ADDENDUM FOUR

QUESTIONS and ANSWERS

Date: January 4, 2018

To: All Bidders

From:  Nancy Storant/Dianna Gilliland, Buyers

AS Materiel State Purchasing Bureau

RE: Addendum for Request for Proposal Number 5960 Z1 to be opened January 31, 2019 at 2:00 p.m. Central Time

#### Questions and Answers

Following are the questions submitted and answers provided for the above mentioned Request for Proposal. The questions and answers are to be considered as part of the Request for Proposal. It is the Bidder’s responsibility to check the State Purchasing Bureau website for all addenda or amendments.

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| Question Number | RFPSectionReference | RFPPage Number | Question | State Response |
| 1. |  |  | In this RFP I see that you are looking to host the software with the Office of the Chief Information Officer Centralized Data Center. Our solution is hosted in Amazon's AWS secure environment. Would this preclude us from being a viable consideration? Are you looking for a more on premises type of solution to be hosted at the CIO Data Center? |  Any bidder that will be using their cloud provider, and it is not on the States’ pre-approved cloud provider list, will need to be certified by the Office of the CIO before contract award. At this time the pre-approved cloud providers are AWS and Azure. Also, any bidder proposing a cloud offering must fill out attachment D – Cloud Consideration Criteria questionnaire. Please see Attachment C **Revised** Cost Proposal Options A and B. |
| 2. | N/A | N/A | Can the state please provide the budget that has been allocated for this project?  | The Bidder should provide a response that meets the requirements of the RFP. The funding source and budgeted amount should not be a determining factor of the bid response. |
| 3. | N/A | N/A | To aid in development of the project plan, can the state please provide the number of full-time equivalent (FTE) system administrators it plans to make available for this project?System administrators are individuals who will be trained on how to configure and administer the system to meet agency needs. | Configuration management will be maintained primarily by the department’s IT staff (3). As training and staffing allows, additional staff may be authorized to assist in that configuration. Technical delivery, such as network or server management, will be primarily supported by OCIO staff. |
| 4. | B. Project Environment | 26 | *The Department will utilize the State of Nebraska; Office of the Chief Information Officer centralized Data Center or their cloud provider(s) to house hardware, as necessary, for the Financial Licensing and Enforcement Software Solution.*Will the State consider a vendor hosted solution as an alternative? If so, can this be priced as an option? | Please see response to Question #1. |
| 5. | D. Business Requirements | 26 | *Attachment B details a matrix of required business processes to be included in the proposed solution.*The Glossary of Terms defines “should” as *expected; suggested, but not necessarily mandatory*. (page viii) Can the State clarify if all requirements in Attachment B are required to be met? If not all requirements are required, is it intended that the required requirements state “must” and highly desired requirements state “should”?  | Yes, this is how “should” and “must” are meant to be interpreted. |
| 6. | Attachment A | N/A | Attachment A has a column titled “credentialtype”. Can the State please provide a definition of the various types listed? | A credential is a generic reference to an NDBF decision regarding eligibility to work in alignment with the request. A request for an NDBF decision (credential) is accomplished by application. A credential depending upon the legal structure is an approval, a registration, a license, or a charter. Each type of decision (credential) carries with it unique legal rights (and legal requirements), unique fees, related ongoing information, third party audits, and differences in workflows. |
| 7. | Attachment B | N/A | If our system meets a requirement from the listing in Attachment B only partially, can we describe what our system does today? | Yes. |
| 8. | Attachment B – Licensing | L.1.2 | *The system must have ability to create a workflow for creating and maintaining department contact IDs.*Can the State please explain a department contact ID? | A unique identifier for a person or company, separate from any interaction with the department, such as a license or exam. |
| 9. | Attachment B – Licensing | L.2.a4 | *The system must capture a history of all addresses, with an active flag to identify current records for each physical and mailing types.*We interpret this to mean that there must be a distinction between historical and current data. Is our interpretation correct? | Yes, the department requires an ability to review prior locations as needed, as well as future locations as requested. Additionally, the department must know the current physical and mailing addresses for use in department documents or processes. |
| 10. | Attachment B – Licensing | L.1.a5 |

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| *The system must have the ability to prevent entry of duplicate contacts and external licenses.*  |

Can the State define ”external license”? | The department gathers information from other regulators’ systems. Any import of this data must not cause question of the data integrity of the system. |
| 11. | Attachment B – Enforcement | CM.2.b1 | *The system should have the ability to provide for automatic or manual case creation.*Can the State clarify what automatic case creation needs to occur and what events trigger a case to be automatically created? | Automated case creation can be driven from the evaluations of financial reports, missed licensing requirements, among others. |
| 12. | Attachment B – Online Self-Service | OS.1.13 | *The system’s self service portal should allow other State of Nebraska agencies or departments to make inquiries based on configurable business rules.* Can the State provide a description of the types of inquiries routinely received from other agencies/departments? | Primarily, the state’s interactions with other regulators relate to the referrals of complaints and cases to and from the department and the sharing of information on joint examinations. |
| 13. | Attachment B – Technical | TR.4.a2 | *The system must have the ability for programmer supplementation to deal with complexities of forms that cannot be handled by forms configuration.*Does the State have an example in which past solutions have not been able to handle forms complexity without programmer supplementation or an area where programmer supplementation would be used within a form? | Certain templates and batch printing requirements are not possible within common text editors, particularly the ability to align text vertically next to an address block for an electronic eye to count or monitor.  |
| 14. | Attachment B – Technical | TR.5.a2 | *The system should have the ability for batch cycle-configured client accounting functions of the system to be user-initiated.*We interpret this to mean that a user can create a batch of transactions that a user has received and allocated to a fund. Is this interpretation correct? | No. The department works with FINRA, Blue Express and NMLS regarding licensing of firms and their employees or securities filings. These fees are captured by those regulators and disseminated to the state in batches related to ACH payments. |
| 15. | Attachment B – Technical | TR.7.c2 | *The system must support internal interfaces with existing State of Nebraska systems as necessary during and after system implementation.*For planning purposes, can the State provide a listing of existing State of Nebraska interfaces to be included during the implementation? | Nationwide Mortgage Licensing System – Data Download processBlue Express (from ABD/BNY Mellon)FDIC Call Report and “SCOR” import files from FDIC Connect. |
| 16. | Attachment B – Common Services | CO.1.b6 | *The system must be able to print an exact duplicate of a previously generated notice, bill, or other correspondence.*We interpret the requirement to be that a previously sent notice, bill, or correspondence can be resent (printed or emailed). Is our interpretation of the requirement correct? | Not necessarily simply to resend, but recreated in general for other legal proceedings. |
| 17. | Attachment B – Common Services | CO.1.b10 | *The system must be able to generate and support the mailing process for correspondence, including the DAS Print Shop.*Can the State provide a description of the mailing process that this requirement is requesting to be supported? | Either one of two methods are required: 1) An sequential (based on the print batch and not necessarily document generation) 6 character integer with leading zeroes printed in non-serif format vertically-oriented next to the address block of any letter or mailing. 2) a 2D QR code representing the same numeric system as in option 1 located next to the address block.Additional requirements are necessary for multi-page documents to identify the beginning and end of each individual mailing. |
| 18. | Attachment B – Common Services | CO.2.a11 | *The system must be able to send output reports from the production application or the reporting database to offline printing at DAS print shop.*Our interpretation of this requirement is that reports can be exported to a file that can be sent externally to be printed. Is our interpretation correct? | Please see response to Question #17. Additionally, the reports or mailings must be able to be grouped or aggregated into a single document before being printed externally, as required. |
| 19. | V.A. Project Overview | pg. 26 | Referring to "COTS" Product. Is the DOB willing to consider a software platform that will be customized to specifications provided in Attachment B? | The “COTS” requirement represents the department’s need to find a partner that has already delivered a system with these components for another state regulator and therefore will not need to develop completely custom software to meet these requirements. |
| 20. | V.B. Paragraph 1 | pg. 26 | Do mobile users access the system via a native Android/iOS application or via a website? | A mobile application is not required. Internal users will be able to access the system via desktop or laptop. External interactions would be via web portal which must meet 501 compliance per NITC standards and should leverage modern website development methods and tools such as HTML5. |
| 21. | V.B. Paragraph 2 | pg. 26 | Can you please describe the data that will be uploaded to the system? | All existing interfaces (from Blue Express, NMLS and the FDIC) are ingestion only, either from individual or zipped flat files in XML or CSV format. Currently, these imports are processed either via SSIS or internal application code.Other files of various types are also uploaded to department records for subsequent retrieval or review, similar to attaching a document to an email. |
| 22. | V.B. Paragraph 2 | pg. 26 | Could we create an alternate, more efficient, workflow whereby we connect directly to external APIs for NMLS, FINRA, CRD/IARD, BLUE Express, FDIC, etc. when available? | External APIs do not currently exist for these related systems. If they are ever made available and contain the required data, API calls would be an appropriate solution. |
| 23. | V.D.1. Business Requirements | pg. 26 | Can you please define the term "charter"? | Please see response to Question #6 |
| 24. | V.D.4. Business Requirements | pg. 26 | Can you provide some examples of trigger events and resulting actions? | Certain enforcement actions may spawn a for-cause examination. Renewal events may trigger all licenses of that type to change status and append a renewal fee. Payments of fees may generate receipts. |
| 25. | V.D.6. Business Requirements | pg. 26 | When you refer to "document destruction", do the digital documents need to be completely erased from the database? | Yes. |
| 26. | V.D.8. Business Requirements | pg. 26 | What user roles/levels will be necessary and what does each include for permissions? | Primarily, there are 4 levels of security required: View, Edit/Update, Supervisor (delete or manually change status), and Administrator.Additionally, certain functions must be maintained independently, such as Check Logging vs Payment Processing. |
| 27. | V.D.9. Business Requirements | pg. 26 | Can you please describe the import and export file types and data? | See attachment B, Tab 6. Technical, TR.7.c.; Interfaces |
| 28. | V. Project Description and Scope of Work,D. Business Requirements | 26 | Of the list of eleven (11) requirements the Department is seeking software to perform, please identify any that the current system does not currently satisfy. Additionally, please elaborate upon the gap(s) between desired functionalities and current system. | Items 1, 2,3,4,5,7,8,9 and 10 are all met by the current system. Item 6 is currently tracked manually, rather than via system automation. Item 11 is a capability of the current system that has not been implemented within the department.The detail level of employee assignments and their work is not tracked within the system on a weekly or daily level, nor by task performed or where it was completed from (on-site at an institution or remotely from the office or another site). |
| 29. | VII. Cost Proposal Requirements | 32 | Does the department have a budget established for this project? If yes, can the department provide the budget amount and source(s) for this project including implementation, support and future enhancements? | Please see response to Question #2 |
| 30. | V. Project Description and Scope of Work,B. Project Environment | 26 | Would the Department desire to have a vendor hosted solution as an option to using the State’s data center? | Please see response to Question #1. |
| 31. | VII. Cost Proposal Requirements | 32 | Beyond the annual amount for the licensing, maintenance and support of the current system, what amount (or range of funds) has the department allocated for the implementation of a new solution and technical support? | Please see response to Question #2. |
| 32. | V. Project Description and Scope of Work,C. Project Requirements | 26 | Aside from the incumbent vendor, what other vendor(s) has the department interacted with, received presentation(s), demos and pricing quote(s) for a new Financial Licensing and Enforcement software solution within 18 months of this RFP being issued? | None.  |
| 33. | V. Project Description and Scope of Work,B. Project Environment | 26 | Can the State elaborate upon all the data sources identified, specifically all desired interfaces to other system(s) and for each interface is to be one-way or two-way? | Please see response to Question #21. |
| 34. | V. Project Description and Scope of Work,A. Project Overview | 26 | What is the size of existing data, type(s) and format(s) that will need to be migrated into the new system? | The state’s existing infrastructure is listed in the existing document under Section V.B; Project Description and Scope of Work. Please see response to Question #42 for any additional details. |
| 35. | Attachment B, section TR.7c 2 Interfaces | 33 | Can the State elaborate upon all existing, internal interfaces and if each interface is to be one-way or two-way? | Please see response to Question #21. |
| 36. | V. Project Description and Scope of Work,C. Project Requirements | 26 | RFP Project Requirements seem to describe a very modular product. Which COTS system(s) and/or vendor(s) is the State aware of that can fulfill the RFP requirements? | The State released this RFP to find a Contractor that could meet the requirements of the RFP. |
| 37. |  |  | Number of concurrent internal users? – (Section V B Project Environment, Page 26 gives some information) | 40 |
| 38. |  |  | Number of concurrent external users? | 100 |
| 39. |  |  | External hosting required? Shared or Dedicated? | Please see response to Question #1. |
| 40. |  |  | Encryption for Data at Rest required? | Yes. Please see Attachment B, TR.6, Security. At a minimum, this should include PII (SSN/TIN or date of birth) and any sensitive fields within tables (license warnings or risk measures) that have generally public information or tables that solely include sensitive information, such as examination data. |
| 41. |  |  | FedRAMP level? | Moderate. Also, if considering a cloud solution, bidders should understand this to mean that the solution itself is configured to those standards certified in its compliance with them. This should not be interpreted as being solely capable of meeting them. |
| 42. |  |  | Initial data size requirement? | The deepest table is currently over 3.9 million rows with 9 columns. The widest table is 263 columns with 129 rows. The total TSQL Database size is approximately 14.5 GB. |
| 43. |  |  | Deployment timeframe? | Please see Section V.E of the RFP. |
| 44 | None | Based on Phone conference | Location of Work. Is the State open to have the vendor work remotely, but inside the United States? We anticipate being onsite for portions of the business analysis and requirements gathering effort, however the majority of the development work will be done remotely by our teams in the mid-west and California. Is this approach acceptable? | Yes, off-site resources in the USA are acceptable. |
| 45 | None | Based on Phone conference | How much on-site staff does the current incumbent vendor have? | None. |
| 46 | None | Based on Phone conference | What is the current value of the existing vendor’s contract? | See DAS Materiel website.<http://www.nebraska.gov/das/materiel/purchasing/contract_search/index.php>  |
| 47 | None | Based on Phone conference | What requirements does the current system not meet? | Please see response to Question #28. |
| 48 | None | Based on Phone conference | What is the current vendors support SLA? | See DAS Materiel website for existing contract details, including support levels.<http://www.nebraska.gov/das/materiel/purchasing/contract_search/index.php>  |
| 49 | None | Based on Phone conference | Has the State had any issues with the maintenance of the Legacy system that is causing it to look for a new one? | None |
| 50 | None | Based on Phone conference | Does the State have a budget that they are trying to work within?  | Please see response to Question #2 |
| 51 | None | Based on Phone Conference | Does the State have existing business process documentation that would help a vendor better perform a gap analysis? If so can you please provide it. | No, the State does not have this documentation that would be available for review by the bidder. |
| 52 | None | Based on Phone Conference | Can the State provide any existing documentation relating to the business process identified in the RFP and requirements? | No, the State does not have this documentation that would be available for review by the bidder. |
| 53 | III.G – Insurance Requirements | Word page 29 | What is the current vendors Cyber Liability insurance? | See DAS Materiel website for existing contract details, including support levels.<http://www.nebraska.gov/das/materiel/purchasing/contract_search/index.php>  |
| 54 | III.G – Insurance Requirements | Word page 29 | Given the size and scope of the project proposed by the State the Cyber Liability is very high. Would the State consider $5 million for Cyber Liability? | No. |
| 55 | III.F – Ownership of Information and Data / Deliverables | Word page 27 | The State is requesting a COTS solution that will have its own third party licensing agreement which Crowe will submit with its proposal. Can the State confirm that this section of the terms applies specifically to the contract deliverables and services provided by the vendor? Note: Appendix C does not specifically call out any deliverables.  | The bid response is to be for the complete solution, inclusive of all contract deliverables and any prerequisite license costs. |
| 56 | III.F – Ownership of Information and Data / Deliverables | Word page 27 | Crowe requests a modification to this language so that the services to be performed by Consultant shall be deemed instruments of service for purposes of the copyright laws of the United States. Additionally, any intellectual property that Crowe brings into this project or develops as a result of the project shall remain the intellectual property of Crowe. | The Department’s duty is to the State of Nebraska and its citizens. Any code developed or insights derived within the solution, particularly those accomplished in partnership with the department, are expected to be available for the department’s use as it sees fit. |
| 57 | IV.D – Inspection and Approval | Word Page 33 | Crowe can provide access to any work products or deliverables that are part of work being performed as part of this agreement. However, Crowe cannot grant the right to enter any premise where the work is being performed as we have a duty to protect the confidentiality of our other clients. Can the State please revise the language of this section to focus on the work products and deliverables and not on the location itself?  | Statutory or other restrictions may exist which would preclude a definitive response to your query.  A final decision will be made in consultations with the Department of Administrative Services and OCIO to ensure the best possible outcome to fulfill the Department’s duty.  |
| 58 | Requirements Attachment | Contact and Department Account | The system appears to request many features that are typically handled by a financial system. Is the State looking to integrate a financial system into the overall solution or are you expecting the Licensing and Enforcement System to manage financial transactions? | This system must process financials as they relate to the licensing and enforcement actions contained within. |
| 59 | Requirements Attachment | Ca2 | Does the state have a payment service provider that they currently use?  | The department must leverage those services as provided by the State Treasurer’s office. |
| 60 | Requirements Attachment | DP.1.16 | What other types of submissions must the system accept?How are these submissions received? | Payments are received by the department for other efforts outside of licensing and enforcement. These include but are not limited to clerical efforts and freedom of information act responses.The Department receives these by individuals that walk into the agency or by other means. |
| 61 | Requirements Attachment | DP.1.3 | Please elaborate on Loading/Posting for processing entails | The department must be able to process payments, whether electronic or paper. Additionally, these payments may be submitted to the department in batch format from the interfaces described in Attachment B, Tab 6, TR.7.c. |
| 62 | Requirements Attachment | DP.1.a1 | Are paper submissions expected to be scanned in using OCR? | Yes. |
| 63 | Requirements Attachment | OS.1.14 | Does the current system provide payment via portal functionality? | Yes. |
| 64 | Requirements Attachment | RA.2.3 | Does the Audit Trail need to support any official auditing standard? | No. |
| 65 | Requirements Attachment | TR 3.a2 | Does TR 3.a2 allow for the solution to be deployed in the Microsoft Government cloud environment? | Yes. |
| 66 | Requirements Attachment | TR 3.b5 | Would a full cloud deployment that does not utilize local storage be acceptable, thus not utilizing the SAN at all. | Please see Attachment D of the RFP. |
| 67 | Requirements Attachment | TR 6.14 | Can the IP address requirement be removed and only require user identifier and time stamp? If not, are IP addresses required for all system users, or only for internal users or only for external users | IP addresses are required for internal users only. |
| 68 | Requirements Attachment | TR.2.1 | Our proposed solution is based on the Dynamics 365 Framework and can be hosted on physical servers, virtual servers, or completely on the Microsoft Dynamics 365 Cloud. While we can provide a quote for the RDBMS licenses these quotes are moot if the State decides to host the solution on the Microsoft Cloud. Hosting on the Microsoft Government Cloud would also provide FEDRAMP compliance which meets all of the needed security requirements identified in this proposal. Is the State open to hosting the solution on the Microsoft Government Cloud?  | Any bid must be inclusive of all components necessary. If the solution is cloud-only, related storage and other operational costs must be included for review. Cloud offerings must also meet the requirements defined in the Cloud Questionnaire per response to Question #1. |
| 69 | Requirements Attachment | TR.3.a2 | While our solution can be hosted on premise many of our clients prefer to leverage the Microsoft Government Cloud which is FEDRAMP compliant. If the State is open to hosting on the Government Cloud then please confirm there is no need to specify hardware requirements. | Though the department is open to hosting the solution in the MS Gov Cloud that does not preclude the bidder from needing to specify the service specifications for any infrastructure required. |
| 70 | Requirements Attachment | TR.3.a2 | Does the existing vendor and solution meet all of the security requirements? How have these been verified? | .Please see response to Question #1Audits are performed on the OCIO Security implementation including IRS and PCI compliance.    Vulnerability Scans are performed on the network and servers. |
| 71 | Requirements Attachment | TR3.d4 | Does this question mean that SDLC processes are mandated for the development process, or that the software must have an inherent version and change control system? Customizations to Dynamics 365 can be kept an any version control system, including Azure DevOps and Git. | Yes, SDLC processes, including version and change control are required. This should also include the ability to roll a production version back to a prior release when blockers are identified. |
| 72 | Requirements Attachment | TR3.d6 | Microsoft provides a warranty to our platform based on their SLA which Crowe will provide with a response. Is this sufficient to meet the warranty criteria? |  In addition to any system availability SLAs that a host may have, the solution provider must warranty that any development and release management must meet a set of agreed-upon standards. |
| 73 | Requirements Attachment | TR5.b3 | Does the current system perform bulk batch processing reversals? If so how often is this feature used? Is this a mandatory requirement? Would the State consider removing?  | Currently, this is handled manually on a transaction level basis. As the department targets the import of additional external data, bulk reversals of bad data are required.As needed.Yes, it is mandatory.No. |
| 74 | Attachment A | All | Is Attachment A meant for informational purposes only, or do we need to respond to it? | Informational, to help bidders understand the variety of license types that are regulated by the department. |

Per this Addendum please note the following:

Attachment D – Cloud Consideration Criteria Questionnaire is added to the RFP

Section V.B, third paragraph has been deleted and replaced with the following:

The Department prefers to utilize the State of Nebraska; Office of the Chief Information Officer centralized Data Center or their OCIO approved cloud provider(s) to house hardware, as necessary, for the Financial Licensing and Enforcement Software Solution. Currently approved providers are AWS and Azure.

Add the following to Section V after: The bidder should provide the following information in response to this RFP.

This RFP provides two (2) options for bidding:

Option A, Office of the Chief Information Officer (OCIO) Hosted or Cloud Based Infrastructure as a Service (IaaS), and;

Option B, Platform as a Service (PaaS) or Software as a Service (Saas)

Bidders may bid on either one or both options. In order for a bid to be considered for more than one option, a complete, separate proposal (Corporate, Technical, and Cost) must be submitted for **EACH** option. Each proposal submitted must clearly identify which option is being bid. The State will evaluate all proposals submitted within each separate option, (Option A, OCIO Hosted or Cloud Based Infrastructure as a Service (IaaS), and Option B, Platform as a Service (PaaS) or Software as a Service (SaaS) the highest scoring bidder will be identified for each option (A and B). The State will then make a determination as to which option will best meet the State’s needs and make an award to the highest scoring bidder for that option.

Attachment B, Tab 6 Technical, TR.3.a2 deleted and replaced with the following:

State of Nebraska will host this application at OCIO. State of Nebraska prefers this to be in a virtual environment, which may be cloud-based within the State's existing enterprise cloud subscription. Any bidder that will be using their cloud provider, and it is not on the States’ pre-approved cloud provider list, will need to be certified by the Office of the CIO before contract award. At this time the pre-approved cloud providers are AWS and Azure. . The bidder must specify the hardware requirements.

This addendum will become part of the proposal and should be acknowledged with the Request for Proposal response.