



The Kitsap County Rural Library District
(dba Kitsap Regional Library)

Presents an

RFP for ERP Software:

Financial and Human Resources Management

April 10, 2006

Note: Responses to this RFP are due by
Monday, May 8, 2006

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Section 1

EXECUTIVE SUMMARY

Purpose. The Kitsap County Rural Library District, dba The Kitsap Regional Library (KRL), is issuing this Request for Proposal (RFP) for the purpose of obtaining information and firm bids related to its Financial and Human Resource Management selection project. It is KRL's preference to enter into an agreement with a single Vendor who can provide the complete range of required modules. Third party applications for some of the modules will also be considered but must be fully disclosed in the RFP response. KRL is seeking the most beneficial proposal to meet their requirements; therefore proposals for managed/hosted solutions are being considered in scope for this software selection project.

The KRL is seeking a complete response from Vendors who can demonstrate that they possess the organizational, functional, and technical capabilities to perform the services, and meet or exceed the requirements and service levels specified herein. The KRL and the Vendor will negotiate a final contract incorporating pertinent portions of the Vendor's response to the RFP, a comprehensive list of all deliverables and services to be performed by the Vendor, applicable Vendor documentation, product literature, and pricing information.

Information concerning KRL's objectives, current environment, project scope and timeline, requirements, RFP response parameters and evaluation criteria are discussed in the balance of this document.

Contractual Philosophy. There are inherent risks in assuming responsibility for existing systems, developing new interfaces, and providing enhancements, that go along with implementing and using high tech solutions. These risks are compounded by today's rapidly changing and highly competitive environment. Because of the uncertainty of the marketplace, the increasing complexity of the solutions, and the increased investment required to develop, deliver and implement these solutions, we will expect the Vendor to be the expert in application of their products and services.

The KRL's intent is to form a long-term alliance with the selected Vendor. This alliance must be mutually beneficial and share the risks the alliance encompasses. Such a relationship would embrace the following principles:

- The alliance will contribute to our mutual benefit.
- The risk of implementing and using technology solutions must be shared.
- The relationship will promote continuous and measurable improvement in the people, products, and services of both organizations.
- The Vendor must share our dedication to delivering quality KRL services.
- Both parties will always strive to eliminate ambiguities and omissions from the spoken and written terms of the relationship by communicating with clarity of purpose and expectations.
- The terms of the relationship must recognize the mutual commitment, and provide for meaningful information exchange to allow each party input to the other's plans.
- Each party will live up to its obligations and representations, but both recognize honest mistakes and misinterpretations may occur in the description of the complex business transactions.
- The terms of the relationship must minimize the likelihood of disputes by having documented standards of performance and quality, clear and specific warranties, and exercisable remedies in the event that one or both parties fail to meet their obligations.

Negotiations Philosophy. Both the Vendor and KRL will negotiate in good faith to reach a mutually satisfactory contract with terms and conditions that fairly allocate both total costs of ownership and risk. As a result of the negotiations, KRL and the successful Vendor will develop and enter into an agreement to provide the software and services necessary to meet the project goals. The KRL believes that the agreement should be mutually beneficial whereby both parties receive value. The KRL has a strong

interest in the success of the selected Vendor. It is not in KRL's best interest to have a Vendor suffer financially through its association with KRL, nor is it KRL's responsibility to subsidize poor performance or project management.

The contractual relationship will be premised on the Vendor as the expert. The KRL will rely upon the Vendor's expertise to develop, deliver, implement and maintain solutions that fulfill the defined business requirements. The KRL expects all Vendors to exercise the highest degree of integrity in all dealings with their vendors, employees, and KRL.

Negotiation Methodology and Timeline. It is the intent of KRL to successfully negotiate a contract by the end of September 2006. The KRL requests that each Vendor provide a sample copy of their License contract in Section 6 of their RFP response.

Section 2

PROFILE OF THE KITSAP REGIONAL LIBRARY

Kitsap Regional Library is a mid-size rural library district serving Kitsap County's population of 265,000. Kitsap Regional Library has 9 community library locations, online access to library materials and services, a traveling bookmobile, and outreach services for the homebound and youth.

With over half a million items in the library's collection, library materials circulation continues to increase by 7% annually. In addition, the library provides free access to dozens of subscription-based databases and other professional reference assistance.

Kitsap libraries are also places for special events and learning. Weekly children's activities are filled with wild and fun adventures. Special teen programs focus on participation and learning activities. Lecture series, author visits and numerous community events draw varied crowds to explore, share and learn together.

Governance

The five-member Board of Trustees governs the Kitsap Regional Library System. Board members are volunteers that are appointed for five-year terms, with no trustee serving more than two consecutive terms. Each Kitsap County Commissioner appoints members of KRL Board of Trustees. KRL and the County seek geographic representation within the library's service area.

The KRL Board of Trustees set policy for library services throughout the system. The Board holds an annual planning retreat where long-range budget, facilities, staffing and other services are discussed in an open forum. The Board also hires and holds accountable KRL Director who oversees the library organization and day-to-day operations.

The community is encouraged to attend the board's monthly meetings and share their opinions, concerns and ideas.

Funding

Kitsap Regional Library is primarily supported through property taxes (94.6% of the total library budget in 2004). Under Washington law, library levies may be no higher than \$0.50 per thousand dollars of valuation for library service operations and maintenance. Library property tax support is also subject to the 2001 statewide Initiative 747, which limits property tax increases to 1% over the prior year's maximum, plus new construction. As a result of I-747, the actual library levy rate has been reduced by almost 28% since 2002. The 2006 Library Levy is .36/\$1,000.

All areas of Kitsap County are part of the library district, or have annexed to or are contracted with the district. The library district provides staffing, books/materials, information technology and telecommunications systems, shipping/receiving, purchasing, outreach services and the bookmobile services, and administrative services for all of nine community libraries.

As in many other Washington counties, each community has come up with its own solution to provide facilities for library services, including maintenance, custodial services and utilities. Since public services are most economically provided to concentrated populations, the location of library facilities is based on community input and the library's ability to provide library services to the greatest number of Kitsap County residents.

Library Buildings Provided by Municipalities:

Downtown Bremerton Library	City of Bremerton
Port Orchard Library	City of Port Orchard
Poulsbo Library	City of Poulsbo

Library Buildings Provided by Private, Non-Profit Corporations:

Bainbridge Library	Bainbridge Public Library, Inc
Kingston Library	Kingston Community Center, Inc.
Manchester Library	Manchester Friends of the Library, Inc.

Library Building Provided by a Native American Tribe:

Little Boston Library	Port Gamble S’Klallam Tribe
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Library Buildings Provided by the Library District:

Sylvan Way Library & Service Center	Kitsap Regional Library
*Silverdale Library	Kitsap Regional Library

*Expanded with Federal Trident Impact Funds that required ownership by the library district as a condition of eligibility.

Section 3

CURRENT SYSTEMS AND OPERATING ENVIRONMENT

The KRL's current Financial Management systems are provided by Application Software Products (ASP) and were first implemented in 2001. In addition to using ASP (Payroll, Accounts Payable, Accounts Receivable, and General Ledger), the library is using Lotus spreadsheets for Budgeting, Unicorn from SirsiDynix for a Library Information System, and various Lotus, Access and Excel spreadsheets for any Human Resources database/information systems management. There is poor integration amongst these varied systems. The KRL has experienced growth and operational needs beyond the abilities of the current systems and is seeking a comprehensive and flexible ERP system. Following an objective analysis, KRL has determined that replacement of the current systems would allow KRL to gain operational efficiencies and improve services to its members. The KRL has approximately 225 employees (135 FTE's), and anticipates that there will be an estimated 10 concurrent users, with 30 named users for the Financial, Payroll, and Human Resources applications.

Systems Overview. KRL operates several applications in various departments that are not integrated with the current financial system. The following table defines financial and administrative related applications, as well as the primary Library Information System. KRL would prefer that these applications be incorporated or integrate to the new ERP solution.

Application	Vendor	Status
Financials (GL, AP, AR)	Application Software Products	Replace with new system.
Fund Accounting	N/A	Being done externally, Kitsap County. Will stay as is; need reporting.
Project Accounting	N/A	May acquire with new system.
Purchasing	N/A	Manual. Acquire with new.
Budgeting	N/A	Lotus spreadsheet. Acquire with new.
Asset Management System	PC based	Possible Future replacement.
Payroll/Timekeeping	Application Software Products	Replace with new system.
Human Resources	N/A	Acquire with new system
Report Writer	Application Software Products	To be replaced by new tools.
Library Information System	SirsiDynix	Keep. Interface to new system.
Employee Performance Management System	Halogen	Keep. Possible interface to new system.
Scheduling software System	Subfinder	Keep. Possible interface with new system.

In addition, many silos are kept in Excel or Lotus spreadsheets in order to capture data for subsequent analysis or personal use since many users do not have access to the system or ad hoc reporting. The current system does not allow intuitive bi-directional import/export from Excel. It is hoped that a new system would provide improvements in these areas, plus integration tools to help eliminate many of these sidebar data systems.

Current Wide Area Network Environment. The KRL's 9 sites are presently connected via T-1 for both voice and data connectivity. Staff at all 9 sites must have data entry and inquiry access to the new financial software.

Current Hardware. The KRL is currently running 22 MS Windows 2003 File Servers, including MS Active Directory, and 3 Unix File Servers. Hardware support services are being provided internally at the present time. Although not preferred, application hosting services may be considered. Email is facilitated using a Microsoft Exchange Server.

TEC 1350 Cash Registers are presently in use at KRL, but are not integrated with any collections systems; it is likely that this hardware may be used for AR and Cashiering with the new Financial System. KRL will need to know of any additional hardware requirements related to cashiering so it can plan for hardware expenditures.

The KRL is in the process of upgrading 113 desktops to the Microsoft Windows XP operating system. The Microsoft Office Suite is the core business application for word processing, spreadsheet, and presentation needs.

Business Drivers

The primary business drivers for this selection project as driven by the limitations of the current systems to support KRL's operations include the following:

- Improve financial and Human Resources management and control with proper accounting and Human Resources procedures, enforcement of business rules, offer flexible and timely reporting, and comply with regulatory reporting.
- Streamline business processes to increase employee productivity and efficiency while maintaining a high level of data integrity and accuracy.
- Be accountable and fiscally responsible to executive management, board of directors, donors, employees, taxpayers, and the community and report on the value that was created by the money spent by the organization.
- Allow employees to work proactively and not reactively; be able to find answers to daily questions faster and analyze business performance with flexible reporting tools.
- Improve Human Resources efficiency thorough automation of manual processes and integration with payroll and budget.

It is KRL's intent to eliminate many of the paper-based business processes and inefficiencies by implementing a new system that is fully integrated, flexible, and connects external systems through strong integration tool sets provided by the selected vendor.

Strategic Plan and IT Technology Directives. The new system should provide end-users with the ability to enter and manipulate data in an on-line interactive mode, including simultaneous access to files. Both hardware and software must have the capability to be interconnected through the existing network infrastructure. All updates should be processed in real time throughout the system. This product selection process is the integral step of our strategic plan to achieve the following goals:

- Partner with a stable and visionary software technology provider for our core systems.
- Leverage from the increased use of alerts, triggers, and workflow throughout all systems.
- Provide interactivity between core systems and the MS Office Suite.
- Utilize user friendly reporting tools to query databases with drill down capabilities.
- Use a product "out of the box" with minimal customization, and implement the Best Practices inherent in the software.
- Integrate all financial and human resources functions with existing enterprise systems, as deemed appropriate (see table above).

The proposed system must be designed with the recognition that KRL will have changing requirements. The KRL must be able to amend the product using vendor authorized tools so the application can be tailored to fit the look, feel, and functionality required by different users within KRL. Any such configurations should not impact KRL's ability to stay on the product upgrade path.

Section 4

PROJECT SCOPE AND TIMELINE

The objective of this Request for Proposal (RFP) is to solicit proposals from vendors that can provide an integrated, fully developed, and previously implemented Financial, Human Resources, and Payroll solution. The KRL would consider a system with a web-based development strategy to reduce support and deployment costs that could reduce the learning curve and improve flexibility. We will only consider applications that have a referenceable user install base.

Scope. KRL intends to purchase an integrated ERP system that encompasses the following modules and functional areas.

Required Modules	
General Ledger	Time and Attendance
Budgeting	Payroll
Purchase Order	Human Resources
Accounts Payable	Report Writer
Optional Modules	
Facility Management	Employee Scheduling
Project Costing	Accounts Receivable
Inventory (Supplies)	

The various Financial, Human Resource, and Payroll modules encompass the core focus of the project, and will be implemented using a phased approach as recommended by the selected vendor. The Optional Modules represent areas KRL recognizes that system improvements could be realized but will possibly be implemented at a later time.

The KRL expects to implement some level of process re-engineering and process improvement through implementation of a new ERP system. The KRL intends to adopt the best practices offered by the selected vendor. Vendors who are invited to demonstrate their product should be prepared to discuss the application's best practices.

The KRL believes that completely integrated packaged solutions exist that can meet its core business requirements for this system. Given this premise, KRL expects to make minimal modifications to the selected package. The intent of this strategy is to minimize vendor costs, expedite implementation, and ensure KRL will be able to remain on the application upgrade path offered by the vendor.

The business objectives for this project include the following:

- To position KRL to meet its current and future strategic objectives.
- To make information easily and broadly available.
- Improve responsiveness.
- Allow the use of best business practices.
- Easily train new employees.
- Systems that are "friendly" to all levels of users.
- Support or compliment KRL's desired technical architecture.
- Integrate information from multiple KRL systems.
- Strengthen operational effectiveness and efficiencies.

The KRL will choose an enterprise-wide system that most closely meets the requirements as defined within this RFP, and eliminate as many stand-alone subsystems and applications as possible. The KRL's preference is to select a solution from a single vendor that can provide all of the required modules in an integrated manner.

Timeline. The KRL intends to procure the Financial and Human Resources and Payroll systems in accordance with the following schedule. However, KRL reserves the right to modify or reschedule procurement milestones as necessary.

Event	Day	Date
Release RFP to Vendors	Monday	April 10, 2006
Vendor Questions Due	Monday	April 17, 2006
Answers to RFP Questions Emailed	Monday	April 24, 2006
Vendor Proposal Responses Due	Monday	May 8, 2006, 5:00 P.M.
Finalists Notified/Vendor Short-List Released	Monday	June 19, 2006
Vendor Demonstrations Complete	Completed by July 2006	
Vendor Reference Checks Complete	Completed by July 2006	
User Site Visits Complete	Completed by August 2006	
Contract Awarded	Completed by September 2006	
Implementation/Training Begins	4 th Quarter 2006	
Go Live (General Ledger and Accounts Payable)	January 2007	

Section 5

VENDOR INSTRUCTIONS

Proposal Responses. The KRL must receive responses to this RFP no later than the date and time specified in Section 4. Proposals received after the due date will not be accepted. No additional time will be granted to any vendor unless by addendum to this RFP. Vendors must submit one (1) original with signatures, two (2) copies, and one (1) electronic version in Microsoft Word format of the RFP to the following address:

Pamela Ettien
SoftResources LLC
2517 Eastlake Avenue E.
Suite 100
Seattle, WA 98102
(206) 860-2400
Email: pettien@softresources.com

Proposal Response Format. The RFP response should adhere to the following format:

Section	Title	Contents
Section 1	Executive Summary	Overview description of proposed solutions, vendor experience, and contact information (one page).
Section 2	Contractual Philosophy & Core Values	Description of Vendor's method for supporting KRL's contractual philosophy and Core Values (three pages or less).
Section 3	Requirements	Completed Requirements Document from Section 6 of this RFP. Provide a ranking and explanation of how each requirement is supported. <i>Leaving a requirement ranking and evaluation statement blank may deem a vendor unresponsive.</i>
Section 4	Implementation Methodology	Summary overview of implementation methodology and typical timeframe including required KRL resources (one to two pages).
Section 5	Pricing	Completed Pricing Summary template from Appendix B of this RFP and up to three additional pages of explanations and assumptions if necessary.
Section 6	Attachments	A. Client Reference List (Appendix A) B. Sample software license contract. C. Exceptions to the RFP (a one to two page summary).

Vendors that deviate from this format may be deemed unresponsive. Proposals should be prepared simply, providing a straightforward, concise delineation of the capabilities necessary to satisfy the requirements of the RFP. Technical literature and elaborate promotional materials should not be submitted at this time. Emphasis in the proposals should be on completeness, clarity of content and adherence to the presentation structure required by this RFP and not on volume. Costs for developing proposals in response to the RFP are the obligation of the vendor and are not chargeable to KRL. All proposals and accompanying documentation will become the property of KRL and will not be returned.

Pre-Submittal Questions. There will be no pre-bidders conference. Questions regarding the RFP may be submitted to KRL by Monday, April 17, 2006 (via fax, email, or regular mail):

Kitsap Regional Library – Pre-Submittal Questions
Attn: Fernando Conill
Mail: 1301 Sylvan Way, Bremerton, WA 98310
Fax: 360-405-9156
email: fconill@krl.org

The list of questions submitted with their respective answers will be emailed to RFP holders by Monday, April 24th, 2006. After the submittal of the RFP but subsequent to the release of the vendor Short List, inquiries concerning the RFP or the selection process should be directed to:

SoftResources LLC
Attn: Pamela Ettien
Phone: 206-860-2400
Email: pettien@softresources.com

RFP Amendments. The KRL reserves the right to request clarification on any proposal or to ask respondents to supply any additional material deemed necessary to assist in the evaluation of the proposal. The KRL reserves the right to change the RFP schedule or issue amendments to the RFP at any time. The KRL also reserves the right to cancel or reissue the RFP.

Withdrawal of Proposal. Proposals may be withdrawn at any time prior to May 12th, 2006 provided notification is received in writing. Proposals cannot be changed or withdrawn after the designated time.

Rejection of Proposals. The KRL reserves the right to reject any or all proposals, to waive any minor informalities or irregularities contained in any proposal, and to accept any proposal deemed to be in the best interest of KRL.

Managed/Hosted Solution. Consideration of a managed/hosted solution is at the sole discretion of KRL. Vendors who submit a bid for a hosted solution will have their bid evaluated in conjunction with all other proposals. Vendors are asked to clearly identify the intention to provide hosting services and include a list of clients using these services who are similar in size and scope to KRL as references (see form in Appendix A). All related hosting costs should be submitted in conjunction with the Pricing Summary in Appendix B.

Proposal Validity Period. Submission of a proposal will signify the vendor's agreement that its proposal and the content thereof are valid for 180 days following the submission deadline and will become part of the contract that is negotiated between KRL and the successful vendor.

Disclaimer. The KRL reserves the right to share, with any consultant of its choosing, the RFP and any resultant Proposals in order to secure expert opinion.

Non-Obligation. Receipt of proposals in response to its RFP does not obligate KRL in any way. The right to accept or reject any proposal shall be exercised solely by KRL. The KRL shall retain the right to abandon the Proposal process at any time prior to the actual execution of a contract with a vendor, and KRL shall bear no financial or other responsibility in the event of such abandonment.

Public Disclosure. All materials provided to KRL by Vendors are subject to State and KRL public disclosure laws.

Section 6

VENDOR AND SYSTEM REQUIREMENTS

This section includes the vendor, technical, and functional requirements to be evaluated in this RFP. The Requirements section will become Section 3 of your RFP response. This is not a comprehensive list of all of KRL's requirements, but includes the key requirements that will be used to evaluate the RFPs and will be included as part of the signed contracts. Responses to each line item should be concise and straightforward.

KRL expects vendors to respond in a factual manner, i.e. clearly identifying software that is fully released, in testing, or slated for future release for each functional requirement. In addition, if two entities are combining products and/or services to create the response to the Requirements section, then the responses in all relative sections, such as the total number of users, etc., should include the total number of installs respective for each application, followed by the number of joint installs of the product(s). In this example, vendors are being asked to identify which product is being proposed to meet each line level requirement. *If these are not clearly identified, the RFP may be deemed misleading and the response may be disqualified.*

Vendors must provide a rating for every item. If the requirement does not pertain to the proposal being submitted enter "N/A". If a submitted RFP includes blank responses the document may be considered in violation and rejected. Use the following **rating** system to complete the RFP and evaluate the requirements and **include a brief description of how the software supports the stated requirement:**

Rating	Definition
4	Standard. Available in the current release. Software supports this requirement. No customization or modification is required.
3	Software can meet requirement with <i>minor system modification that maintains application on upgrade path.</i> Testing and production of modifications will be completed by implementation date. Include an estimated cost of the modification (if any).
2	3rd Party – available with 3rd party application. Indicate name of the application recommended and number of installs completed.
1	Software does not meet requirement and will require <i>more substantial system modification.</i> Testing and production of modifications will be in place prior to implementation date. Include an estimated cost for the modification.
0	Not Available. Software will not meet requirement.
F	Future Release. Requirement will be available in future release (indicate anticipated time of update: month and year).

R = Required
 I = Important
 N = Nice to have

Kitsap Regional Library Differentiating Criteria

Vendor and Software Data	
1. Contact Information	
▪ Company Name and Address	
▪ Contact Person: Name, Title, Phone, Email	
2. Company Information	
▪ Year Founded; Private vs. Public	
▪ Revenue and Income: Current and Prior Year	
▪ Nearest Regional Office	
3. Vendor Employee Counts - Total	
▪ Product Development	
▪ Implementation Support	
▪ Customer/Help Desk Support	
▪ Sales and Administration	
4. Number of Users	
▪ Total	
▪ Libraries	
▪ Libraries in State of Washington; Indicate Who	
5. Target User Profile	
▪ Industry	
▪ Operating Budget	
6. Implementation Model – Direct, VAR, ASP	
7. Version Releases	
▪ Current version and release date	
▪ Typical release schedule; number of prior versions supported	
Pricing Information	
1. Software - based on following user counts:	
▪ Financial: 10 concurrent + 30 named (reporting)	
▪ Human Resource, Payroll, Time and Attendance: 236 W2's	
2. Implementation – define as ratio of services to software.	
3. Maintenance – define as % of software cost.	
4. Other – specify.	
General Requirements	
R 1. Out-of-the box integration of all required modules.	
R 2. Audit Trail with user, date, and time stamp.	
R 3. Integration to MS Excel/Word.	
I 4. User configurable menus, fields and screens.	
I 5. Drill down throughout all modules.	
I 6. Rules based work flow routing (<i>e.g. PO, invoice, timesheet, etc.</i>).	
I 7. Field level default values with ability to override.	
I 8. User defined queries with wild card search, drop down lists or other methods to facilitate look-up.	
Technology	
I 1. Platform preference is MS SQL Server: on Windows'03 file server	
▪ Indicate Platforms supported and % of installs for each.	
▪ Indicate Databases supported and % of installs for each.	
N 2. Define vendor strategy for web based/enabled applications and associated timing (<i>identify modules currently available</i>).	
I 3. Describe remote access strategy. KRL has 9 locations with T1 connection.	
R 4. Real time updates.	
R 5. Security to menu or screen level by group or user.	

R	6. Bi-directional integration to Microsoft Word and Excel.	
R	7. Integration/Interface: Discuss experience and number of installs with integration to other systems including SIRSI Library Information System.	
	Required Modules	
R	1. General Ledger	
R	2. Purchase Order	
R	3. Accounts Payable	
R	4. Budget	
R	5. Report Writer	
R	6. Time and Attendance	
R	7. Human Resources	
R	8. Payroll	
	Optional Modules – Indicate if in suite or recommend 3rd party.	
I	1. Inventory (Supplies)	
N	2. Accounts Receivable	
N	3. Project Costing	
N	4. Facility Management	
N	5. Employee Scheduling	
R	General Ledger	
R	1. Support Washington State BARS chart of account structure: 18 characters broken into segments, i.e. Fund, Dept/Div, Project, Function, and Object.	
I	2. Support cash accounting with ability to report under accrual method.	
R	3. Multiple Journal Entry types: recurring, reversing, allocations.	
I	4. Fund accounting.	
R	5. Flexible reporting by cost center (branch) and BARS codes.	
R	Purchase Order	
R	1. Create online/electronic requisition.	
R	2. Convert requisitions to purchase orders.	
R	3. Online budget checking at creation of purchase order.	
R	4. Encumbrance accounting and reporting across multiple fiscal years.	
R	5. Online query by multiple data fields.	
R	Accounts Payable	
R	1. Master vendor file attributes: type, SIC, status, parent/child, addresses, contact information, insurance requirements, etc.	
R	2. Support decentralized receiving and invoice processing.	
I	3. Online budget and duplicate invoice checking at invoice entry.	
I	4. Attach scanned images to invoice record (invoice, packing slip, etc.)	
I	5. Support for one-time vendors (patron refunds).	
R	6. 2-way and 3-way matching.	
R	7. 1099 tracking and management to invoice line item level.	
I	8. Support electronic payments to vendors.	
R	9. 3 part check with 2 stubs; customizable check format.	
I	10. Interface with electronic P-card system, create AP transaction, and authorize before posting.	
I	11. Tools to support bank reconciliation and cash management (i.e. cash flow projections and forecasting).	
I	12. Sales and Use Tax tracking and reporting; flag at invoice or line item level.	
R	Budget	
R	1. Indicate if budget module is available in suite or from 3 rd party vendor. If 3 rd party, discuss level of integration to financial and human resource modules.	
R	2. Multi-year financial budgets.	

R	3. Position Budgeting.	
I	4. Multiple detailed budget versions.	
N	5. What-if modeling and analysis.	
I	6. Global budget adjustments by % or fixed dollar amount.	
I	7. Budget vs. Actual reporting with ability to calculate percent of budget expended or remaining at a point in time including visibility of encumbrances.	
I	8. Online query and reporting of activity for prior year, current year, and month for budget, actual, and variances.	
R	Report Writer	
R	1. Indicate reporting tool utilized and level of integration to all modules.	
R	2. Ability to report on all modules and fields in the database.	
I	3. Launch reports and queries from within the application.	
I	4. Support date-range parameter or point in time reporting.	
R	5. Drill down to source documents from online reports.	
N	6. Online ad-hoc report library.	
R	Time and Attendance	
R	1. Support for Flex Schedules (i.e. 4/10; 9/80).	
R	2. Multiple versions of electronic or web-based timesheets.	
N	3. Track employee time to cost center.	
R	Human Resources	
R	1. Position control management with steps and grades.	
R	2. Maintain employee attributes and history including positions, multiple hire dates, anniversary dates, termination dates, compensation, benefit elections, user defined fields, etc.	
R	3. Benefit eligibility rules with effective dating for multiple benefit plans.	
I	4. Support for bargaining unit; currently 1 with 15 employees.	
I	5. Applicant tracking and management with ability to accept applications electronically.	
I	6. Track I-9 status.	
R	7. Training and certification tracking and management.	
R	8. Manager and Employee self-service (employee changes, performance reviews, notifications, etc.).	
R	9. Rules-based leave management and reporting including support for FMLA tracking.	
R	10. Employee health and safety (Workman's Comp), deferred compensation, and OSHA tracking.	
N	11. Track disciplinary actions and grievances.	
R	Payroll	
R	1. User defined salary tables based on pay grade; multiple positions to pay grade; step increases within position.	
R	2. Multiple rules based pay types with ability to identify if retirement eligible.	
R	3. Default values by employee for earnings and hours distribution with ability to override.	
N	4. Date or event triggered payroll changes and adjustments based on position, pay scale, flex schedules, and date met standards (i.e. automatic COLA for eligible employees).	
R	5. Support monthly and semi-monthly pay cycles (wages, benefits deductions, taxes).	
R	6. Support for salary draw calculation and payment.	
R	7. Accept multiple timesheet formats: direct or manual input, or upload from Excel or electronic documents.	
R	8. Support multiple benefits accrual calculations bases on pay types with ability to override (i.e. sick leave, vacation.)	

I	9. Accrual, consolidation, and generation of payment for payroll tax liabilities, benefit provider premiums, etc.	
R	10. Support retroactive pay and related adjustments	
R	11. Electronic deposits to multiple bank accounts (currently 2).	
I	12. Reprint pay checks or W-2's.	
I	13. User customizable check stubs.	
I	14. Generate electronic payroll tax filings (e.g. 941, Employment Security, State Industrial, W2, etc.).	
R	15. Interface with WA State PERS retirement program for employee demographics (i.e. age), hours, and earnings.	
R	16. Online query and reporting to see point-in-time payroll history by employee, department, etc.	

Section 7

EVALUATION OF PROPOSALS

The selection Project Management Team of KRL and SoftResources LLC will evaluate the RFP's. SoftResources LLC has been engaged by KRL to assist with the selection process based on their unbiased software selection methodology and expertise. The evaluators will consider how well the proposed solution meets KRL's requirements as described in the RFP. It is important that the responses be clear and complete to ensure that the evaluators can adequately understand all aspects of the proposal.

Evaluation Factors. Selection of finalists will be primarily according to the following criteria:

- Quality, clarity, and completeness of the proposal.
- Accuracy of the Requirements responses.
- Adherence to requirements for RFP preparation.
- Vendor viability and strength.
- Ability to meet KRL's functional and technical requirements.
- Software scalability, flexibility, and ease of use.
- Compatibility and integration with existing hardware and software.
- Vendor's experience on similar projects.
- Software demos.
- Total cost of ownership.

The evaluation factors identified above reflect a wide range of considerations. While cost is important, other factors are also significant. The KRL may select other than the lowest cost solution. The objective is to choose a vendor capable of providing a reliable and integrated solution within a reasonable budget. All proposals will be evaluated using the same criteria.

Notification. Based on the evaluation of the RFP's KRL will select a Short List of three or four vendors and invite them to participate in Pre-Demo Meetings and Software Demos. The selected vendors will be notified in writing or email by the date indicated in Section 4.

Pre-Demo Meetings. Once the Short List of vendors has been identified they will be invited to participate in a Pre-Demo Meeting with the project management team. The purpose of this meeting will be to allow the vendor time to acquire additional information about the scope of the project and to review any questions about the Demo Script presented to the vendors. Customer references may be requested prior to the software demonstrations.

Scripted Demos. The functional and technical product Demos will be presented to KRL by the top three to four Short Listed vendors according to a pre-defined script issued by KRL. All vendors must follow this script during their Demo process. The evaluation criteria for the Demo process will include adherence to the script as well as the ability to successfully demonstrate the product's ability to meet the functional and technical requirements. The KRL reserves the right to request additional information, interviews, follow-up demonstrations, or any other type of clarification of proposal information it deems necessary to evaluate the final vendors.

Post-Demo Technical Evaluation. In addition to scripted functional demonstrations, KRL's IT department may request a more extensive technical Demo. This Demo will be scheduled on an as-needed basis for the Short Listed applications.

Implementation Vendor Selection. Once KRL has completed the selection of the software they will determine if a separate implementation vendor selection project is necessary. The KRL reserves the right not to select the implementation partner that responds to the RFP or demonstrates the software on behalf of the vendor.

Site Visits. The KRL may choose to conduct site visit(s) to the software vendor's headquarters and/or vendor's clients as part of the evaluation process. The site visits may be used to determine the successful vendor, and will be conducted following scheduled software demonstrations of the short-listed vendors. Evaluation of the vendor client sites will be based on the following:

- Assessment of the vendor's service during system implementation.
- Assessment of the quality of vendor's ongoing support.
- Overall user satisfaction with the system.

Contract Award and Execution. The KRL reserves the right to make an award without further discussion of the proposal submitted. The KRL shall not be bound or in any way obligated until both parties have executed a vendor contract. The KRL also reserves the right to delay contract award and/or not to make a contract award.

The general conditions and specifications of the RFP and the successful vendor's response, as amended by agreement between KRL and the vendor, including e-mail or written correspondence relative to the RFP, may become part of the contract documents. Additionally, KRL will verify vendor representations that appear in the proposal. Failure of the vendor's products to perform as represented may result in elimination of the vendor from competition or in contract cancellation or termination. It is the intent of KRL to successfully negotiate a contract by the end of September 2006.

Additional Costs. The Vendor shall provide all labor, equipment, materials, supplies, transportation and services necessary for, or reasonably incidental to, the complete performance of any agreement resulting from this RFP. Vendor must include in its price all design, engineering, system and application database development (including in-depth user interviews for user feature configurations), integration, delivery, installation, testing, training and warranty costs associated with all elements of the proposed system.

Section 8 CONDITIONS

Business License and Taxation. The successful vendor and all subcontractors must hold valid business and professional licenses and registrations that may be required by the State of Washington and the Kitsap Regional Library.

Workers' Compensation. The vendor shall procure and maintain for the life of the Contract/Agreement Workers' Compensation Insurance covering all employees with limits meeting all applicable state and federal laws. This coverage shall include Employer's Liability with limits meeting all applicable state and federal laws. This coverage shall extend to any subcontractor that does not have their own Workers' Compensation and Employer's Liability Insurance.

Equal Opportunity Requirement. The KRL is an equal opportunity employer regardless of race, color, sex, age, national origin, sexual orientation, religion, AIDS/ARC, or disability. The successful vendor must comply with KRL's Equal Opportunity requirements.

Proposals – Public Information. The KRL will attempt to protect legitimate trade secrets of the Vendor. Any proprietary information contained in the Vendor's proposal must be clearly designated and shall be labeled with the words "Proprietary Information". Marking the entire proposal or any one or more of the major sections as proprietary will neither be accepted nor honored.

The Vendor should be aware that KRL is required by law to make certain records available for public inspection with certain exceptions. The Vendor, by submission of materials marked proprietary, acknowledges and agrees that KRL will have no obligation or liability to the Vendor in the event that KRL must disclose these materials.

Prime Vendor. It is recognized that multiple Vendors may wish to combine their resources in responding to this Request for Proposal. A Proposal with such a combination is acceptable, provided that the complete Proposal contains all required information, and indicates which Vendor shall be responsible for each of the components that make up the complete system. In addition, one of the Vendors shall be designated as responsible for the complete definition, delivery, integration, implementation, and maintenance of the system, referred to as the prime vendor.

Bidders must warrant to KRL that software specifications, capabilities, and performance characteristics are as stated in the proposal and accompanying documentation. Submission of a Proposal will represent your agreement to these conditions.

Section 9
APPENDICES

APPENDIX A

CLIENT REFERENCE LIST

The following is a list of three references that most closely reflect similar ERP consulting projects to the Kitsap Regional Library scope of work within the past five years. These references should be sites at which the software has been *fully implemented*.

1. **Name of Regional Library or Agency** _____

Size of District/Agency: _____ Concurrent Users: _____

Contact Name and Title: _____ Telephone number: _____

Modules: _____

Summary of Project _____

2. **Name of Regional Library or Agency** _____

Size of District/Agency: _____ Concurrent Users: _____

Contact Name and Title: _____ Telephone number: _____

Modules: _____

Summary of Project _____

3. **Name of Regional Library or Agency** _____

Size of District/Agency: _____ Concurrent Users: _____

Contact Name and Title: _____ Telephone number: _____

Modules: _____

Summary of Project _____
