisor for answers to questions regarding the statute or form.

014 BONDS

This section left blank intentionally.

015 SOFTWARE ESCROW REQUIREMENT

To ensure that the City will have access to the Contractor's source code in the event that the Contractor is unable to support the software, a copy of the Contractor's source code shall be kept by a trusted third party agreeable to the City. A Software Escrow Agreement, attached as RFCSP EXHIBIT 3 shall be submitted to evidence the deposit of the source code and the maintenance of the escrow account. The Contractor may submit its own Software Escrow Agreement, provided it is in substantially similar form to the attached RFCSP EXHIBIT 3, in the determination of the City.

016 ACCEPTANCE CRITERIA

This section is intentionally left blank .

017 SCHEDULE OF EVENTS

Following is a list of projected dates/times with respect to this RFCSP:

| | |
|--------------------------|-------------------------------|
| RFCSP Release Date | August 23, 2013 |
| Pre-Submittal Conference | September 9, 2013 at 11:30 am |
| Final Questions Accepted | September 24, 2013 at 2:00 pm |
| Proposal Due | October 2, 2013 at 2:00 pm |

018 RFCSP EXHIBITS

RFCSP EXHIBIT 1

INSURANCE REQUIREMENTS

If selected to provide the services described in this RFCSP, Respondent shall be required to comply with the insurance requirements set forth below:

INSURANCE

A) Prior to the commencement of any work under this Agreement, Consultant shall furnish copies of all required endorsements and completed Certificate(s) of Insurance to the City's Finance Department, which shall be clearly labeled "**AP Invoice Automation System**" in the Description of Operations block of the Certificate. The Certificate(s) shall be completed by an agent and signed by a person authorized by that insurer to bind coverage on its behalf. The City will not accept a Memorandum of Insurance or Binder as proof of insurance. The certificate(s) must have the agent's signature and phone number, and be mailed, with copies of all applicable endorsements, directly from the insurer's authorized representative to the City. The City shall have no duty to pay or perform under this Agreement until such certificate and endorsements have been received and approved by the City's Finance Department. No officer or employee, other than the City's Risk Manager, shall have authority to waive this requirement.

B) The City reserves the right to review the insurance requirements of this Article during the effective period of this Agreement and any extension or renewal hereof and to modify insurance coverages and their limits when deemed necessary and prudent by City's Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this Agreement. In no instance will City allow modification whereby City may incur increased risk.

C) A Consultant's financial integrity is of interest to the City; therefore, subject to Consultant's right to maintain reasonable deductibles in such amounts as are approved by the City, Consultant shall obtain and maintain in full force and effect for the duration of this Agreement, and any extension hereof, at Consultant's sole expense, insurance coverage written on an occurrence basis, unless otherwise indicated, by companies authorized to do business in the State of Texas and with an A.M Best's rating of no less than A- (VII), in the following types and for an amount not less than the amount listed below:

| TYPE | AMOUNTS |
|---|--|
| 1. Workers' Compensation 2. Employers' Liability | Statutory \$500,000/\$500,000/\$500,000 |
| 3. Broad form Commercial General Liability Insurance to include coverage for the following: a. Premises/Operations *b. Independent Contractors c. Products/Completed Operations d. Personal Injury e. Contractual Liability f. Damage to property rented by you | For Bodily Injury and Property Damage of \$1,000,000 per occurrence; \$2,000,000 General Aggregate, or its equivalent in Umbrella or Excess Liability Coverage f. \$100,000 |
| 4. Business Automobile Liability a. Owned/leased vehicles b. Non-owned vehicles c. Hired Vehicles | Combined Single Limit for Bodily Injury and Property Damage of \$1,000,000 per occurrence |
| 5. Professional Liability (Claims-made basis) To be maintained and in effect for no less than two years subsequent to the completion of the professional service. | \$1,000,000 per claim, to pay on behalf of the insured all sums which the insured shall become legally obligated to pay as damages by reason of any act, malpractice, error, or omission in professional services. |
| * if applicable | |

D) Consultant agrees to require, by written contract, that all subcontractors providing goods or services hereunder obtain the same insurance coverages required of Consultant herein, and provide a certificate of insurance and endorsement that names the Consultant and the CITY as additional insureds. Respondent shall provide the CITY with said certificate and endorsement prior to the commencement of any work by the subcontractor. This provision may be modified by City's Risk Manager, without subsequent City Council approval, when deemed necessary and prudent, based upon changes in statutory law, court decisions, or circumstances surrounding this agreement. Such modification may be enacted by letter signed by City's Risk Manager, which shall become a part of the contract for all purposes.

E) As they apply to the limits required by the City, the City shall be entitled, upon request and without expense, to receive copies of the policies, declaration page, and all endorsements thereto and may require the deletion, revision, or modification of particular policy terms, conditions, limitations, or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies). Consultant shall be required to comply with any such requests and shall submit a copy of the replacement certificate of insurance to City at the address provided below within 10 days of the requested change. Consultant shall pay any costs incurred resulting from said changes.

City of San Antonio
Attn: Finance Department
P.O. Box 839966
San Antonio, Texas 78283-3966

F) Consultant agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following provisions:

- Name the City, its officers, officials, employees, volunteers, and elected representatives as additional insureds by endorsement, as respects operations and activities of, or on behalf of, the named insured performed under contract with the City, with the exception of the workers' compensation and professional liability policies;
- Provide for an endorsement that the "other insurance" clause shall not apply to the City of San Antonio where the City is an additional insured shown on the policy;
- Workers' compensation, employers' liability, general liability and automobile liability policies will provide a waiver of subrogation in favor of the City.
- Provide advance written notice directly to City of any suspension, cancellation, non-renewal or material change in coverage, and not less than ten (10) calendar days advance notice for nonpayment of premium.

G) Within five (5) calendar days of a suspension, cancellation or non-renewal of coverage, Consultant shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Consultant's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this Agreement.

H) In addition to any other remedies the City may have upon Consultant's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order Consultant to stop work hereunder, and/or withhold any payment(s) which become due to Consultant hereunder until Consultant demonstrates compliance with the requirements hereof.

I) Nothing herein contained shall be construed as limiting in any way the extent to which Consultant may be held responsible for payments of damages to persons or property resulting from Consultant's or its subcontractors' performance of the work covered under this Agreement.

J) It is agreed that Consultant's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of San Antonio for liability arising out of operations under this Agreement.

K) It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this Agreement and that no claim or action by or on behalf of the City shall be limited to insurance coverage provided..

L) Consultant and any Subcontractors are responsible for all damage to their own equipment and/or property.

RFCSP EXHIBIT 2

INDEMNIFICATION REQUIREMENTS

If selected to provide the services described in this RFCSP, Respondent shall be required to comply with the indemnification requirements set forth below:

INDEMNIFICATION

RESPONDENT covenants and agrees to **FULLY INDEMNIFY, DEFEND and HOLD HARMLESS**, the **CITY** and the elected officials, employees, officers, directors, volunteers and representatives of the **CITY**, individually and collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon the **CITY** directly or indirectly arising out of, resulting from or related to **RESPONDENT'S** activities under this Agreement, including any acts or omissions of **RESPONDENT**, any agent, officer, director, representative, employee, consultant or subcontractor of **RESPONDENT**, and their respective officers, agents employees, directors and representatives while in the exercise of the rights or performance of the duties under this Agreement. The indemnity provided for in this paragraph shall not apply to any liability resulting from the negligence of **CITY**, its officers or employees, in instances where such negligence causes personal injury, death, or property damage. **IN THE EVENT RESPONDENT AND CITY ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS FOR THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.**

The provisions of this INDEMNITY are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. **RESPONDENT** shall advise the **CITY** in writing within 24 hours of any claim or demand against the **CITY** or **RESPONDENT** known to **RESPONDENT** related to or arising out of **RESPONDENT**'s activities under this AGREEMENT and shall see to the investigation and defense of such claim or demand at **RESPONDENT**'s cost. The **CITY** shall have the right, at its option and at its own expense, to participate in such defense without relieving **RESPONDENT** of any of its obligations under this paragraph.

RFCSP EXHIBIT 3

ESCROW AGREEMENT

This agreement ("Agreement") is effective _____, 20____ among _____ ("Custodian"), **Respondent's Name** ("Depositor") and the City of San Antonio ("Preferred Beneficiary"), who collectively may be referred to in this Agreement as the parties ("Parties").

- A. Depositor and Preferred Beneficiary have entered or will enter into an **Annual Contract for Name of Project** between the City of San Antonio and **Respondent's Name**, regarding certain proprietary technology of Depositor (referred to in this Agreement as "the License Agreement").
- B. Depositor desires to avoid disclosure of its proprietary technology except under certain limited circumstances.
- C. The availability of the proprietary technology of Depositor is critical to Preferred Beneficiary in the conduct of its business and, therefore, Preferred Beneficiary needs access to the proprietary technology under certain limited circumstances.
- D. Depositor and Preferred Beneficiary desire to establish an escrow with Custodian to provide for the retention, administration and controlled access of the proprietary technology materials of Depositor.
- E. The parties desire this Agreement to be supplementary to the **Annual Contract for Name of Project** between the City of San Antonio and **Respondent's Name**, pursuant to 11 United States [Bankruptcy] Code, Section 365(n).

ARTICLE 1 -- DEPOSITS

1.1 Obligation to Make Deposit. Upon the signing of this Agreement by the parties, Depositor shall deliver to Custodian the proprietary technology and other materials ("Deposit Materials") required to be deposited by the License Agreement. Custodian shall have no obligation to either party with respect to the preparation, accuracy, execution or delivery of Deposit Materials.

1.2 Identification of Tangible Media. Prior to the delivery of the Deposit Materials to Custodian, Depositor shall conspicuously label for identification each document, magnetic tape, disk, or other tangible media upon which the Deposit Materials are written or stored. Additionally, Depositor shall complete a copy of Exhibit A to this Agreement by listing each such tangible media by the item label description, the type of media and the quantity. Each Exhibit A shall be signed by Depositor and delivered to Custodian with the Deposit Materials. Unless and until Depositor makes the initial deposit with Custodian, Custodian shall have no obligation with respect to this Agreement, except the obligation to notify the parties regarding the status of the account as required in Section 2.2 below.

1.3 Acceptance of Deposit. Custodian will conduct a deposit inspection upon receipt of any Deposit Material and associated Exhibit A by visually matching the labeling of the tangible media containing the Deposit Materials to the item descriptions and quantity listed on Exhibit A. Depositor shall provide notice by electronic mail, telephone, or regular mail to the Depositor and Beneficiary of all Deposit Material that is accepted and deposited into the escrow account under this Agreement. If Custodian determines that the Deposit Material does not match the description provided by Depositor represented in Exhibit A attached hereto, Custodian will provide Depositor with notice by electronic mail, telephone, or regular mail of such discrepancies. Custodian will work directly with the Depositor to resolve any such discrepancies prior to accepting Deposit Material. Other than Custodian's inspection of the Deposit Materials, Custodian shall have no obligation to the accuracy, completeness, functionality, performance or non-performance of the Deposit Materials.

1.4 Depositor's Representations. Depositor represents as follows:

- a. Depositor lawfully possesses all of the Deposit Materials deposited with Custodian;
- b. With respect to all of the Deposit Materials, Depositor has the right and authority to grant to Custodian and Preferred Beneficiary the rights as provided in this Agreement;
- c. As of the effective date of this Agreement, the Deposit Materials are not the subject of a lien or encumbrance, however, any liens or encumbrances made after the execution of this Agreement will not prohibit, limit, or alter the rights and obligations of Custodian under this Agreement;
- d. The Deposit Materials consist of the proprietary technology and other materials identified in the License Agreement; and
- e. The Deposit Materials are readable and useable in the appropriate technical environment their current form or, if any portion of the Deposit Materials is encrypted, the decryption tools and decryption keys have also been deposited.
- f. The Deposit Materials include the source code corresponding to the computer software licensed by Depositor to Preferred Beneficiary under the License Agreement, except for third-party software that Depositor has no right to provide to Custodian or to Preferred Beneficiary in source code form. Either the License Agreement or Exhibit A properly identifies all third-party software embedded in or associated with the computer software licensed by Depositor to Preferred Beneficiary under the License Agreement that is not included in the Deposit Materials. The Deposit Materials include any pertinent commentary or explanation that may be necessary to render the source code understandable and useable by a trained computer-programming expert who is generally familiar with Fire Incident Report Systems and program code. The Deposit Materials include system documentation, statements of principles of operation and schematics, all as necessary or useful for the effective understanding and use of the source code. Insofar as the "development environment" employed by Depositor for the development, maintenance, and implementation of the Source Code includes any device, programming, or documentation not commercially available to Preferred beneficiary on reasonable terms through readily known sources other than Depositor, the Deposit Materials shall include all such devices, programming, or documentation. The foregoing reference to such "development environment" is intended to apply to any programs, including compilers, "workbenches," tools, and higher-level (or "proprietary") languages, used by Depositor for the development, maintenance and implementation of the Source Code.

1.5 Deposit Updates. Unless otherwise provided by the License Agreement, Depositor shall update the Deposit Materials within sixty (60) days of each release of a new version, release, addition, modification or update of the licensed software, which is subject to the License Agreement; provided that Depositor shall not be required to make updates more often than once every four (4) months, nor less frequently than once per year. Such updates will be added to the existing deposit. All deposit updates shall be listed on a new Exhibit A and Depositor shall sign the new Exhibit A. Each Exhibit A will be held and maintained separately within the escrow account. An independent record will be created which will document the activity for each Exhibit A. The processing of all deposit updates shall be in accordance with Sections 1.2 and 1.3 above. All references in this Agreement to the Deposit Materials shall include the initial Deposit Materials and any updates.

For purposes of this Agreement, Depositor may accomplish such updates by having the new version of the product added to the existing deposit or, alternatively and upon written instruction to Custodian and Preferred Beneficiary, exchanging the new version of the product for the old version of the product within the existing deposit.

1.6 Removal of Deposit Materials. The Deposit Materials may be removed and/or exchanged only on written instructions signed by Depositor and Preferred Beneficiary, or as otherwise provided in this Agreement.

1.7 Verification. Preferred Beneficiary shall have the right, at Preferred Beneficiary's expense, to cause a verification of any Deposit Materials once within the first 90 days after execution of this Agreement by Preferred Beneficiary, and thereafter twice in any 12-month period. Preferred Beneficiary shall notify Depositor and Custodian of Preferred Beneficiary's request for verification. Depositor shall have the right to be present at the verification. A verification determines, in different levels of detail, the accuracy, completeness, sufficiency and quality of the Deposit Materials as well as to confirm that it compiles to the pertinent object code of the licensed software. If verification is elected after the Deposit Materials have been delivered to Custodian, then Custodian,

or at Preferred Beneficiary's election, an independent person or company selected by Preferred Beneficiary who is reasonably acceptable to Depositor will perform the verification. The Preferred Beneficiary shall be responsible for all costs of the verification, including, without limitation, Custodian's fees associated with the verification, the costs incurred by Depositor relating to such verification (including, without limitation, travel and living expenses for Depositor personnel required to assist with the verification and fees for the services of such personnel, at Depositor's standard daily rates, as applicable).

ARTICLE 2 -- CONFIDENTIALITY AND RECORD KEEPING

2.1 Confidentiality. Custodian shall have the obligation to reasonably protect the confidentiality of the Deposit Materials by maintaining the Deposit Materials in a secure, environmentally safe, locked facility which is accessible only to authorized representatives of Custodian. Except as provided in this Agreement or any subsequent agreement between the Parties, Custodian shall not disclose, transfer, make available to any party, or use the Deposit Materials. Custodian shall not disclose the terms of this Agreement to any third party. If Custodian receives a subpoena or any other order from a court or other judicial tribunal pertaining to the disclosure or release of the Deposit Materials, Custodian will immediately notify the parties to this Agreement of same in writing, unless prohibited by law. It shall be the responsibility of Depositor and/or Preferred Beneficiary to challenge any such order; provided, however, that Custodian does not waive its rights to present its position with respect to any such order. Custodian will not be required to disobey any order from a court or other judicial tribunal, including, but not limited to, notices delivered pursuant to Section 7.6 below. Custodian will not be required to disobey any order from a court or other judicial tribunal.

2.2 Status Reports. Custodian shall provide to Depositor and Preferred Beneficiary access to the Custodian's real-time, on-line portal to view data and documentation relative to this Agreement. Upon request, Custodian will provide ad hoc status reports to Depositor and Preferred Beneficiary.

2.3 Audit Rights. During the term of this Agreement, Depositor and Preferred Beneficiary shall each have the right to inspect the written records of Custodian pertaining to this Agreement. Any such inspection shall occur during normal business hours and following reasonable prior notice.

ARTICLE 3 -- RIGHT TO MAKE COPIES

Custodian may make copies of the Deposit Materials as necessary to meet its obligations under this Agreement, while retaining a copy to carry out its obligations for other licensees who may benefit from the same arrangement. Custodian shall include in any copies all copyright, non-disclosure and other proprietary notices and titles contained on the Deposit Materials. With all Deposit Materials submitted to Custodian, Depositor shall provide any and all instructions as may be necessary to duplicate the Deposit Materials, including, without limitation, instructions as to necessary hardware or software. In all other respects, Custodian shall not make copies of the Deposit Materials except to fulfill an order of a court of competent jurisdiction (see Section 2.1).

If for any reason Custodian should make any copy of the Deposit Materials, Custodian shall promptly give written notice to Depositor of such action and shall explain the reason for such copying in the notice.

ARTICLE 4 -- RELEASE OF DEPOSIT

4.1 Release Conditions. As used in this Agreement, "Release Condition" shall mean the occurrence and continuance of any of the following:

- a. Entry of an order for relief regarding Depositor under Title 11 (bankruptcy) of the United States Code, the making by Depositor of a general assignment for the benefit of its creditors, the appointment of a general receiver or trustee in bankruptcy of Depositor's business or property, or the commencement of similar proceedings under the bankruptcy, insolvency, liquidation or reorganization laws of any state or any other country or province (except that were entry of an order, appointment of a receiver or trustee in bankruptcy, or

commencement of bankruptcy or insolvency proceedings is effected on an involuntary basis, then Depositor shall have 60 days to have such case or proceeding dismissed);

- b. Depositor's failure to continue to do business in the ordinary course;
- c. Any decision by Depositor to withdraw maintenance services in support of the Depositor software licensed by Depositor to Preferred Beneficiary under the License Agreement;
- d. The occurrence of a breach as defined in the License Agreement;
- e. The occurrence of any condition (whether or not qualifying as a breach) having a critical impact on necessary business functions (such as a continuing loss of service or data), which Depositor cannot or will not assure Preferred Beneficiary will be corrected so to restore necessary business functions using all reasonable means, and the release of the Deposit Materials is reasonably believed to enable Preferred Beneficiary to remedy such condition critically impacting Preferred Beneficiary's use of the licensed software to meet necessary business functions; and, for purposes of this Agreement, if a Release Condition is claimed by Preferred Beneficiary to exist on this basis, then, notwithstanding Sections 4.2 and 4.3 hereof, Custodian will, without delay, release the Deposit Materials to Preferred Beneficiary immediately upon Custodian's receipt of written notice of such Release Condition in which Preferred Beneficiary shall explain why it believes the Deposit Materials will enable Preferred Beneficiary to resolve such critical impact condition and why an immediate release is required, but Preferred Beneficiary shall commit to surrender the Deposit Materials to Custodian or Depositor promptly after the correction has occurred to restore necessary business functions.]

4.2 Filing For Release. If Preferred Beneficiary believes in good faith that a Release Condition has occurred and is continuing, then Preferred Beneficiary, at any time, may provide to Custodian written notice of the occurrence of the Release Condition and a request for the release of the Deposit Materials. Within five (5) business days of receipt of a written notice, Custodian shall provide a copy of the notice to Depositor. Custodian will promptly notify the Parties unless Custodian acknowledges or discovers independently, or through the Parties, its need for additional documentation or information in order to comply with this Section. Such need for additional documentation or information may extend the time period for Custodian's performance under this section.

4.3 Contrary Instructions. From the date Custodian mails the notice by overnight express mail requesting release of the Deposit Materials, Depositor shall have ten (10) business days to deliver to Custodian contrary instructions ("Contrary Instructions"). Contrary Instructions shall mean the written representation by Depositor that a Release Condition has not occurred or has been cured. Upon receipt of Contrary Instructions, Custodian shall send a copy of Contrary Instructions to Preferred Beneficiary by overnight commercial express mail. Additionally, Custodian shall notify both Depositor and Preferred Beneficiary that there is a dispute to be resolved pursuant to Section 7.4 of this Agreement. Subject to Section 5.2 and 4.1(e) of this Agreement, Custodian will continue to store the Deposit Materials without release pending (a) joint instructions from Depositor and Preferred Beneficiary; or (b) dispute resolution pursuant to Section 7.4; or (c) an order from a court of competent jurisdiction.

4.4 Release of Deposit. If Custodian does not receive Contrary Instructions from the Depositor, or if the Preferred Beneficiaries request to release is based on 4.1(e), Custodian is authorized to release the Deposit Materials to the Preferred Beneficiary. However, Custodian is entitled to receive any fees due Custodian before making the release. This Agreement will terminate upon the release of the Deposit Materials held by Custodian.

4.5 Right to Use Following Release. Unless otherwise provided in the License Agreement, upon release of the Deposit Materials in accordance with this Article 4, Preferred Beneficiary shall have the right to use the Deposit Materials for the sole purpose of continuing the benefits afforded to Preferred Beneficiary by the License Agreement. Preferred Beneficiary shall be obligated to maintain the confidentiality of the released Deposit Materials.

ARTICLE 5 -- TERM AND TERMINATION

5.1 Term of Agreement. The initial term of this Agreement is for a period of one year. Thereafter, this Agreement shall automatically renew from year-to-year unless (a) Depositor and Preferred Beneficiary jointly instruct Custodian in writing that the Agreement is terminated; (b) Custodian instructs Depositor and Preferred Beneficiary in writing ninety (90) days after its renewal date, that the Agreement is terminated for nonpayment in accordance with Section 5.2; or (c) Custodian reserves the right to terminate this Agreement, for any reason, other than for nonpayment, by providing Depositor and Preferred Beneficiary sixty (60) days written notice of its intent to terminate this Agreement. If the Deposit Materials are subject to another escrow agreement with Custodian, Custodian reserves the right, after the initial one year term, to adjust the anniversary date of this Agreement to match the then prevailing anniversary date of such other escrow arrangements.

5.2 Termination for Nonpayment. In the event of the nonpayment of fees owed to Custodian, Custodian shall provide written notice of delinquency to all parties to this Agreement. Any party to this Agreement shall have the right to make the payment to Custodian to cure the default. If the past due payment is not received in full by Custodian within one (1) month of the date of such notice, then Custodian shall have the right to terminate this Agreement at any time thereafter by sending written notice of termination to all parties. Custodian shall have no obligation to take any action under this Agreement so long as any payment due to Custodian remains unpaid.

5.3 Disposition of Deposit Materials Upon Termination. Subject to the foregoing termination provisions, and upon termination of this Agreement, Custodian shall destroy, return to Depositor, or otherwise deliver the Deposit Materials in accordance with Depositor's instructions. If there are no instructions, Custodian may, at its sole discretion, destroy the Deposit Materials or return them to Depositor. Custodian shall have no obligation to destroy or return the Deposit Materials if the Deposit Materials are subject to another escrow agreement with Custodian or have been totally released to the Preferred Beneficiary in accordance with Section 4.4.

5.4 Survival of Terms Following Termination. Upon termination of this Agreement, the following provisions of this Agreement shall survive:

- a. Depositor's Representations (Section 1.4);
- b. The obligations of confidentiality with respect to the Deposit Materials;
- c. The obligation to pay Custodian any fees and expenses due;
- d. The provisions of Article 7;
- e. Section 4.5 to the extent applicable; and
- f. Any provisions in this Agreement which specifically state they survive the termination of this Agreement.

ARTICLE 6 -- CUSTODIAN'S FEES

6.1 Fee Schedule. Custodian is entitled to be paid its agreed fees and expenses applicable to the services provided by Depositor. Custodian shall notify Depositor of Custodian's fees at least sixty (60) days prior to any increase in fees. For any service not listed on Custodian's standard fee schedule, Custodian will provide a quote prior to rendering the service, if requested.

6.2 Payment Terms. Custodian shall not be required to perform any service, including release of any Deposit Materials under Article 4, unless the payment for such service and any outstanding balances owed to Custodian are paid in full. Fees are due upon receipt of a signed contract or receipt of the Deposit Materials whichever is earliest. If invoiced fees are not paid, Custodian may terminate this Agreement in accordance with Section 5.2.

ARTICLE 7 -- LIABILITY AND DISPUTES

7.1 Right to Rely on Instructions. Custodian may act in reliance upon any instruction, instrument, or signature reasonably believed by Custodian to be genuine. Custodian may assume that any employee of a party to this

Agreement who gives any written notice, request, or instruction has the authority to do so. Custodian will not be required to inquire into the truth or evaluate the merit of any statement or representation contained in any notice or document. Custodian shall not be responsible for failure to act as a result of causes beyond the reasonable control of Custodian.

7.2 Indemnification. Depositor agrees to indemnify, defend and hold harmless Custodian from any and all claims, actions, damages, arbitration fees and expenses, costs, reasonable attorney's fees and other liabilities ("Liabilities") incurred by Custodian directly resulting from this escrow arrangement, except where it is adjudged that Custodian acted with gross negligence or willful misconduct.

7.3 Limitation of Liability and Waiver of Consequential Damages.

(a) Notwithstanding anything else herein, all liability, if any, whether arising in contract, tort (including negligence) or otherwise, of Custodian under this Agreement shall be limited to the amount equal to ten times the then annual fees owed or paid to Custodian under this Agreement. If claim or loss is made in relation to a specific deposit or deposits, such liability shall be limited to the fees related specifically to such deposits. This limit shall not apply for: (I) any claims of infringement of any patent, copyright, trademark or other proprietary right; (II) liability for death or bodily injury; (III) damage to tangible property (excluding the Deposit Material); (IV) theft; or (V) proven gross negligence or willful misconduct.

(b) In no event will Custodian be liable for any incidental, indirect, special, exemplary, punitive or consequential damages, including, but not limited to, damages (including loss of data, revenue, and/or profits) costs or expenses (including legal fees and expenses), whether arising in contract, tort (including negligence) or otherwise even if the possibility thereof may be known in advance to one or more parties and whether foreseeable or unforeseeable, that may arise out of or in connection with this Agreement.

7.5 Controlling Law. This Agreement is to be governed and construed in accordance with the laws of the State of Texas, without regard to its conflict of law provisions.

7.6 Notice of Requested Order. If any party intends to obtain an order from the arbitrator or any court of competent jurisdiction, which may direct Custodian to take, or refrain from taking any action, that party shall:

- a. Give notice to Custodian at least five (5) business days prior to the hearing; and
- b. Include in any such order that, as a precondition to Custodian's obligation, Custodian be paid in full for any past due fees and be paid for the reasonable value of the services to be rendered pursuant to such order.

ARTICLE 8 -- GENERAL PROVISIONS

8.1 Entire Agreement. This Agreement, which includes Exhibits described herein, embodies the entire understanding among the parties with respect to its subject matter and supersedes all previous communications, representations or understandings, either oral or written. Custodian is not a party to the License Agreement between Depositor and Preferred Beneficiary and has no knowledge of any of the terms or provisions of any such License Agreement. Custodian's only obligations to Depositor or Preferred Beneficiary are as set forth in this Agreement. No amendment or modification of this Agreement shall be valid or binding unless signed by all the parties hereto, except that Exhibit A need not be signed by Preferred Beneficiary and Exhibit B need not be signed.

8.2 Notices. All notices, invoices, payments, deposits and other documents and communications shall be given to the parties at the addresses specified in the attached Exhibit B. It shall be the responsibility of the parties to notify each other as provided in this Section in the event of a change of address. The parties shall have the right to rely on the last known address of the other parties. Any correctly addressed notice or last known address of the other parties that is relied on herein that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified as provided herein shall be deemed effective as of the first date

that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities by registered mail, or through messenger or commercial express delivery services. Unless otherwise provided in this Agreement, all non-critical documents (such as invoices) and non-critical communications may be delivered by First Class mail.

8.3 Severability. In the event any provision of this Agreement is found to be invalid, voidable or unenforceable, the parties agree that unless it materially affects the entire intent and purpose of this Agreement, such invalidity, voidability or unenforceability shall affect neither the validity of this Agreement nor the remaining provisions herein, and the provision in question shall be deemed to be replaced with a valid and enforceable provision most closely reflecting the intent and purpose of the original provision.

8.4 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties. However, Custodian shall have no obligation in performing this Agreement to recognize any successor or assign of Depositor or Preferred Beneficiary unless Custodian receives clear, authoritative and conclusive written evidence of the change of parties.

8.5 Waiver. Any term of this Agreement may be waived by the party entitled to the benefits thereof, provided that any such waiver must be in writing and signed by the party against whom the enforcement of the waiver is sought. No waiver of any condition, or breach of any provision of this Agreement, in any one or more instances, shall be deemed to be a further or continuing waiver of such condition or breach. Delay or failure to exercise any right or remedy shall not be deemed the waiver of that right or remedy.

8.6 Regulations. Depositor and Preferred Beneficiary are responsible for and warrant compliance with all applicable laws, rules and regulations, including but not limited to customs laws, import, export, and re-export laws and government regulations of any country from or to which the Deposit Materials may be delivered in accordance with the provisions of this Agreement.

8.7 Attorney's Fees. Each party shall be responsible for its own attorney fees to enforce this agreement.

8.8 No Third Party Rights. This Agreement is made solely for the benefit of the Parties to this Agreement and their respective permitted successors and assigns, and no other person or entity shall have or acquire any right by virtue of this Agreement unless otherwise agreed to by all the parties hereto.

8.9 Authority to Sign. Each of the Parties herein represents and warrants that the execution, delivery, and performance of this Agreement has been duly authorized and signed by a person who meets statutory or other binding approval to sign on behalf of its business organization as named in this Agreement.

8.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

Depositor

By: _____

Name: _____

Title: _____

Date: _____

Preferred Beneficiary

By: _____

Name: _____

Title: _____

Date: _____

Custodian

By: _____

Name: _____

Title: _____

Date: _____

ESCROW AGREEMENT

EXHIBIT A

DESCRIPTION OF DEPOSIT MATERIALS

Depositor Company Name _____

Account Number _____

Product Name _____

DEPOSIT MATERIAL DESCRIPTION:

| Quantity | Media Type & Size | Label Description of Each Separate Item |
|----------|---------------------------|---|
| _____ | Disk 3.5" or _____ | |
| _____ | DAT tape _____ mm | |
| _____ | CD-ROM | |
| _____ | Data cartridge tape _____ | |
| _____ | TK 70 or _____ tape | |
| _____ | Magnetic tape _____ | |
| _____ | Documentation | |
| _____ | Other | |

PRODUCT DESCRIPTION:

Environment _____

DEPOSIT MATERIAL INFORMATION:

Is the media or are any of the files encrypted? If yes, please include any passwords and the decryption tools.

Encryption tool name _____ Version _____

Hardware required _____

Software required _____

Other required information _____

| | |
|--|-----------------------------------|
| I certify for Depositor that the above described Custodian has accepted the above. | |
| Deposit Materials have been transmitted to Custodian: | |
| Materials | (any exceptions are noted above): |

Signature
Print Name
Date

Signature
Print Name
Date Accepted

Exhibit A#

ESCROW AGREEMENT

EXHIBIT B

DESIGNATED CONTACT

| | |
|--|---|
| Account Number | |
| Notices, deposit material returns and communications to <u>Depositor</u> should be addressed: | Notices and communications to <u>Preferred Beneficiary</u> should be addressed to: |
| Company Name: | Company Name: |
| Address: | Address: |
| Designated Contact: | Designated Contact: |
| Telephone: | Telephone |
| Facsimile: | Facsimile: |
| E-mail: | E-mail: |
| Verification Contact: | Verification Contact: |
| Telephone/E-mail: | |
| | Fees for this agreement will be paid by |
| | Depositor. |
| Invoices to <u>Depositor</u> should be addressed to: | |
| Company Name: | Company Name: |
| Address: Attn: | |
| | Address: |
| | |
| Billing Contact: | Billing Contact: |
| Telephone: | Telephone: |
| Facsimile: | Facsimile: |
| E-mail: | E-mail: |
| P.O.# | P.O.#: |

Requests from Depositor or Preferred Beneficiary to change the designated contact should be given in writing by the designated contact or an authorized employee of Depositor or Preferred Beneficiary.

| | |
|--|--|
| Agreements, Deposit Materials and notices to <u>Custodian</u> should be addressed to: | All invoice fee remittances to <u>Custodian</u> should be addressed to: |
| Custodian | Custodian |

| | |
|----------------|-------|
| | |
| | |
| Telephone: | |
| Facsimile: | Date: |
| E-mail: | |
| | |

RFCSP EXHIBIT 4

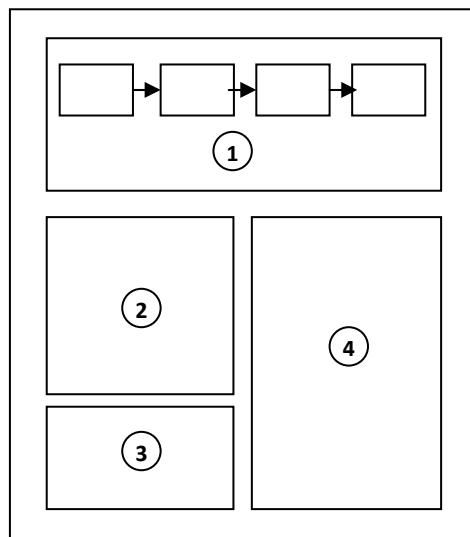
ANALYSIS OF AS IS PROCESSES

The following ten (10) pages provide detail of each component of the current invoice receipt-to-posting process. The format of the analysis results is structured to include one of the 10 process steps per page.

1. Scan Images from Paper
2. Scan Images from eMail attachments
3. Scan Images from Fax to file
4. Index Invoices
5. Route for Processing (AUTO)
6. Manage Research In-Basket Work Items
7. Process AP In-Baskets
8. Refer to Departments
9. Manage Invoice-to-Payment Process
10. Vendor Assignment Maintenance

Each page is formatted to provide a definition of:

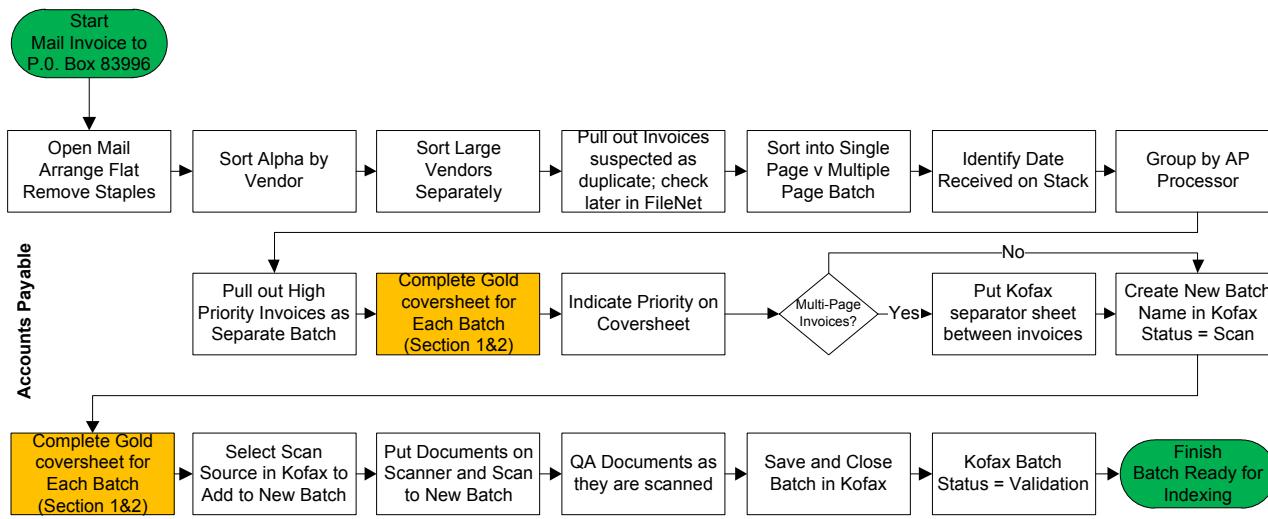
- (1) Workflow for that process step
- (2) General business rules or as-is practices;
- (3) Current or desired measures of quality and performance; and
- (4) Known deficiencies and desired improvements.



This analysis should be used to inform the respondent as they develop proposed design(s). However, this should not be considered as constituting a complete set of requirements or a comprehensive analysis of deficiencies of the current process. Respondents may include additional analysis and requirements gathering as part of the overall proposal submitted in response to this RFCSP.

Accounts Payable Invoice Processing: Receive Invoices via Paper Mail

Receive Open Sort by Vendor Prioritize for Pay Stack by # Pages Separate w/ Sheets Fill In Coversheet Scan to File Ready to Index



Business Rules and Practices

- 80% of paper invoices are received in two (2) daily mail pick ups;
- Additional invoices via departments directly drop off throughout the day.
- 300 – 400 paper invoices per day.
- Mail volumes higher on Monday; Higher beginning/end of month.

Coversheets have been designed to identify invoice stacks and queues to be indexed in Kofax imaging tool. Coversheets are stored in file room by date and later destroyed. Document retention rules apply to image stored in FileNet.

Coversheet Color Indicates Purpose:

Gold = Paper Invoices (single or multi-page)
 Pink = Supporting Documents
 Blue = Emailed or Faxed Invoices (no attachments, cover sheet only)
 Green = Pay Estimates

Coversheet Fields

Step 1: Check Batch Class & Document Count
 Step 2: Create Folder in Kofax Batch Manager
 Step 3: Index – indicate type of document(s)
 Step 4: Random review for UAT = NOT USED
 Step 5: Move to Fileroom (Sign & Date)

Analysts identify high-priority invoices based on knowledge of:

- Discounts available
- Payment Terms
- High visibility status
- Sensitive Vendor

Priority invoices scanned and indexed 1-2 days; Regular invoices 4-7 days.

Measures of Performance and/or Quality

- Batches per Day/Month/Quarter
- Average Batch size - #invoices; #pages
- Doc Type Breakdown #/#: Invoice, Pay Est, Non-PO, Supporting, T&E
- Average volume per staff person
- Bad scan – poor quality original (%)
- % day's mail scanned same day
- Time to scan an average batch? Page? Invoice?

Improvement Opportunities / Pain Points

Sorting Mail for Scanning:

- Train all analysts / specialists how to identify "priority". Current process requires passing stack between people – one to sort, another to pull out priority invoices, another to scan and possibly another to index.

How Invoices Get to AP – Problem of Duplicates and Lag Time:

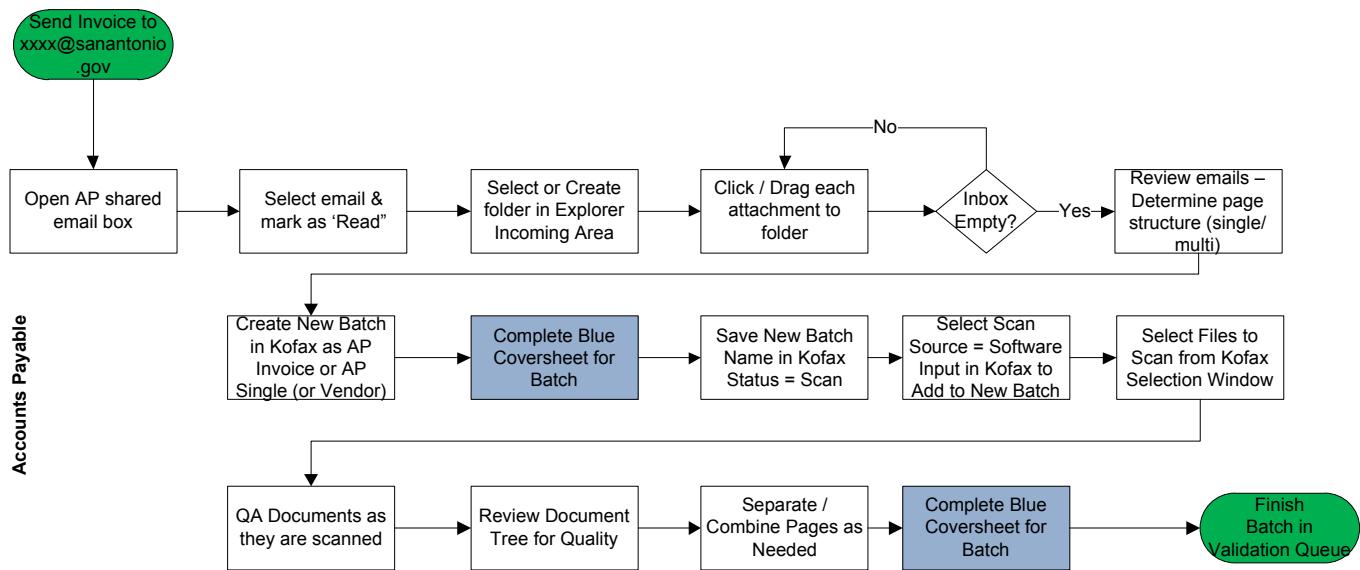
- Frequent and unscheduled submission of invoices from Departments walking invoices down to AP.
- Often (approx. 25%) of walk by invoices from departments are courtesy copies (duplicates) from vendor with just GR added to it. Departments may believe AP doesn't have invoice yet because has not appeared in SAP or FileNet Referred work.
- Vendor also may send duplicate: AP inquiry handler may not know for 5-7 days that invoice is in the system when vendor is calling.
- Sometimes invoice is already stamped Overdue when it gets to AP.
- Bill to address is department instead of Accounts Payable on PO.
- Have had discussion with purchasing to strengthen wording on contracts to include and enforce correct address (AP) to send invoices.

Scanning Capacity:

- Scanner can handle 300 one-sided pages on the tray at any one time. Some documents may be 1200 pp with backup documentation;
- Some documents arrive in duplex. Must be handled manually.

Accounts Payable Invoice Processing: Receive Invoices via Electronic Mail

| | | | | | | | | | |
|---------------------|------------------|------------|-----------------|-----------------|--------------------|--------------|--------------------|------------------|----------------|
| Create Daily Folder | Open Email Inbox | Open Email | Save Attachment | Do While Emails | Fill In Coversheet | Scan to File | Check Scan Quality | Clean Up DocTree | Ready to Index |
|---------------------|------------------|------------|-----------------|-----------------|--------------------|--------------|--------------------|------------------|----------------|



Business Rules and Practices

- Standard practice is to provide general email address to all vendors – this was an improvement over historical practice of sending directly to a named AP specialist.
- Staples is set up from their own system to automatically email invoices; Due to volume, they have been provided with a separate, specific email address that routes directly for processing by AP2 specialist.
- Vendor systems typically generate invoices overnight – AP processes inbox first thing in the morning. Emailed is viewed as priority.
- All emails in AP email inbox are treated as priority – one (1) business day indexing accomplished.
- Emails are received almost exclusively from vendors.
- Typically, the vendor requests email format – COSA does not dictate.
- Occasionally, a Department will send an email invoice, but this is not encouraged or promoted – this is an exception.

Measures of Performance and/or Quality

High value perceived to traceability of receiving via email versus paper. Has increased over time from 50 a day to 150 invoices a day via email in just last three months.

- Emails per Day/Month/Quarter
- Average # attachments per email
- Average # invoices per email; pages per invoice
- # or % and Type vendors sending emails

Improvement Opportunities / Pain Points

Extracting Attachments from Emails:

- Manual process to open and/or mark as 'ready' email, then extract attachment and save as a file in a daily created file folder in specified location on AP shared drive.
- Email batch scan more time consuming on an invoice basis than paper.
- Future state vision: System will strip off invoice attachment from email automatically and capture image and data. Would allow higher volume of invoices via email – current process too manual to rollout in large scale.
- For example, Labor on Demand (now putting their own separator sheet), Keystaff & Tristar labor invoices grouped together in one document. Have to sort manually.

File Format Limitations:

Only accepts TIFF or PDF. Some vendors send in MS office formats for example (Word or Excel). Adds time – print off and scan.

Kofax does not recognize PDF format as single 'document' - cannot distinguish individual PDF files. User must indicate Single or Multi-page documents batch type before bringing in files from saved file location.

- PDFs brought in as Single = each page of PDF documents becomes single invoice. (e.g. Five files with 3 pages each = 15 one-page 'invoices').
- PDFs brought in as Multi = entire PDF batch becomes one multi-page document (e.g. Five files with 3 pages each = One (1) 15-page 'invoice')
- AP staff must manually group/identify individual documents as invoices once 'scan' is complete.

Vendor Communication:

Vendor inquiries and other non-invoice emails or spam often get routed to inbox. Future state vision: standard response to vendor when email that is not an invoice detected – "please send only invoices", direct inquiries to (e.g. xxx xxx xxxx, ###@sa.gov).

Future state vision: Generate receipt acknowledgement to the vendor. Do not want to imply commitment to pay; simple acknowledgement of receipt. Provide COSA AP contact information for further inquiry.

Accounts Payable Invoice Processing: Receive Invoices via Facsimile to File

Receive Fax & Open

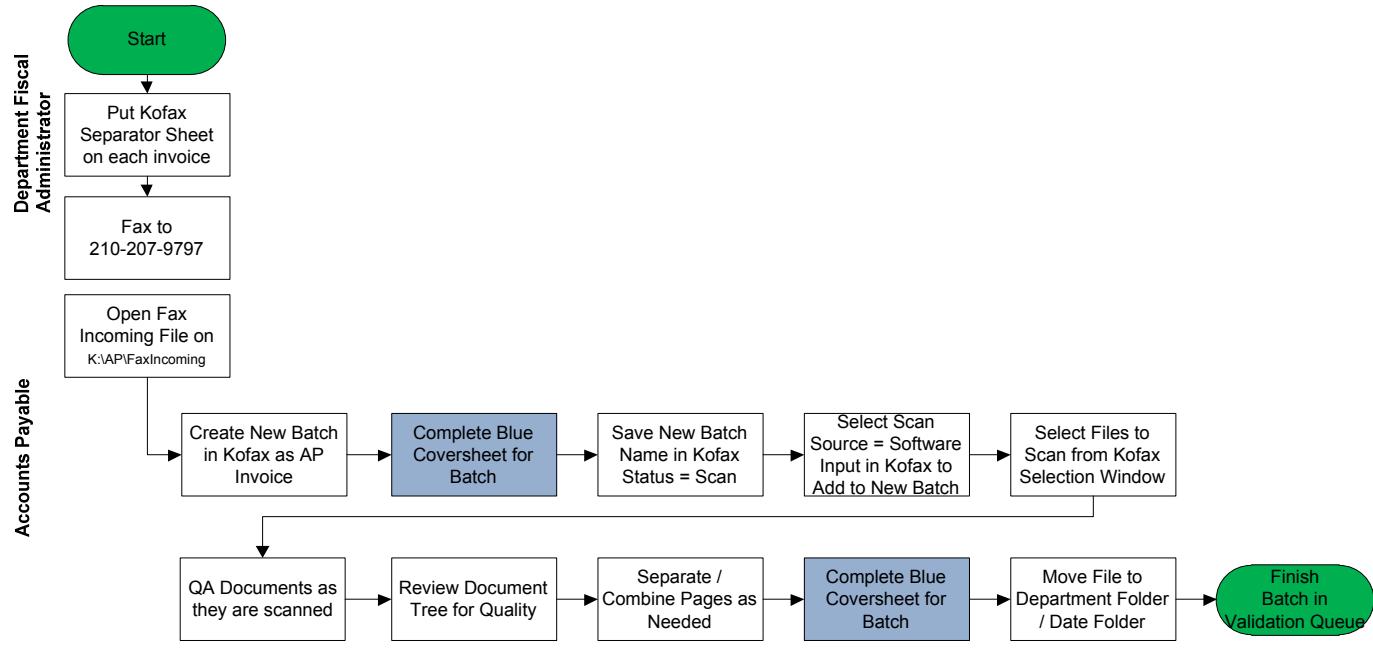
Save by Dept.

Fill In Coversheet

Scan to File

Check Scan Quality

Ready to Index



Business Rules and Practices

Only specific Departments have been authorized to send Faxed invoices to AP. Departments include Kofax barcode separator sheets to allow scan to file & auto-detection of start/end of an invoice in the file.

Note that even if invoice is a single page, users always include separator sheet so best to identify as multi page in Kofax incoming batch.

Authorized Departments that fax:

1. DHS
2. Grants Monitoring
3. SAMHD
4. Neighborhood Action
5. OEP
6. Planning and Community Development

Measures of Performance and/or Quality

- Faxed Invoice Quantity per Day/Month/Quarter
- Average # invoices per fax; pages per invoice
- # / Type vendors for areas sending faxes
- *(small volume in general as % of all invoices received)*
- % day's faxes scanned same day
- Time to scan an average batch? page? Invoice?

Scan Quality (Only twice in six months unable to read a document via fax; *If faxed image was bad, cannot recreate good image from existing file.*)

Improvement Opportunities / Pain Points

Faxed Invoices High Quality, Low Touch:

Faxed invoices are easier to process for scanning than emailed or paper – fewer steps. The work to separate and review individual invoices done up front by departments prior to sending to AP.

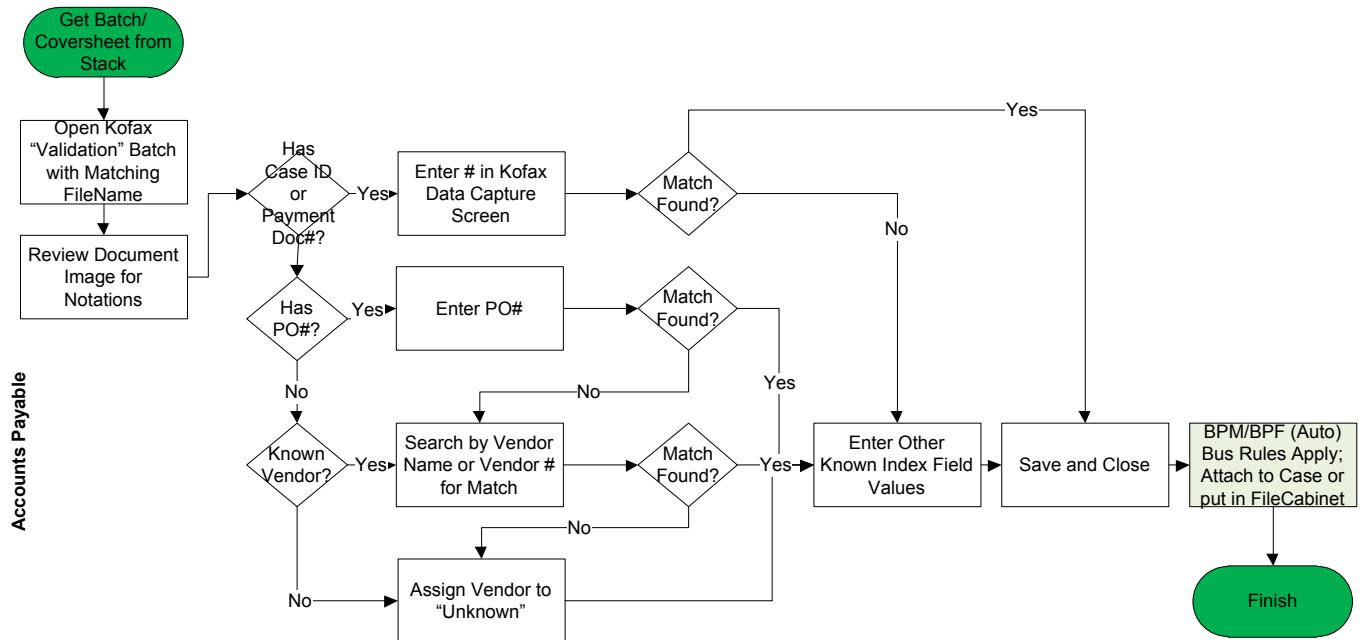
Sent by Departments only (no vendors) who have been highly trained. Few, if any, duplicates; high quality images.

Mostly originate from delegate agency that require justification of compliance with grant to approve invoice. These must come from Departments; the Department actually generates the invoice.

Could possibly increase rollout to departments if they comply with guidelines and separator sheets. However, need to know what/how many departments already touching invoices and are good candidate for conversion to fax versus drive by. Best practice and future state direction is for Vendors to send directly to AP as per contract and function design.

Future State Incremental Upgrades:

- Visibility of annotations on PDF files is inconsistent - do not always copy over into Kofax TIFF image. Critical because it is typically a PO number.
- Label/barcode on bottom of a page would work the same as separator sheet.
- Design standardized template for internally-generated invoices to facilitate OCR or other data capture/reading to bypass manual indexing.
- Explore Fax-from-desktop capability as alternative to email as possible process improvement.



Business Rules and Practices

Indexing typically done immediately following scanning/imaging from paper, fax or email. However, can be done as separate tasks and by different people.

At time of handling paper, AP staff has begun practice of drawing attention to key fields using circling or other highlighting method. Speeds up indexing process significantly. Done up front at mail sort step.

Kofax Indexing Fields:

1. Document Type* (Invoice, Pay Estimate, Supporting Doc, Non-PO, Employee T&E)
2. PO# Number* (Look up returns SAP Vendor Name and Number)
3. Vendor Name* (Look up returns SAP Vendor Number)
4. Vendor Number* (Look up returns SAP Vendor Name)
5. Vendor DBA (???)
6. SAP IR Document # (Look up returns SAP Vendor Name, Vendor#, Invoice#, Amount, Date)
7. Vendor Invoice #*
8. Invoice Date*
9. Invoice Amount*
10. Case ID (Lookup returns all relevant information within FileNet)
11. Doc Received Date*

*Required Fields

Measures of Performance and/or Quality

- Average # invoices indexed / day, month, quarter
- By Document types
- By Has PO#
- Time to index
- % New Case created without error
- % to Error queue

Improvement Opportunities / Pain Points

Error Handling:

Users select queues in "validation" status for indexing. After indexing, automatically removed from queue list – cases created on completion of indexing (not job). Queues that error out and move to QA status are not visible/known until open in batch manager.

Indexing Efficiency:

- Indexing screen only allows search on same Vendor or PO# the first time it is entered in sequence. If next invoice has same key information, search does not work – user must clear fields, search and repeat.
- Multi page invoices are difficult – key fields on different pages. At sort sometimes move last page to front if this is page with summary info. Then sometimes invoice# not there.
- Sometimes have multiple PO numbers on invoices. Future state: capture all PO numbers on indexing. (e.g. single invoice paid across multiple POs.; Airgas, for example: one for rental one for purchase of gas).

Image Quality Correction:

Some invoices are not clear (amount, vendor, etc.). Helps that we have them in the stacks. Must go back to AP Specialists. Some vendors still using dot matrix printers. Conversion to TIFF not high quality, distorted.

BPF Handling of Duplicates as Support Documents:

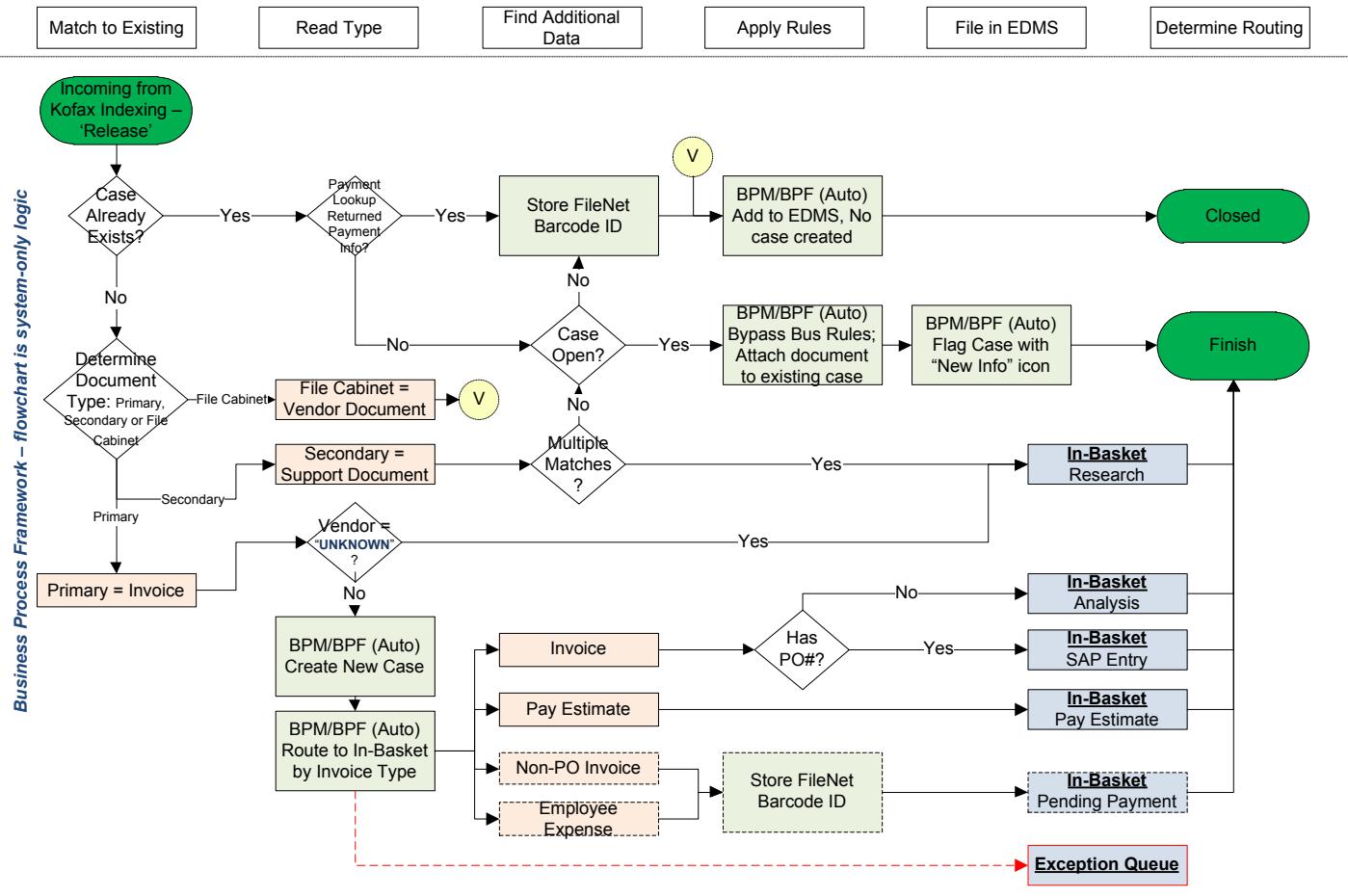
- Sometimes duplicates come in with PO and GR but the Invoice was already scanned before without a PO#. FileNet attaches this as a second document to the existing case (found by Vendor invoice#).
- Future state: system recognizes more current information (PO# & GR), adds to case and reapplies BPF to auto-move from "Analysis" or "Referred Work" to "SAP Entry".

Scope of EDMS to ERP Linking Incomplete:

If a document only exists in SAP as attachment to record, or Invoice only was processed via SAP, we would not see document/link in FileNet. Add to scope: Travel documents & Non-PO partially for this reason.

Accounts Payable Invoice Processing:

Create New FileNet Case and Auto Route to Initial In-Basket



Business Rules

Case Prioritization Flags

AP Specialists manage work items based on priority set by system and/or by sorting or filtering (system) the inbox according to:

- Priority Vendor Flag (Yes, No)
- Case Priority Flag (High, Medium, Lo)
- PO# captured (Yes, No)
- Invoice Date (FIFO)

BPF Assigns "High" Priority to Case if any one of the following is true:

1. Priority Vendor = "Y", and Invoice Date > 5 days ago
2. Due Date expires within next five (5) calendar days
3. Priority Vendor <> "Y" and Invoice Date > 25 days ago

Case Creation

FileNet BPF rules determine initial document action based on associating document with one of three categories: Primary, Secondary or File Cabinet.

| Document Type | Category |
|-----------------------|--------------|
| Invoice | Primary |
| Pay Estimate | Primary |
| Employee T and E | Primary |
| Invoice – NonPO | Primary |
| Supporting Document | Secondary |
| Statement | File Cabinet |
| Vendor Correspondence | File Cabinet |
| W-9 | File Cabinet |
| Vendor Maintenance | File Cabinet |

Volumes & Measures

Breakdown of Initial Routing of New Kofax items by Work Basket

- % and Count by Period selected
- % and Count by Document and Invoice Type

Improvement Opportunities / Pain Points

Duplicates and Handling of Supporting Documents:

- Documents detected by BPF rules as either duplicates or supporting documents for existing cases attach without sufficient flag or notification to allow action based on new information.
- If supporting/duplicate attaches to Pending Payment or Referred Work, work item remains in place with no additional data added (even if available from Kofax indexing) and only "New info" flag activated.
- Cannot find or do not see document because it attaches to existing case wherever it is in the workflow.
- Common scenario is a document that is indexed with an existing Vendor Invoice # for that vendor. If case exists already but the second invoice (duplicate) has more information than existing case (i.e. PO#), second should supersede and move existing case to new In-Basket based on BPF rules (e.g. SAP Entry).
- AP Specialists noted time spent handling documents that ultimately prove to be duplicates: image capture and workflow system design does not allow discovery of duplicates until far along in the process; SAP will present error notification of duplicate entry only well into keying invoice.

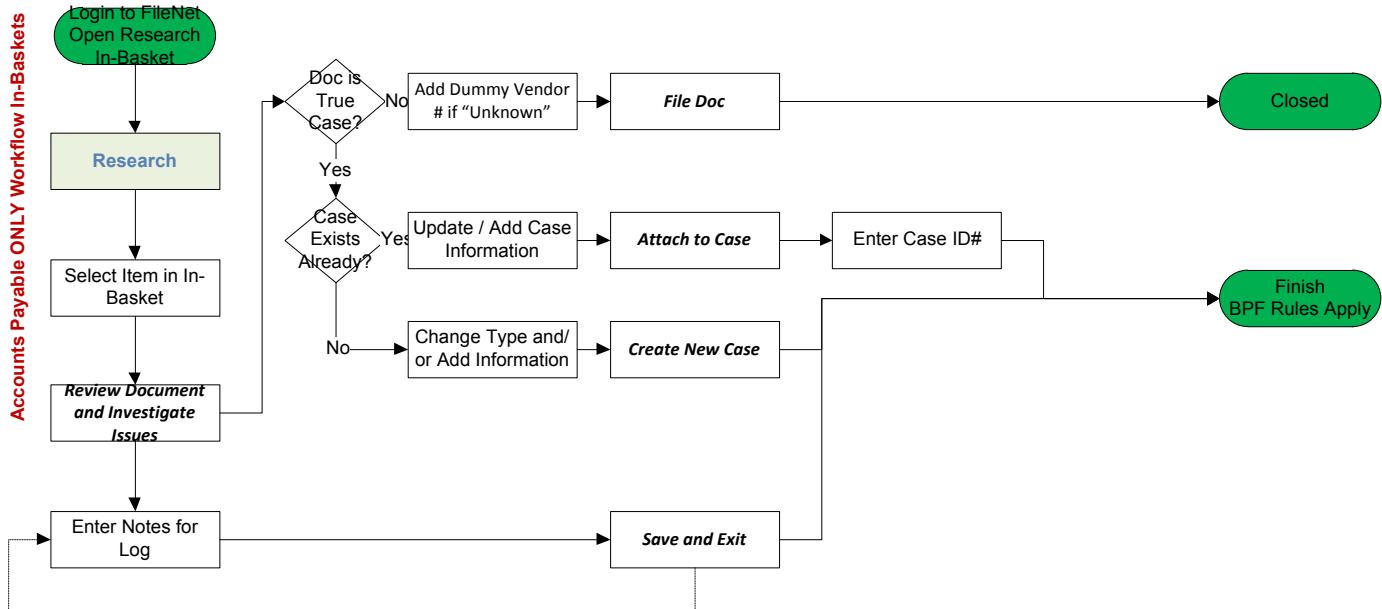
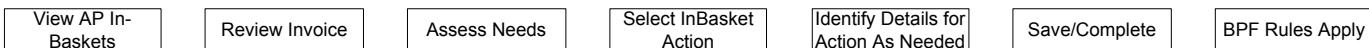
Invoice Types Not Captured: Expense Reports, Non-PO

Non-PO documents keyed at Departments and Employee Expense reports are not yet included in imaging system.

SAP Barcode configuration is activated by Document Code and Transaction and is not turned on for Non-PO transactions. Currently, AP Specialists enter Non-PO items as "Invoice" to allow system to get barcode.

If documents were to be included, current BPF design calls for routing to Pending Payment. Without SAP IR# and "Post Successful" indicator, work items by design are likely to remain in Pending Payment without resolution as Payment Lookup auto-function will fail without sufficient information in case.

Accounts Payable Invoice Processing: FileNet BPF Review and Manage Research In-Basket



Business Rules and Practices

Items Routed to Research based on...

1. Multiple matches found for same information – user must determine which case to attach document or create new case;
- If single match were found, document would have attached to existing case in its current InBasket location.
2. Majority of 'duplicates' are Supporting Document type; BPF rule to route to Research as existing / multiple matches may apply to any type (e.g. Payment Estimate)
3. Departments attach Credit Memo as a Supporting Document, to existing case; Research AP Specialist will change to Invoice type and Create New Case.
3. Indexed with "Vendor Unknown".

Volumes & Measures

Breakdown of Resolution of Research Work items
 % Create New Case
 % Attach to Existing Case
 % File Doc

Average time to resolve items, Average age of cases in WorkBasket

Volume (%) Items by Department

% Total Monthly (other period) Work Items routed to Research

Improvement Opportunities / Pain Points

Department "Attach" Document Function Creates Duplicates:

The "Attach Document" function used by Referred Work In-Basket results in many work items routing to Research. When 'Attaching' a document to an existing case, the User must manually enter all case information exactly – it does not default from the selected case to New Attachment attributes.

If information is entered incorrectly, the system creates a new case but no message is generated warning the initiating user of this unintended result; the Department User will re-attempt attachment multiple times until attachment is seen in view listing; Each attempt creates a duplicate that will route to Research.

- Over 50% of documents in Research In-Basket are Supporting Document type that were detected as duplicates and/or system could not find matching case.
- Natural resolution would be to reach out to document owner, however, cannot tell origin of document because In-Basket indicates last action performed by "System User".
- Resolution is manual – Research AP Specialist makes determination item by item, even when items are multiple instances of same duplicate document.
- NOTE: There are cases where a User may need to attach the same document to multiple cases (e.g. detailed invoice with line item information related to multiple SAP entries).

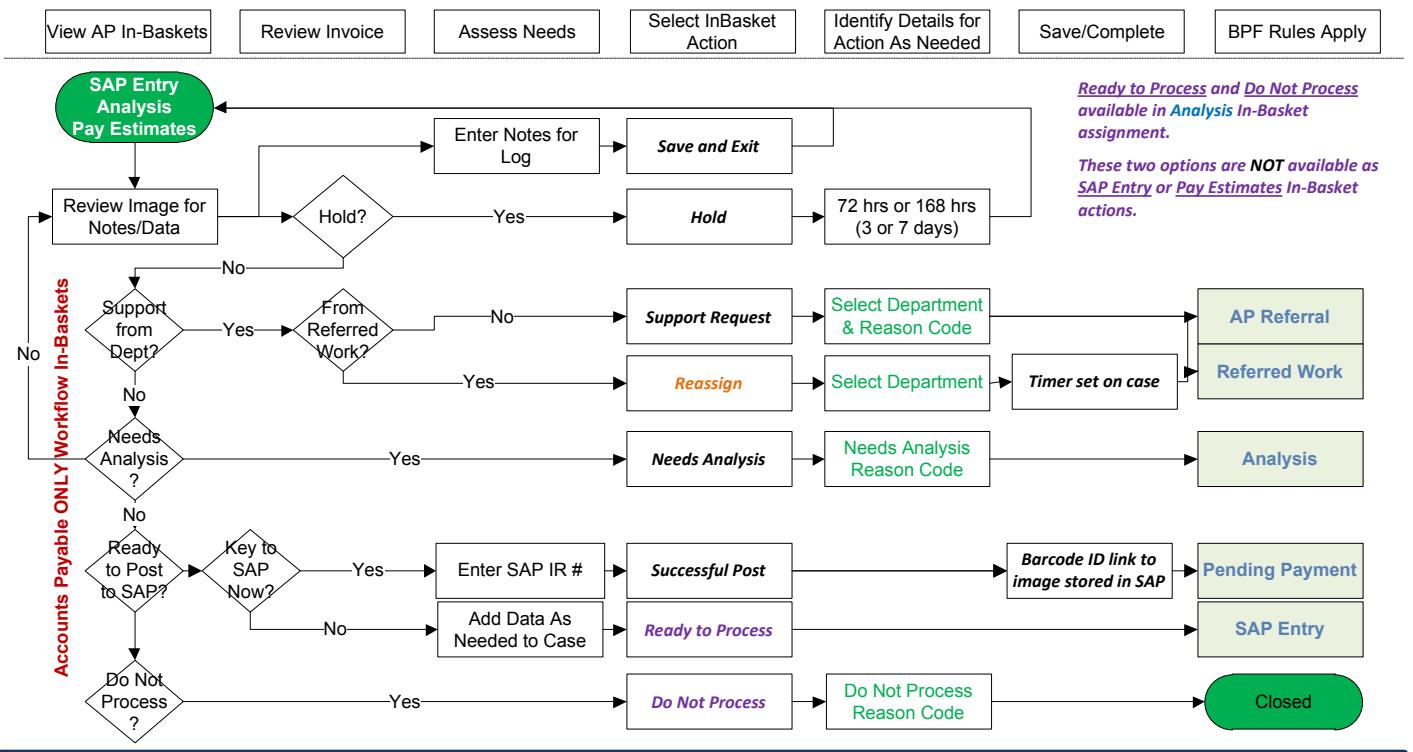
User Interface – InBasket Functionality

Previously identified interface and functionality limitations apply to Research inbasket actions. Specifically:

- Message will indicate the routed document is related to existing case but does not identify case number, only criteria on which match was located (e.g. Vendor Number and Vendor Invoice#). Requires user to search using other criteria and/or going outside of BPF to Search Tool.
- Case details are in log information and image. Each requires clicks beyond initial view and in-basket listing to access. User must work in three or more tabs or windows to make determination of final case action to take. Consolidated view of data and preview pane would help significantly.

Accounts Payable Invoice Processing: FileNet InBaskets for AP Only

Manage In-Baskets and Post to SAP



Business Rules and Practices

This workflow addresses actions in the three (3) primary AP workbaskets according to the following rules and security access:

| Inbasket Routing | SAP Entry | Analysis | Pay Estimates |
|-------------------------|--------------|----------|----------------|
| Security Roles | APS1 APS2 | APS2 | APS2PE APS2 |
| Inbasket Action: | | | |
| Support Request | ✓ | ✓ | ✓ |
| Needs Analysis | ✓ | ✓ | ✓ |
| Successful Post | ✓ | ✓ | ✓ |
| Hold | ✓ | ✓ | ✓ |
| Save & Exit | ✓ | ✓ | ✓ |
| Do Not Process | | ✓ | |
| Ready to Process | | ✓ | |

Do Not Process Reason Codes

- Duplicate
- Reverse to be Reentered
- Reverse Do Not Reenter
- Other Payment Method Found
- Other

Support Request Reason Codes:

- Missing or Invalid PO
- GR Entry Needed
- Quantity Difference
- Pricing Difference
- Pay Additional Charges
- Additional Info or Backup Needed
- Contract Question
- Vendor Inquiry on Status
- Other

Needs Analysis Reason Codes

- Missing or Invalid PO
- Quantity Difference
- Pricing Difference
- Contract Question
- Vendor Inquiry on Status
- Other

Improvement Opportunities / Pain Points

Data Integration for One-Time Keying:

- Build integration from FileNet workflow to SAP for keying of invoices. Kofax data comes across into FileNet case. Additional data is captured during FileNet workflow process. AP staff must key data again manually from FileNet Case and Invoice Image to SAP.
- Example: Telecom invoices indexed into Kofax, routed/touched in FileNet and keyed into SAP same day.
- Integration should consider bulk action requirements: Multiple invoices against same PO, e.g.
- NOTE: Indexing and SAP MIRO field order do not match. Oversight during Phase 1 design. Change now would result in inefficiencies / retraining. Consider field design with any future additions or modifications.

Workbaskets Actions:

- "Do Not Process" action not available to AP1. Allow "Do Not Process" action (Reason Code = Duplicate) to tell the AP2 why you are moving it to Analysis from SAP Entry. Duplicates show up late in process.
- Departments indicate "Ready to Process" but cannot enter PO# in primary screen (field restricted).

Communication Within Case Workflow:

- Case comment length limited to 100 characters. Restricts communication between AP and department. Workaround = send email or call directly.
- Save and Exit also functionality also space limited; Sometimes enter Save & Exit multiple times before sending to capture all information. (Example: SAPD invoice with different UOMs from PO, Line Items did not match; Difficult to explain clearly in 100 words.)
- High-value information from departments (PO# or GR#) appears in Log versus Comments field; requires back and forth – inefficient. Training today recommends using Comments to display key information on same tab; not enforced by system.

User Interface Functionality:

- Preview pane to replace tabbing for image view. Same-screen view creates efficiencies – e.g. View invoice header to identify which department owns the invoice; See key information next to fields; Vendor info.
- Copy/paste not available from audit log information (e.g. PO#). Can copy/paste from Case Comments field.
- Need a Flag within Analysis to indicate "referred to Vendor"; would assist APs in prioritizing work items.
- Create/access shortcut (hot) keys for high-volume data entry efficiency. Mouse required now for all commands or key action steps. SAP has hot keys (e.g. CTL+Key).

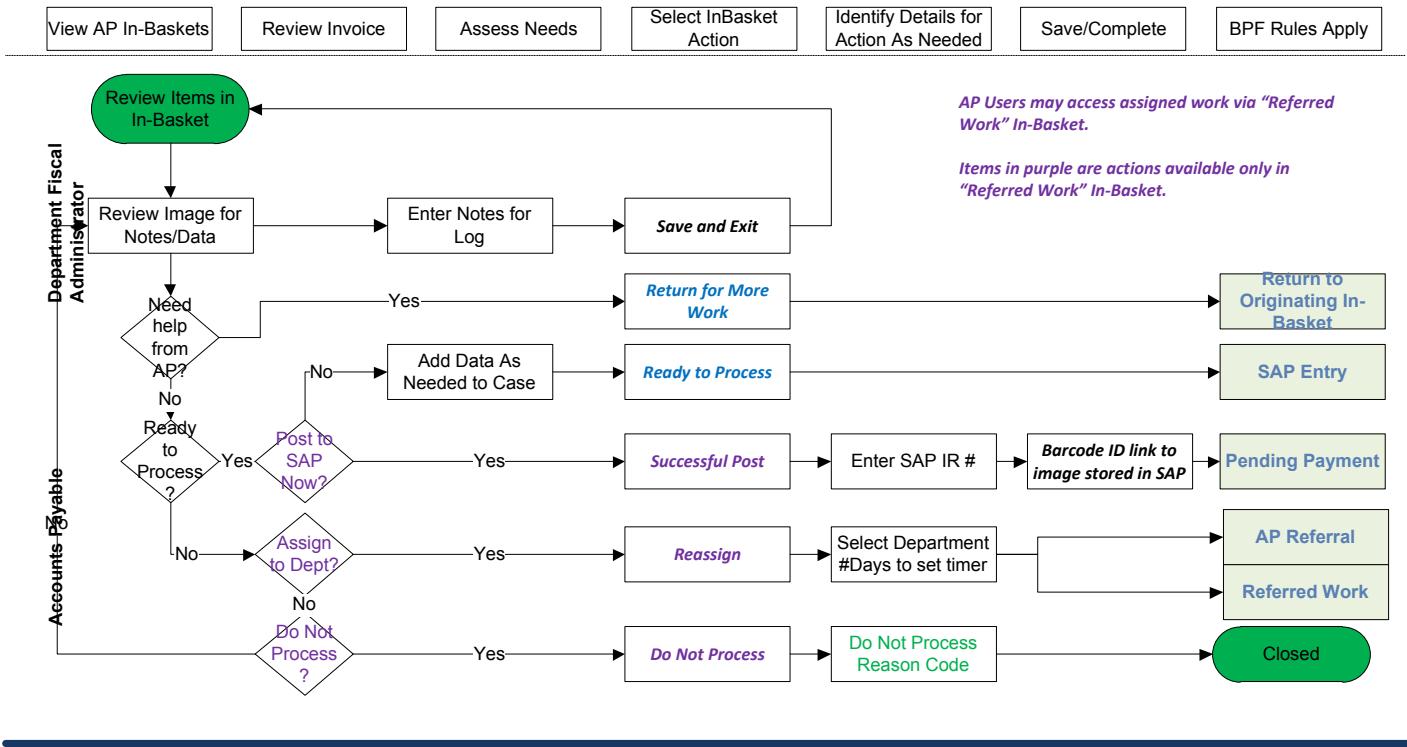
Performance Issues:

- Attachments to case within FileNet BPF take a long time to open; Case takes a long time to respond once you click "Post Successful" or any inbox action. Overall system needs to be faster. Documents open fastest from FileNet search tool.

Bulk Action and Routing:

Allow bulk action from AP In-baskets. For example: Multiple invoices from one vendor with same issue currently need to be routed one by one. Allow bulk action move from Analysis to SAP Entry if AP knows all invoices are on the same PO (e.g. Baker Taylor sends multiple invoices for one PO for library books in SAP; time consuming posting). One comment applies to all items to be moved along in workflow BPF.

Accounts Payable Invoice Processing: Manage FileNet Department Queue and Referred Work



Business Rules and Practices

Departments with non-SAP purchasing systems or other systems for Invoice or contracts or purchase management:

1. Library = Millennium for books
2. Fleet = Fleet Faster for work orders
- (3. Public Works Portal/CIMS) – “Pay Estimates”

AP Referral baskets by department.

Referred Work In-Basket allows AP visibility to department referred items

Department Work Item Management:

- One department inbox exists for each department.
- All department members with P2P roles will be assigned to same box.
- All receive same email notifications from FileNet.
- Departments create off-line queue management and work distribution systems.
- For example, Human services (DHS) has a single person open and then distribute to others. Everybody receives the email; they are instructed not to do anything.
- Other departments have similar procedures.

Measures of Performance and/or Quality

- Referral analysis by APS and reason code.
- Average department items at any given time?
- Average age of items in work-basket?
- Referred item reason codes breakdown (by %)
- Average time to resolve items?
- Invoice volume by department.
- FileNet access (and/or touch invoices) per department.
- How many/% invoices received directly by department from vendor?
- % breakdown of referred items by top vendors? By departments?
- Items reassigned – wrong department first time.
- Date received by AP vs. date first received in department work-basket.
- How many invoices in Referred Work were past due at time of routing?

Improvement Opportunities / Pain Points

In-basket Actions

- Save & Exit (other In-basket actions) separate action from entering notes; GUI improvement = more integrated / automatic incorporation of notes. Allow more visible communication of last action to AP from the last department, e.g. specification of GR date versus real good receipt date.

Department Routing:

- Many users have created Outlook inbox rules, so they don't even see the email.
- Department Workaround = internal process with spreadsheet to track.
- Route more specifically and accurately (e.g. by vendor, buyer or POC in department).
- Create sub-department where distinctions are clear. (e.g. Aviation versus Stinson).
- Explore establishing roles for routing - Department would have to manage.
- Option to turn off emails except for flagged/priority. Send only when critical.
- Send summary email with list of past due / priority.
- Provide functionality to allow departments to assign and track.
- Provide ability to manage columns in Referred Work to allow user customized screen view.
- Add a column for view = work item (and case) CREATED date. Shows in a download but not on screen. Allow processors to sort by how long in in-basket.

Incorrect Dates on Invoices

- Invoice sent to COSA department before a job finished.
- Other cases, vendor holds on to the invoice with invoice date and it looks late.
- Baseline date as default calculation is issue that comes up again and again.
- Routed invoice may have month-old invoice date (e.g. Terminix end of month service date).

SAePS Confirmation = SAP GR

- SAePS provides "confirmation 3000 number"; AP says need GR. AP has no SAePS roles so has no way to see which line item the confirmation is referencing so do not know what line of PO to post against. Training Job aid created = Refresh screen to see GR on confirmation line. Allow search for GR by confirmation number. Large impact as SAePS includes vendors such as Staples.

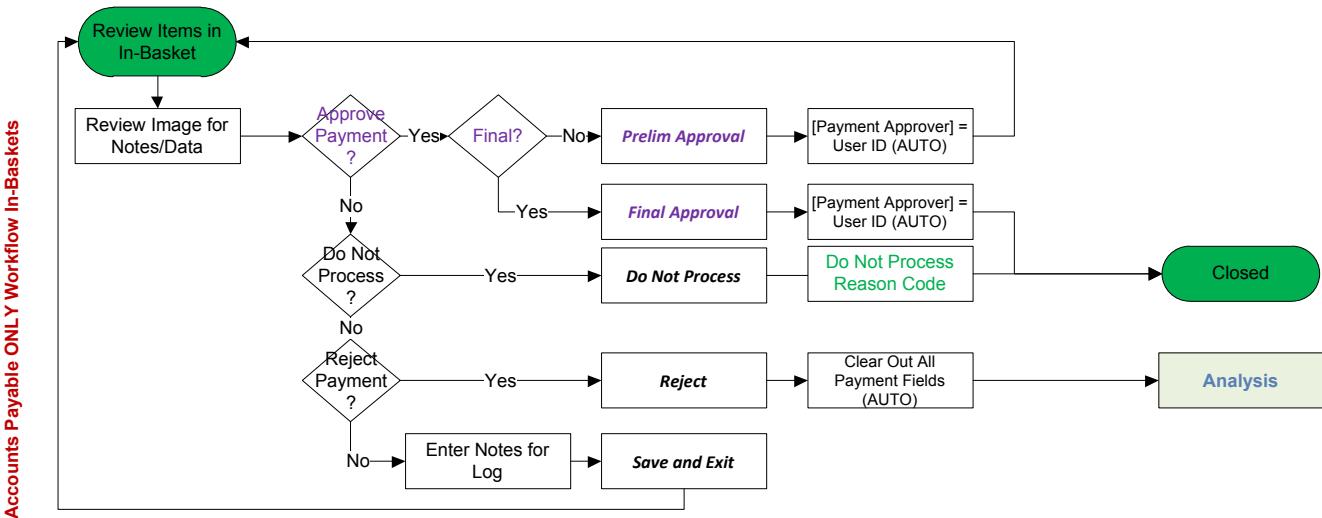
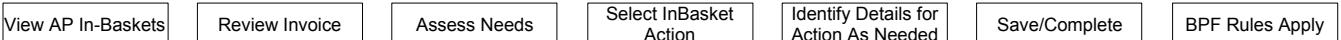
SAP HR and Assignments for SAePS approvals.

- New shared services roles mapping may affect approval flow. Also, other role changes, vacation and new hire can result in shopping carts getting stuck in inbox.

Vendor Process Improvement Opportunities

- Vendors do not often include line item references, only PO number.
- PO says 'remit to'; gives correct address but vendor sends incorrectly. Direction from team: need to work individually and directly with vendors to educate.
- Vendors submitting lump sum invoice instead of breaking down by PO/ LI. Example was PO for Concrete. Annual contract had steps: put in curb; sidewalk, etc. were line items on PO but they would send lump sum not by job/line item. Action: validate at bid that vendor can meet invoice format / submission requirements.

Accounts Payable Invoice Processing: MR (Manager Review In-Basket) and Pending Payments



Business Rules and Practices

Process Summary:

- Successfully posted (SAP IR) cases are routed to Pending Payment queue await confirmation of payment.
- SAP lookup runs nightly to match clearing document number to case using SAP IR#.
- Daily Check for Payment Document # (auto)*
- Payment Document # Received (auto)*
- If YES, add [Payment Document #] to case.
- If [Payment Amount] > \$25,000 or [Payment Method] = Wire or ACH => **Manager Review**

No active roles apply to Pending Payment. However, Manager may review to determine if there are system problems (orphaned/stuck cases) and/or to search for and act on cases that should be reversed or otherwise require action

Manager Review In-Basket

All items in Manager Review originate in Pending Payment. The Manager Review in-basket allows authorized users to review Wire, ACH and high-dollar check transactions before the FileNet case is closed. Actions available:

- Prelim Approval
- Final Approval
- Reject
- Do Not Process
- Save & Exit

Do Not Process Reason Codes

- Duplicate
- Reverse to be Reentered
- Reverse Do Not Reenter
- Other Payment Method Found
- Other

Volumes & Measures

Average Age of items in Pending Payment

Improvement Opportunities / Pain Points

Workflow Logic Timing Design Flaw:

- BPF workflow logic looks forward in time only (requirement driven by need to manage voided checks, avoid overwrite past data with current data for same transactions).
- Pending Payment uncleared items because in queue > payment run.
- Workaround: Referred Work queue by IR#.
- Manager Review timing flaw - items move from Pending Payment to MR if payment method = Wire or ACH. Vendor Master payment information indicates Wire or ACH, therefore, FileNet workflow will not know to move to MR until AFTER payment is made.
- Managers using FileNet search, Pending Payment filtering, or SAP directly.
- Impact of design is possible delay: Manager holds check pending review.
- Search tool by Check number is faster and more efficient than going to Manager Review.
- Manager Review advantage = linked to case, allows grouping of many associated images; FileNet search returns all images without reference; user must determine.
- Post date versus Check date. Post successfully = check date.
- Manager review = add column Check Number.

Performance Issues

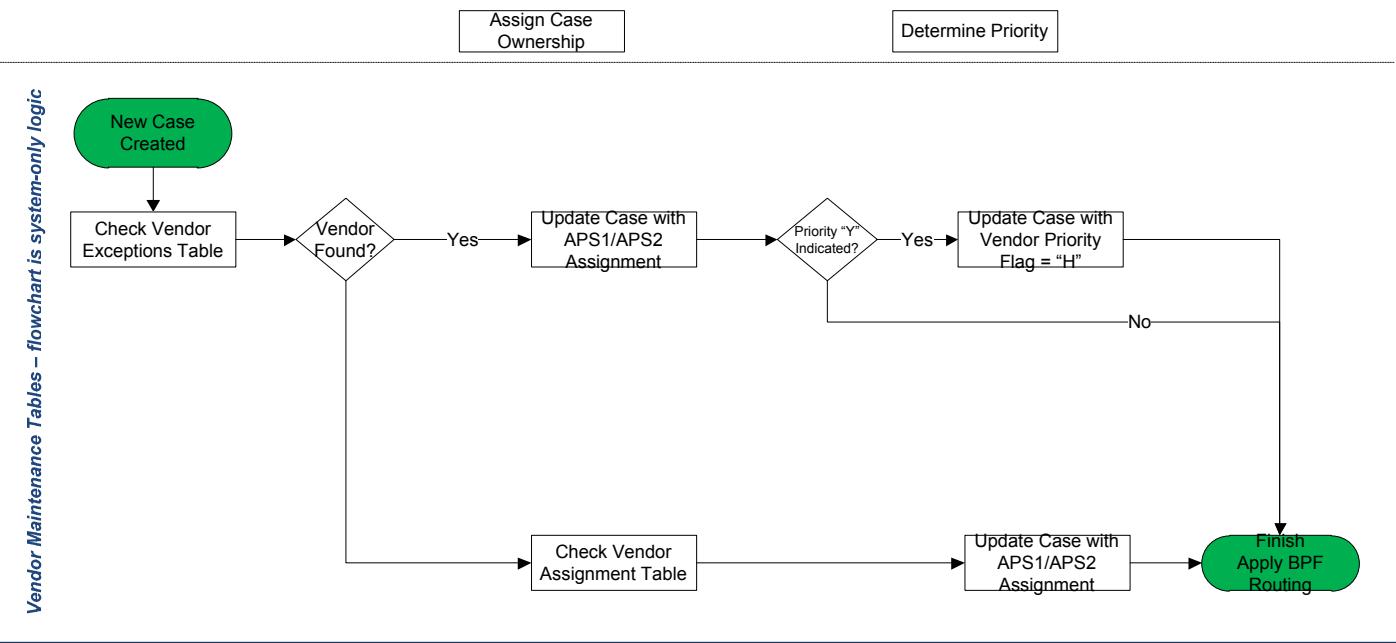
- Search tool is highly critical product for both Invoice search and case search.
- Cumbersome to look for image from within SAP. Lots of clicks and screens.
- Because Manager Review box contents are not timely, search tool needed.

Bulk Action

- Need to add Bulk "Reject" functionality in Manager Review. Now only bulk 'Approve'.
- Also Bulk action in Pending Payment for any actions – Reject or Final, etc. No Bulk action available at all in PP. Would apply for reissuing voided check, e.g. as typically apply to many POs or invoices.

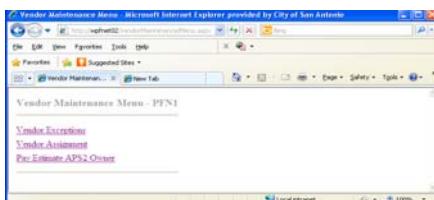
Pending Payment Orphans and Errors

- Using Pending Payment to catch errors: since PP uses same basic fields as "Create Barcode" link, aged items in PP indicate link likely broken. "!" error indicates SAP information does not exactly match FileNet case. Very sensitive - must be exact and is manually keyed in FileNet.
- Improvement if logic allowed case to move automatically to close or Manager Review once manually corrected in Pending Payment. For example: if Vendor invoice number mismatch corrected, now, it rejects to Analysis, then user must go back into workbasket to fix again so line fixes itself. Redundant, duplicate work.
- Allow manual vs batch run for lookup. Rule now is first lookup at 12 hours; subsequent every 24 hours. Future State: allow forced/manual lookup to push MR corrections.
- Workplace exception queue used to search/find case in system. AP only uses.
- SAP FBL1N report added indicator 'has attachment' for error detection – very manual.
- Retro data link needed: October 1, 2009 to April 2010 via flat file to SAP group; Non-PO have no link because not processed in workflow.



Business Rules and Practices

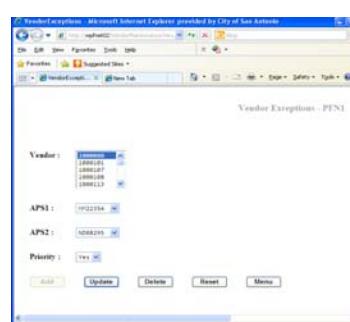
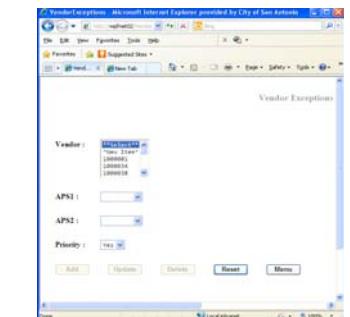
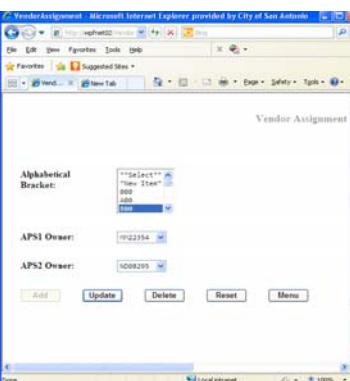
Custom functionality provides master data tables for managing work assignments in AP Specialist group as well as indication of specialty/priority vendor.



- Vendor Assignment** = Alphabetical brackets assignments for APS1 and APS2. Brackets are defined by 'Bracket begin' and can be changed by End User with Table Administration rights.
- Vendor Exceptions** = Allows overwrite of Alpha assignment based on specific Vendor Number. Table entries in Vendor Exceptions require User to indicate Exception APS1 and APS2 processor and/or indicator of "Priority" vendor.
- Pay Estimate** = AP Specialist for Pay Estimates must be defined in separate table.

Volumes & Measures

Number of steps / screens to update assignments
Time spent in maintenance activities



Improvement Opportunities / Pain Points

Custom Application for Vendor Maintenance

The AP Authorized user assigns APS1 / APS2 to Alphabetical Brackets defined by user. Bracket definitions and assignments CANNOT be viewed as list and must be defined and updated individually.

No List/Table View or Mass Reassign

Custom Vendor Exception program allows for individual updates by Vendor number only. Program does not provide a Table or List view. No spreadsheet output capability.

Vendor Exceptions apply to Large Volume and/or Priority Vendors (i.e. critical payment terms; complex invoices; known issues).

Shows only Vendor number – no listing to confirm name. There are approximately 2,000 active Vendors at any given time.

[Number must exist – validation is part of functionality].

Change in APS1 or APS2 assignments must be done individually – no mass reassign available to support organizational changes or employees leaving the organization.

Cases Do Not Appear in Filter

Reassignment of APS1 / APS2 applies only to New Cases coming in and will not update existing Workflow items.

Referred Work InBox action "Return for More Work" automatically returns item to APS1 / APS2 assigned at the time of initial routing. If that APS1 / APS2 has left the organization, the Case will no longer appear in the applied filter – Must search for specifically and manually reassign APS1 / APS2.

RFCSP EXHIBIT 5

COSA TECHNOLOGY STANDARDS

Attached as a separate document

**SMALL BUSINESS ECONOMIC DEVELOPMENT
ADVOCACY (SBEDA) PROGRAM**

A. Solicitation Response and Contract Requirements and Commitment

Respondent understands and agrees that the following provisions shall be requirements of this solicitation and the resulting contract, if awarded, and by submitting its Response, Respondent commits to comply with these requirements. In the absence of a waiver granted by the SBO, failure of a Prime Contractor to commit in its response, through fully-documented and signed SBO-promulgated Subcontractor/Supplier Utilization Plan form, to satisfying the SBE subcontracting goal shall render its response NON-RESPONSIVE.

Exception Request - A Respondent may, for good cause, request an Exception to the application of the SBEDA Program if the Respondent submits the *Exception to SBEDA Program Requirements Request* form (*available at <http://www.sanantonio.gov/SBO/Forms.aspx>*) with its solicitation response. The Respondent's Exception request must fully document why: (1) the value of the contract is below the \$50,000 threshold for application of the SBEDA Program; or (2) no commercially-useful subcontracting opportunities exist within the contract scope of work; or (3) the type of contract is outside of the scope of the SBEDA Ordinance. **Late Exception Requests will not be considered.**

B. SBEDA Program

The CITY has adopted a Small Business Economic Development Advocacy Ordinance (Ordinance No. 2010-06-17-0531 and as amended, also referred to as "SBEDA" or "the SBEDA Program"), which is posted on the City's Economic Development (EDD) website page and is also available in hard copy form upon request to the CITY. The SBEDA Ordinance Compliance Provisions contained in this section of the Agreement are governed by the terms of this Ordinance, as well as by the terms of the SBEDA Ordinance Policy & Procedure Manual established by the CITY pursuant to this Ordinance, and any subsequent amendments to this referenced SBEDA Ordinance and SBEDA Policy & Procedure Manual that are effective as of the date of the execution of this Agreement. Unless defined in a contrary manner herein, terms used in this section of the Agreement shall be subject to the same expanded definitions and meanings as given those terms in the SBEDA Ordinance and as further interpreted in the SBEDA Policy & Procedure Manual.

C. Definitions

Affirmative Procurement Initiatives (API) – Refers to various Small Business Enterprise, Minority Business Enterprise, and/or Women Business Enterprise ("S/M/WBE") Program tools and Solicitation Incentives that are used to encourage greater Prime and subcontract participation by S/M/WBE firms, including bonding assistance, evaluation preferences, subcontracting goals and joint venture incentives. (For full descriptions of these and other S/M/WBE program tools, see Section III. D. of Attachment A to the SBEDA Ordinance.)

Certification or "Certified" – the process by which the Small Business Office (SBO) staff determines a firm to be a bona-fide small, minority-, women-owned, or emerging small business enterprise. Emerging Small Business Enterprises (ESBEs) are automatically eligible for Certification as SBEs. Any firm may apply for multiple Certifications that cover each and every status category (e.g., SBE, ESBE, MBE, or WBE) for which it is able to satisfy eligibility standards. The SBO staff may contract these services to a regional Certification agency or other entity. For purposes of Certification, the City accepts any firm that is certified by local government entities and other organizations identified herein that have adopted Certification standards and procedures similar to those followed by the SBO, provided the prospective firm satisfies the eligibility requirements set forth in this Ordinance in Section III.E.6 of Attachment A.

Centralized Vendor Registration System (CVR) – a mandatory electronic system wherein the City requires all prospective Respondents and Subcontractors that are ready, willing and able to sell goods or services to the City to register. The CVR system assigns a unique identifier to each registrant that is then required for the purpose of submitting solicitation responses and invoices, and for receiving payments from the City. The CVR-assigned identifiers are also used by the Goal Setting Committee for measuring relative availability and tracking utilization of SBE and M/WBE firms by Industry or commodity codes, and for establishing Annual Aspirational Goals and Contract-by-Contract Subcontracting Goals.

Commercially Useful Function – an S/M/WBE firm performs a Commercially Useful Function when it is responsible for execution of a distinct element of the work of the contract and is carrying out its responsibilities by actually performing, staffing, managing and supervising the work involved. To perform a Commercially Useful Function, the S/M/WBE firm must also be responsible, with respect to materials and supplies used on the contract, for negotiating price, determining quantity and quality, ordering the material, and installing (where applicable) and paying for the material itself. To determine whether an S/M/WBE firm is performing a Commercially Useful Function, an evaluation must be performed of the amount of work subcontracted, normal industry practices, whether the amount the S/M/WBE firm is to be paid under the contract is commensurate with the work it is actually performing and the S/M/WBE credit claimed for its performance of the work, and other relevant factors. Specifically, an S/M/WBE firm does not perform a Commercially Useful Function if its role is limited to that of an extra participant in a transaction, contract or project through which funds are passed in order to obtain the appearance of meaningful and useful S/M/WBE participation, when in similar transactions in which S/M/WBE firms do not participate, there is no such role performed. The use of S/M/WBE firms by CONTRACTOR to perform such “pass-through” or “conduit” functions that are not commercially useful shall be viewed by the CITY as fraudulent if CONTRACTOR attempts to obtain credit for such S/M/WBE participation towards the satisfaction of S/M/WBE participation goals or other API participation requirements. As such, under such circumstances where a commercially useful function is not actually performed by the S/M/WBE firm, the CONTRACTOR shall not be given credit for the participation of its S/M/WBE subcontractor or joint venture partner towards attainment of S/M/WBE utilization goals, and the CONTRACTOR and S/M/WBE firm may be subject to sanctions and penalties in accordance with the SBEDA Ordinance.

Evaluation Preference – an API that may be applied by the Goal Setting Committee (“GSC”) to Construction, Architectural & Engineering, Professional Services, Other Services, and Goods and Supplies contracts that are to be awarded on a basis that includes factors other than lowest price, and wherein responses that are submitted to the City by S/M/WBE firms may be awarded additional Points in the evaluation process in the scoring and ranking of their proposals against those submitted by other prime CONTRACTORS or Respondents.

Good Faith Efforts – documentation of the CONTRACTOR’s or Respondent’s intent to comply with S/M/WBE Program Goals and procedures including, but not limited to, the following: (1) documentation within a solicitation response reflecting the Respondent’s commitment to comply with SBE or M/WBE Program Goals as established by the GSC for a particular contract; or (2) documentation of efforts made toward achieving the SBE or M/WBE Program Goals (e.g., timely advertisements in appropriate trade publications and publications of wide general circulation; timely posting of SBE or M/WBE subcontract opportunities on the City of San Antonio website; solicitations of bids/proposals/qualification statements from all qualified SBE or M/WBE firms listed in the Small Business Office’s directory of certified SBE or M/WBE firms; correspondence from qualified SBE or M/WBE firms documenting their unavailability to perform SBE or M/WBE contracts; documentation of efforts to subdivide work into smaller quantities for subcontracting purposes to enhance opportunities for SBE or M/WBE firms; documentation of a Prime Contractor’s posting of a bond covering the work of SBE or M/WBE Subcontractors; documentation of efforts to assist SBE or M/WBE firms with obtaining financing, bonding or insurance required by the Respondent; and documentation of consultations with trade associations and consultants that represent the interests of SBE and/or M/WBEs in order to identify qualified and available SBE or M/WBE Subcontractors.) The appropriate form and content of CONTRACTOR’s Good Faith Efforts documentation shall be in accordance with the SBEDA Ordinance as interpreted in the SBEDA Policy & Procedure Manual.

HUBZone Firm – a business that has been certified by U.S. Small Business Administration for participation in the federal HUBZone Program, as established under the 1997 Small Business Reauthorization Act. To qualify as a HUBZone firm, a small business must meet the following criteria: (1) it must be owned and Controlled by U.S. citizens; (2) at least 35 percent of its employees must reside in a HUBZone; and (3) its Principal Place of Business must be located in a HUBZone within the San Antonio Metropolitan Statistical Area. [See 13 C.F.R. 126.200 (1999).]

Independently Owned and Operated – ownership of an SBE firm must be direct, independent and by Individuals only. Ownership of an M/WBE firm may be by Individuals and/or by other businesses provided the ownership interests in the M/WBE firm can satisfy the M/WBE eligibility requirements for ownership and Control as specified herein in Section III.E.6. The M/WBE firm must also be Independently Owned and Operated in the sense that it cannot be the subsidiary of another firm that does not itself (and in combination with the certified M/WBE firm) satisfy the eligibility requirements for M/WBE Certification.

Individual – an adult person that is of legal majority age.

Industry Categories – procurement groupings for the City of San Antonio inclusive of Construction, Architectural & Engineering (A&E), Professional Services, Other Services, and Goods & Supplies (i.e., manufacturing, wholesale and retail distribution of commodities). This term may sometimes be referred to as “business categories.”

Minority/Women Business Enterprise (M/WBE) – firm that is certified as a Small Business Enterprise and also as either a Minority Business Enterprise or as a Women Business Enterprise, and which is at least fifty-one percent (51%) owned, managed and Controlled by one or more Minority Group Members and/or women, and that is ready, willing and able to sell goods or services that are purchased by the City of San Antonio.

M/WBE Directory – a listing of minority- and women-owned businesses that have been certified for participation in the City's M/WBE Program APIs.

Minority Business Enterprise (MBE) – any legal entity, except a joint venture, that is organized to engage in for-profit transactions, which is certified a Small Business Enterprise and also as being at least fifty-one percent (51%) owned, managed and controlled by one or more Minority Group Members, and that is ready, willing and able to sell goods or services that are purchased by the CITY. To qualify as an MBE, the enterprise shall meet the Significant Business Presence requirement as defined herein. Unless otherwise stated, the term "MBE" as used in this Ordinance is not inclusive of women-owned business enterprises (WBEs).

Minority Group Members – African-Americans, Hispanic Americans, Asian Americans and Native Americans legally residing in, or that are citizens of, the United States or its territories, as defined below:

African-Americans: Persons having origins in any of the black racial groups of Africa as well as those identified as Jamaican, Trinidadian, or West Indian.

Hispanic-Americans: Persons of Mexican, Puerto Rican, Cuban, Spanish or Central and South American origin.

Asian-Americans: Persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent or the Pacific Islands.

Native Americans: Persons having no less than 1/16th percentage origin in any of the Native American Tribes, as recognized by the U.S. Department of the Interior, Bureau of Indian Affairs and as demonstrated by possession of personal tribal role documents.

Originating Department – the CITY department or authorized representative of the CITY which issues solicitations or for which a solicitation is issued.

Payment – dollars actually paid to CONTRACTORS and/or Subcontractors and vendors for CITY contracted goods and/or services.

Points – the quantitative assignment of value for specific evaluation criteria in the vendor selection process used in some Construction, Architectural & Engineering, Professional Services, and Other Services contracts (e.g., up to 10 points out of a total of 100 points assigned for S/M/WBE participation as stated in response to a Request for Proposals).

Prime Contractor – the vendor or contractor to whom a purchase order or contract is issued by the City of San Antonio for purposes of providing goods or services for the City. For purposes of this agreement, this term refers to the CONTRACTOR.

Relevant Marketplace – the geographic market area affecting the S/M/WBE Program as determined for purposes of collecting data for the MGT Studies, and for determining eligibility for participation under various programs established by the SBEDA Ordinance, is defined as the San Antonio Metropolitan Statistical Area (SAMSA), currently including the counties of Atascosa, Bandera, Bexar, Comal, Guadalupe, Kendall, Medina and Wilson.

Respondent – a vendor submitting a bid, statement of qualifications, or proposal in response to a solicitation issued by the City. For purposes of this agreement, CONTRACTOR is the Respondent.

Responsible – a firm which is capable in all respects to fully perform the contract requirements and has the integrity and reliability which will assure good faith performance of contract specifications.

Responsive – a firm's submittal (bid, response or proposal) conforms in all material respects to the solicitation (Invitation for Bid, Request for Qualifications, or Request for Proposal) and shall include compliance with S/M/WBE Program requirements.

San Antonio Metropolitan Statistical Area (SAMSA) – also known as the Relevant Marketplace, the geographic market area from which the CITY's MGT Studies analyzed contract utilization and availability data for disparity (currently including the counties of Atascosa, Bandera, Bexar, Comal, Guadalupe, Kendall, Medina and Wilson).

SBE Directory - a listing of small businesses that have been certified for participation in the City's SBE Program APIs.

Significant Business Presence – to qualify for this Program, a S/M/WBE must be headquartered or have a *significant business presence* for at least one year within the Relevant Marketplace, defined as: an established place of business in one or more of the eight counties that make up the San Antonio Metropolitan Statistical Area (SAMSA), from which 20% of its full-time, part-time and contract employees are regularly based, and from which a substantial role in the S/M/WBE's performance of a Commercially Useful Function is conducted. A location utilized solely as a post office box, mail drop or telephone message center or any combination thereof, with no other substantial work function, shall not be construed to constitute a significant business presence.

Small Business Enterprise (SBE) – a corporation, partnership, sole proprietorship or other legal entity for the purpose of making a profit, which is Independently Owned and Operated by Individuals legally residing in, or that are citizens of, the United States or its territories, and which meets the U.S. Small Business Administration (SBA) size standard for a small business in its particular industry(ies) and meets the Significant Business Presence requirements as defined herein.

Small Business Office (SBO) – the office within the Economic Development Department (EDD) of the CITY that is primarily responsible for general oversight and administration of the S/M/WBE Program.

Small Business Office Manager – the Assistant Director of the EDD of the CITY that is responsible for the management of the SBO and ultimately responsible for oversight, tracking, monitoring, administration, implementation and reporting of the S/M/WBE Program. The SBO Manager is also responsible for enforcement of contractor and vendor compliance with contract participation requirements, and ensuring that overall Program goals and objectives are met.

Small Minority Women Business Enterprise Program (S/M/WBE Program) – the combination of SBE Program and M/WBE Program features contained in the SBEDA Ordinance.

Subcontractor – any vendor or contractor that is providing goods or services to a Prime Contractor or CONTRACTOR in furtherance of the Prime Contractor's performance under a contract or purchase order with the City. A copy of each binding agreement between the CONTRACTOR and its subcontractors shall be submitted to the CITY prior to execution of this contract agreement and any contract modification agreement.

Suspension – the temporary stoppage of the SBE or M/WBE firm's beneficial participation in the CITY's S/M/WBE Program for a finite period of time due to cumulative contract payments the S/M/WBE firm received during a fiscal year that exceed a certain dollar threshold as set forth in Section III.E.7 of Attachment A to the SBEDA Ordinance, or the temporary stoppage of CONTRACTOR's and/or S/M/WBE firm's performance and payment under CITY contracts due to the CITY's imposition of Penalties and Sanctions set forth in Section III.E.13 of Attachment A to the SBEDA Ordinance.

Subcontractor/Supplier Utilization Plan – a binding part of this contract agreement which states the CONTRACTOR's commitment for the use of Joint Venture Partners and / or Subcontractors/Suppliers in the performance of this contract agreement, and states the name, scope of work, and dollar value of work to be performed by each of CONTRACTOR's Joint Venture partners and Subcontractors/Suppliers in the course of the performance of this contract, specifying the S/M/WBE Certification category for each Joint Venture partner and Subcontractor/Supplier, as approved by the SBO Manager. Additions, deletions or modifications of the Joint Venture partner or Subcontractor/Supplier names, scopes of work, or dollar values of work to be performed requires an amendment to this agreement to be approved by the EDD Director or designee.

Women Business Enterprises (WBEs) - any legal entity, except a joint venture, that is organized to engage in for-profit transactions, that is certified for purposes of the SBEDA Ordinance as being a Small Business Enterprise and that is at least fifty-one percent (51%) owned, managed and Controlled by one or more non-minority women Individuals that are lawfully residing in, or are citizens of, the United States or its territories, that is ready, willing and able to sell goods or services that are purchased by the City and that meets the Significant Business Presence requirements as defined herein. Unless otherwise stated, the term "WBE" as used in this Agreement is not inclusive of MBEs.

D. SBEDA Program Compliance – General Provisions

As CONTRACTOR acknowledges that the terms of the CITY's SBEDA Ordinance, as amended, together with all requirements, guidelines, and procedures set forth in the CITY's SBEDA Policy & Procedure Manual are in furtherance of the CITY's efforts at economic inclusion and, moreover, that such terms are part of CONTRACTOR's scope of work as

referenced in the CITY's formal solicitation that formed the basis for contract award and subsequent execution of this Agreement, these SBEDA Ordinance requirements, guidelines and procedures are hereby incorporated by reference into this Agreement, and are considered by the Parties to this Agreement to be material terms. CONTRACTOR voluntarily agrees to fully comply with these SBEDA program terms as a condition for being awarded this contract by the CITY. Without limitation, CONTRACTOR further agrees to the following terms as part of its contract compliance responsibilities under the SBEDA Program:

1. CONTRACTOR shall cooperate fully with the Small Business Office and other CITY departments in their data collection and monitoring efforts regarding CONTRACTOR's utilization and payment of Subcontractors, S/M/WBE firms, and HUBZone firms, as applicable, for their performance of Commercially Useful Functions on this contract including, but not limited to, the timely submission of completed forms and/or documentation promulgated by SBO, through the Originating Department, pursuant to the SBEDA Policy & Procedure Manual, timely entry of data into monitoring systems, and ensuring the timely compliance of its Subcontractors with this term;
2. CONTRACTOR shall cooperate fully with any CITY or SBO investigation (and shall also respond truthfully and promptly to any CITY or SBO inquiry) regarding possible non-compliance with SBEDA requirements on the part of CONTRACTOR or its Subcontractors or suppliers;
3. CONTRACTOR shall permit the SBO, upon reasonable notice, to undertake inspections as necessary including, but not limited to, contract-related correspondence, records, documents, payroll records, daily logs, invoices, bills, cancelled checks, and work product, and to interview Subcontractors and workers to determine whether there has been a violation of the terms of this Agreement;
4. CONTRACTOR shall immediately notify the SBO, in writing on the Change to Utilization Plan form, through the Originating Department, of any proposed changes to CONTRACTOR's Subcontractor / Supplier Utilization Plan for this contract, with an explanation of the necessity for such proposed changes, including documentation of Good Faith Efforts made by CONTRACTOR to replace the Subcontractor / Supplier in accordance with the applicable Affirmative Procurement Initiative. All proposed changes to the Subcontractor / Supplier Utilization Plan including, but not limited to, proposed self-performance of work by CONTRACTOR of work previously designated for performance by Subcontractor or supplier, substitutions of new Subcontractors, terminations of previously designated Subcontractors, or reductions in the scope of work and value of work awarded to Subcontractors or suppliers, shall be subject to advanced written approval by the Originating Department and the SBO.
5. CONTRACTOR shall immediately notify the Originating Department and SBO of any transfer or assignment of its contract with the CITY, as well as any transfer or change in its ownership or business structure.
6. CONTRACTOR shall retain all records of its Subcontractor payments for this contract for a minimum of four years or as required by state law, following the conclusion of this contract or, in the event of litigation concerning this contract, for a minimum of four years or as required by state law following the final determination of litigation, whichever is later.
7. In instances wherein the SBO determines that a Commercially Useful Function is not actually being performed by the applicable S/M/WBE or HUBZone firms listed in a CONTRACTOR's Subcontractor / Supplier Utilization Plan, the CONTRACTOR shall not be given credit for the participation of its S/M/WBE or HUBZone subcontractor(s) or joint venture partner(s) toward attainment of S/M/WBE or HUBZone firm utilization goals, and the CONTRACTOR and its listed S/M/WBE firms or HUBZone firms may be subject to sanctions and penalties in accordance with the SBEDA Ordinance.
8. CONTRACTOR acknowledges that the CITY will not execute a contract or issue a Notice to Proceed for this project until the CONTRACTOR and each of its Subcontractors for this project have registered and/or maintained active status in the CITY's Centralized Vendor

Registration System, and CONTRACTOR has represented to CITY which primary commodity codes each registered Subcontractor will be performing under for this contract.

E. SBEDA Program Compliance – Affirmative Procurement Initiatives

The CITY has applied the following contract-specific Affirmative Procurement Initiatives to this contract. CONTRACTOR hereby acknowledges and agrees that the selected API requirement shall also be extended to any change order or subsequent contract modification and, absent SBO's granting of a waiver, that its full compliance with the following API terms and conditions are material to its satisfactory performance under this Agreement:

SBE Prime Contract Program. In accordance with the SBEDA Ordinance, Section III. D. 7. (a), this contract is being awarded pursuant to the SBE Prime Contract Program, and as such, CONTRACTOR affirms that if it is presently certified as an SBE, CONTRACTOR agrees not to subcontract more than 49% of the contract value to a non-SBE firm.

F. Commercial Nondiscrimination Policy Compliance

As a condition of entering into this Agreement, the CONTRACTOR represents and warrants that it has complied with throughout the course of this solicitation and contract award process, and will continue to comply with, the CITY's Commercial Nondiscrimination Policy, as described under Section III. C. 1. of the SBEDA Ordinance. As part of such compliance, CONTRACTOR shall not discriminate on the basis of race, color, religion, ancestry or national origin, sex, age, marital status, sexual orientation or, on the basis of disability or other unlawful forms of discrimination in the solicitation, selection, hiring or commercial treatment of Subcontractors, vendors, suppliers, or commercial customers, nor shall the company retaliate against any person for reporting instances of such discrimination. The company shall provide equal opportunity for Subcontractors, vendors and suppliers to participate in all of its public sector and private sector subcontracting and supply opportunities, provided that nothing contained in this clause shall prohibit or limit otherwise lawful efforts to remedy the effects of marketplace discrimination that have occurred or are occurring in the CITY's Relevant Marketplace. The company understands and agrees that a material violation of this clause shall be considered a material breach of this Agreement and may result in termination of this Agreement, disqualification of the company from participating in CITY contracts, or other sanctions. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party. CONTRACTOR's certification of its compliance with this Commercial Nondiscrimination Policy as submitted to the CITY pursuant to the solicitation for this contract is hereby incorporated into the material terms of this Agreement. CONTRACTOR shall incorporate this clause into each of its Subcontractor and supplier agreements entered into pursuant to CITY contracts.

G. Prompt Payment

Upon execution of this contract by CONTRACTOR, CONTRACTOR shall be required to submit to CITY accurate progress payment information with each invoice regarding each of its Subcontractors, including HUBZone Subcontractors, to ensure that the CONTRACTOR's reported subcontract participation is accurate. CONTRACTOR shall pay its Subcontractors in compliance with Chapter 2251, Texas Government Code (the "Prompt Payment Act") within ten days of receipt of payment from CITY. In the event of CONTRACTOR's noncompliance with these prompt payment provisions, no final retainage on the Prime Contract shall be released to CONTRACTOR, and no new CITY contracts shall be issued to the CONTRACTOR until the CITY's audit of previous subcontract payments is complete and payments are verified to be in accordance with the specifications of the contract.

H. Violations, Sanctions and Penalties

In addition to the above terms, CONTRACTOR acknowledges and agrees that it is a violation of the SBEDA Ordinance and a material breach of this Agreement to:

1. Fraudulently obtain, retain, or attempt to obtain, or aid another in fraudulently obtaining, retaining, or attempting to obtain or retain Certification status as an SBE, MBE, WBE, M/WBE, HUBZone firm, Emerging M/WBE, or ESBE for purposes of benefitting from the SBEDA Ordinance;
2. Willfully falsify, conceal or cover up by a trick, scheme or device, a material fact or make any false, fictitious or fraudulent statements or representations, or make use of any false writing or document, knowing the same to contain any false, fictitious or fraudulent statement or entry pursuant to the terms of the SBEDA Ordinance;

3. Willfully obstruct, impede or attempt to obstruct or impede any authorized official or employee who is investigating the qualifications of a business entity which has requested Certification as an S/M/WBE or HUBZone firm;
4. Fraudulently obtain, attempt to obtain or aid another person fraudulently obtaining or attempting to obtain public monies to which the person is not entitled under the terms of the SBEDA Ordinance; and
5. Make false statements to any entity that any other entity is, or is not, certified as an S/M/WBE for purposes of the SBEDA Ordinance.

Any person who violates the provisions of this section shall be subject to the provisions of Section III. E. 13. of the SBEDA Ordinance and any other penalties, sanctions and remedies available under law including, but not limited to:

1. Suspension of contract;
2. Withholding of funds;
3. Rescission of contract based upon a material breach of contract pertaining to S/M/WBE Program compliance;
4. Refusal to accept a response or proposal; and
5. Disqualification of CONTRACTOR or other business firm from eligibility for providing goods or services to the City for a period not to exceed two years (upon City Council approval).

019 RFCSP ATTACHMENTS

RFCSP ATTACHMENT A, PART ONE

GENERAL INFORMATION

1. Respondent Information: Provide the following information regarding the Respondent.

(NOTE: Co-Respondents are two or more entities proposing as a team or joint venture with each signing the contract, if awarded. Sub-contractors are not Co-Respondents and should not be identified here. If this proposal includes Co-Respondents, provide the required information in this Item #1 for each Co-Respondent by copying and inserting an additional block(s) before Item #2.)

Respondent Name: _____
(NOTE: Give exact legal name as it will appear on the contract, if awarded.)

Principal Address: _____

City: _____ State: _____ Zip Code: _____

Telephone No. _____ Fax No. _____

Website address: _____

Year established: _____

Provide the number of years in business under present name: _____

Social Security Number or Federal Employer Identification Number: _____

Texas Comptroller's Taxpayer Number, if applicable: _____
(NOTE: This 11-digit number is sometimes referred to as the Comptroller's TIN or TID.)

DUNS NUMBER: _____

Business Structure: Check the box that indicates the business structure of the Respondent.

Individual or Sole Proprietorship If checked, list Assumed Name, if any: _____
 Partnership
 Corporation If checked, check one: For-Profit Nonprofit
Also, check one: Domestic Foreign
 Other If checked, list business structure: _____

Printed Name of Contract Signatory: _____

Job Title: _____

(NOTE: This RFCSP solicits proposals to provide services under a contract which has been identified as "High Profile". Therefore, Respondent must provide the name of person that will sign the contract for the Respondent, if awarded.)

Provide any other names under which Respondent has operated within the last 10 years and length of time under for each:

Provide address of office from which this project would be managed:

City: _____ State: _____ Zip Code: _____

Telephone No. _____ Fax No. _____

Annual Revenue: \$ _____

Total Number of Employees: _____

Total Number of Current Clients/Customers: _____

Briefly describe other lines of business that the company is directly or indirectly affiliated with:

List Related Companies:

2. Contact Information: List the one person who the City may contact concerning your proposal or setting dates for meetings.

Name: _____ Title: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Telephone No. _____ Fax No: _____

Email: _____

3. Does Respondent anticipate any mergers, transfer of organization ownership, management reorganization, or departure of key personnel within the next twelve (12) months?

Yes No

4. Is Respondent authorized and/or licensed to do business in Texas?

Yes No If "Yes", list authorizations/licenses.

5. Where is the Respondent's corporate headquarters located? _____

6. Local/County Operation: Does the Respondent have an office located in San Antonio, Texas?

Yes No If "Yes", respond to a and b below:

a. How long has the Respondent conducted business from its San Antonio office?

Years _____ Months _____

b. State the number of full-time employees at the San Antonio office.

If "No", indicate if Respondent has an office located within Bexar County, Texas:

Yes No If "Yes", respond to c and d below:

c. How long has the Respondent conducted business from its Bexar County office?

Years _____ Months _____

d. State the number of full-time employees at the Bexar County office. _____

7. Debarment/Suspension Information: Has the Respondent or any of its principals been debarred or suspended from contracting with any public entity?

Yes _____ No _____ If "Yes", identify the public entity and the name and current phone number of a representative of the public entity familiar with the debarment or suspension, and state the reason for or circumstances surrounding the debarment or suspension, including but not limited to the period of time for such debarment or suspension.

8. Surety Information: Has the Respondent ever had a bond or surety canceled or forfeited?

Yes _____ No _____ If "Yes", state the name of the bonding company, date, amount of bond and reason for such cancellation or forfeiture.

9. Bankruptcy Information: Has the Respondent ever been declared bankrupt or filed for protection from creditors under state or federal proceedings?

Yes _____ No _____ If "Yes", state the date, court, jurisdiction, cause number, amount of liabilities and amount of assets.

10. Disciplinary Action: Has the Respondent ever received any disciplinary action, or any pending disciplinary action, from any regulatory bodies or professional organizations? If "Yes", state the name of the regulatory body or professional organization, date and reason for disciplinary or impending disciplinary action.

11. Previous Contracts:

a. Has the Respondent ever failed to complete any contract awarded?

Yes _____ No _____ If "Yes", state the name of the organization contracted with, services contracted, date, contract amount and reason for failing to complete the contract.

b. Has any officer or partner proposed for this assignment ever been an officer or partner of some other organization that failed to complete a contract?

Yes _____ No _____ If "Yes", state the name of the individual, organization contracted with, services contracted, date, contract amount and reason for failing to complete the contract.

c. Has any officer or partner proposed for this assignment ever failed to complete a contract handled in his or her own name?

Yes No If "Yes", state the name of the individual, organization contracted with, services contracted, date, contract amount and reason for failing to complete the contract.

REFERENCES

Provide three (3) references, that Respondent has provided services to within the past three (3) years. The contact person named should be familiar with the day-to-day management of the contract and be willing to respond to questions regarding the type, level, and quality of service provided.

Reference No. 1:

Firm/Company Name _____

Contact Name: _____ Title: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Telephone No. _____ email: _____

Date and Type of Service(s) Provided: _____

Reference No. 2:

Firm/Company Name _____

Contact Name: _____ Title: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Telephone No. _____ email: _____

Date and Type of Service(s) Provided: _____

Reference No. 3:

Firm/Company Name _____

Contact Name: _____ Title: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Telephone No. _____ email: _____

Date and Type of Service(s) Provided: _____

RFCSP ATTACHMENT A, PART TWO

EXPERIENCE, BACKGROUND, QUALIFICATIONS

Prepare and submit narrative responses to address the following items. If Respondent is proposing as a team or joint venture, provide the same information for each member of the team or joint venture.

1. Describe Respondent's experience relevant to each of the major deliverable component areas in the Scope of Services requested by this RFCSP. List and describe three (3) relevant projects of similar size and scope performed over the past four (4) years. Identify associated results or impacts of the project/work performed. In particular, describe your experience with integrated solutions that combine invoice imaging, workflow and routing, automated data capture via OCR or other method, EDI/XML or other paperless solution implementations, and integration with SAP for invoice posting. Highlight any implementations for public entities and/or entities with complex and varied purchasing processes.
2. Describe all other Accounts Payable Invoice Management or Purchase-to-Pay related products and services your company provides.
3. List and describe all software and hardware providers you have utilized in Accounts Payable Automation solutions designs and/or implementations. Indicate any ownership or partnership positions. Identify any solution-specific associations such as certified integration partner, value added reseller or distributor. Include in your listing any and all experience and associations with SAP, FileNet, and Kofax.
4. Identify and describe any unique capabilities of your approach, services, and/or system(s). Describe the differentiating factors between the goods or services being described and similar offerings from other vendors.
5. Describe the future strategic direction of your solution(s) that is currently planned.
6. Describe your best practices implementation approach with:
 - AP Invoice Automation systems including invoice imaging, workflow, data capture and data transfer/integration;
 - Purchase-to-Pay business process analysis and continuous improvement solutions; and
 - Identifying and addressing challenges and risks to an integrated, multi-platform approach.
7. Indicate the number of years Respondent has been in the business of providing products and/or services related to Accounts Payable Automation and Purchase-to-Pay process analysis and improvement. Indicate if this is the Respondent's primary line of business. If not, state the Respondent's primary line of business.
8. Describe Respondent's specific experience with public entities clients, especially large municipalities or authorities. If Respondent has provided services for the City in the past, identify the name of the project and the department for which Respondent provided those services.
9. Provide an organizational chart of the respondent's company. Should only include employees.
10. If Respondent is proposing as a team or joint venture or has included sub-contractors, describe the rationale for selecting the team and the extent to which the team, joint ventures and/or sub-contractors have worked together in the past.
11. Provide an organizational chart showing how the Respondent proposes to staff the project. For each position reflected on the organizational chart:
 - Identify each individual's relationship with the respondent organization (e.g. employee, contractor, 3rd party service/software provider)
 - List the individual's professional qualifications (to include licenses, certifications, and associations).
 - Describe all relevant experience on projects of similar size and scope.
 - State the primary work assignment and the percentage of time to be devoted to the project.
12. Describe the company's support organization and volume of support inquiries managed per month over the past two (2) years.
13. List all Accounts Payable Automation projects that Respondent has in progress as of the proposal due date and give the target date of completion.

RFCSPATTACHMENT A, PART THREE

PROPOSED PLAN

Prepare and submit your proposal for the design of an overall invoice receipt-to-posting system, and a recommended phased implementation plan for development and deployment. Scope of proposal should include the actual implementation work. Include in your proposal:

System Design and Technical Architecture: – Describe the overall design of the system you are recommending to automate and streamline the City's Accounts Payable invoice processing.

- Describe any and all software or hardware components required for the proposed solution.
- Present the architecture with one diagram identifying the software products and, if applicable, brand/type of equipment that would typically be deployed.
- Include specific details of how the system(s) fits with the City's IT infrastructure.
- Highlight all integration points and method for integration between components.
- Explain the specific selection criteria and expected benefits of the proposed solution over other options considered and/or available.
- Provide references to best practices supported by your proposed solution set.

The proposed design should address system components of the three major deliverables areas:

1. Invoice Capture, Workflow, Posting: Invoice Image and Data Capture; Workflow; Data Integration.
2. Vendor Outreach and Onboarding: Recommended suite of data and/or image capture solutions
3. Performance Measurement and Reporting: Proposed reporting tool(s) and data consolidation

Program Development & Implementation Plan – Describe the proposed plan to develop and implement your proposed solution.

1. Present your plan as a program of work, including prioritization/sequence of program components, dependencies between program components, and detailed plan by component
2. Describe the approach and methodology behind each program components, making reference to best practices as applicable
3. For Vendor Outreach and Onboarding, describe the approach to vendor segmentation, communications and onboarding
4. Identify and explain dependencies between program components and rationale behind prioritization and sequencing of program components
5. Provide a detailed implementation timeline by component, broken down by major activities and milestones

Resource Plan – Present a suggested resource plan to execute your proposed program development and implementation plan by program component, explain resource type and skills/knowledge required.

Training Plan – Outline a proposed training approach by role / user type. Include general topic(s), summary content outlines, and recommended training delivery method(s). Include estimated time to develop training content.

Risk Identification & Mitigation Plan – Identify known or anticipated risks to program development and implementation and propose options for risk reduction or elimination. Apply experience and/or best practice to include assessment of impact and probability.

Maintenance/Ongoing Support Plan - Identify known or anticipated ongoing support needed to sustain proposed program/system. Define proposed plan along with any associated costs beginning at implementation phase and recurring years through year six.

Detailed Business and Functional Requirements Please complete Attachment E

RFCSP ATTACHMENT B**PRICE SCHEDULE**

Price shall include all costs to perform the scope of services as identified in this RFCSP including all materials, supervision, labor, travel, transportation, recurring fees and any direct or indirect cost to this project.

Please identify a breakdown of each task/work/deliverable required to perform completion of the services as described in this RFCSP

1. One Time Costs:

| Task/Deliverable Name | Timeline/Range/Frequency | One Time Costs (A) | Deliverable type/Category (i.e. software, implementation, consulting, project management etc) |
|---------------------------------------|--------------------------|--------------------|---|
| Design & Implementation Plan | | | |
| 1. | | \$ | |
| 2. | | \$ | |
| 3. | | \$ | |
| 4. | | \$ | |
| 5. | | \$ | |
| Invoice Capture, Workflow, Posting | | | |
| 1. | | \$ | |
| 2. | | \$ | |
| 3. | | \$ | |
| Vendor Outreach | | | |
| 1. | | \$ | |
| 2. | | \$ | |
| 3. | | \$ | |
| 4. | | | |
| Performance Measurement and Reporting | | | |
| 1. | | \$ | |
| 2. | | \$ | |
| 3. | | \$ | |
| 4. | | \$ | |
| Total One Time Costs | | \$ | |

2. Recurring Costs:

| Task/Deliverable Name | Timeline/Range/Frequency | Recurring Fees (B) (Annual) | Deliverable type/Category (i.e. software, implementation, consulting, etc) |
|---------------------------------------|--------------------------|-----------------------------|--|
| Design & Implementation Plan | | | |
| 1. | | \$ | |
| 2. | | \$ | |
| 3. | | \$ | |
| 4. | | \$ | |
| 5. | | \$ | |
| Invoice Capture, Workflow, Posting | | | |
| 1. | | \$ | |
| 2. | | \$ | |
| 3. | | \$ | |
| Vendor Outreach | | | |
| 1. | | \$ | |
| 2. | | \$ | |
| 3. | | \$ | |
| 4. | | | |
| Performance Measurement and Reporting | | | |
| 1. | | \$ | |
| 2. | | \$ | |
| 3. | | \$ | |
| 4. | | \$ | |
| | | \$ | |
| Total Recurring Costs | | \$ | |

***NOTE: Respondent must provide cost breakdown by task**

Total Price to Provide Proposed Services to City including one time costs and recurring fees:

Total One Time Costs (A) \$ _____

Total Annual Recurring Fees (B) \$

3. Hourly Rates

As a point of reference, please submit applicable hourly rates for each member of vendor's staff who will be engaged in work on this project:

RFCSP ATTACHMENT C
DISCRETIONARY CONTRACTS DISCLOSURE FORM

Discretionary Contracts Disclosure Form may be downloaded at
<https://www.sanantonio.gov/eforms/atty/ContractsDisclosure.pdf>.

Instructions for completing the Discretionary Contracts Disclosure form are listed below:

1. Download form and complete all fields. Note: All fields must be completed prior to submitting the form.
2. Click on the "Print" button and place the copy in proposal response as indicated in the Proposal Checklist.

RFCSP ATTACHMENT D
LITIGATION DISCLOSURE FORM

Respond to each of the questions below by checking the appropriate box. Failure to fully and truthfully disclose the information required by this Litigation Disclosure form may result in the disqualification of your proposal from consideration or termination of the contract, once awarded.

Have you or any member of your Firm or Team to be assigned to this engagement ever been indicted or convicted of a felony or misdemeanor greater than a Class C in the last five (5) years?

Yes No

Have you or any member of your Firm or Team to be assigned to this engagement been terminated (for cause or otherwise) from any work being performed for the City of San Antonio or any other Federal, State or Local Government, or Private Entity?

Yes No

Have you or any member of your Firm or Team to be assigned to this engagement been involved in any claim or litigation with the City of San Antonio or any other Federal, State or Local Government, or Private Entity during the last ten (10) years?

Yes No

If you have answered “Yes” to any of the above questions, please indicate the name(s) of the person(s), the nature, and the status and/or outcome of the information, indictment, conviction, termination, claim or litigation, as applicable. Any such information should be provided on a separate page, attached to this form and submitted with your proposal.

RFCSP ATTACHMENT E

DETAILED BUSINESS FUNCTIONAL REQUIREMENTS

Attached as a separate document

RFCSP ATTACHMENT F

SBEDA FORM(S)

Attached as a separate document(s)

RFCSP ATTACHMENT G

SIGNATURE PAGE

Respondent, and co-respondent, if any, must complete City's Certified Vendor Registration (CVR) Form prior to the due date for submission of proposals. The CVR Form may be accessed at: <http://www.sanantonio.gov/purchasing/>.

By submitting a proposal, whether electronically or by paper, Respondent represents that:

If Respondent is a corporation, Respondent will be required to provide a certified copy of the resolution evidencing authority to enter into the contract, if other than an officer will be signing the contract.

If awarded a contract in response to this RFCSP, Respondent will be able and willing to comply with the insurance and indemnification requirements set out in RFCSP Exhibits 1& 2.

If awarded a contract in response to this RFCSP, Respondent will be able and willing to comply with all representations made by Respondent in Respondent's proposal and during Proposal process.

Respondent has fully and truthfully submitted a Litigation Disclosure form with the understanding that failure to disclose the required information may result in disqualification of proposal from consideration.

Respondent agrees to fully and truthfully submit the Respondent Questionnaire form and understands that failure to fully disclose requested information may result in disqualification of proposal from consideration or termination of contract, once awarded.

To comply with the City's Ethics Code, particularly Section 2-61 that prohibits a person or entity seeking a City contract - or any other person acting on behalf of such a person or entity - from contacting City officials or their staff prior to the time such contract is posted as a City Council agenda item.

(S)he is authorized to submit this proposal on behalf of the entity.

If submitting your proposal by paper, complete the following and sign on the signature line below. Failure to sign and submit this Signature Page will result in rejection of your proposal.

Respondent Entity Name

Signature:

Printed Name:

Title:

(NOTE: If proposal is submitted by Co-Respondents, an authorized signature from a representative of each Co-Respondent is required. Add additional signature blocks as required.)

If submitting your proposal electronically, through City's portal, Co-Respondent must also log in using Co-Respondent's log-on ID and password, and submit a letter indicating that Co-Respondent is a party to Respondent's proposal and agrees to these representations and those made in Respondent's proposal. While Co-Respondent does not have to submit a copy of Respondent's proposal, Co-Respondent should answer any questions or provide any information directed specifically to Co-Respondent.

Co-Respondent Entity Name

Signature:

Printed Name: _____

Title: _____

RFCSP ATTACHMENT H

PROPOSAL CHECKLIST

Use this checklist to ensure that all required documents have been included in the proposal and appear in the correct order.

| Document | Initial to Indicate Document is Attached to Proposal |
|---|--|
| Table of Contents | |
| Executive Summary | |
| General Information and References | |
| RFCSP Attachment A Part One | |
| Experience, Background & Qualifications | |
| RFCSP Attachment A, Part Two | |
| Proposed Plan | |
| RFCSP Attachment A, Part Three | |
| Pricing Schedule | |
| RFCSP Attachment B | |
| Discretionary Contracts Disclosure form | |
| RFCSP Attachment C | |
| Litigation Disclosure | |
| RFCSP Attachment D | |
| Additional Documents- Detailed Business and Functional Requirements | |
| RFCSP Attachment E | |
| * SBEDA Forms RFCSP Attachment F; Utilization Plan & Mentorship Incentive Commitment Form | |
| Proof of Insurability (See RFCSP Exhibit 1) Insurance Provider's Letter Copy of Current Certificate of Insurance | |
| Financial Information | |
| * Signature Page RFCSP Attachment G | |
| Proposal Checklist RFCSP Attachment H | |
| One (1) Original signed in ink and 13 copies, and one (1) CD of entire proposal in PDF format if submitting in hard copy. | |

*Documents marked with an asterisk on this checklist require a signature. Be sure they are signed prior to submittal of proposal.