Association of Public Health Laboratories

Financial Management System Software Selection

Request for Proposal

April 17, 2015
(Version 2 – Reissued April 20, 2015)

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APHL – Financial Management System Software Selection RFP

1.0 Project Overview

1.01 INTRODUCTION:

The Association of Public Health Laboratories (APHL) is in the process of evaluating and selecting the optimal financial management solution. APHL prides itself as a progressive organization that strives to apply cutting edge business and technology solutions that improve performance and deliver services in a way that maximizes resources to further its mission.

1.02 PROJECT FACILITATION:

The evaluation and selection process is being facilitated by the APHL selection team and the consulting resources within CliftonLarsonAllen LLP (CLA).

1.03 PROJECT ORGANIZATION:

APHL has organized this project in a manner that solicited input from all levels within the organization. The evaluation, selection and implementation of a financial management system that allows for the proper recoding of transactions and user capability across the organization is supported by the APHL management team (Project Team) that has specific functional expertise and were accountable for approving the requirements outlined in this Request for Proposal (RFP).

1.04 PROJECT OBJECTIVE:

APHL desires a fully integrated financial management and project accounting solution for the requirements defined in the attached requirements document. APHL currently uses Microsoft Dynamics SL for its financial management and project accounting needs. While the use of this application has improved the effectiveness of specific functional areas, it has not satisfied the increased demand for information sharing among multiple users and increased functional requirements.

Some of the specific issues that are motivating APHL to search for alternatives to the current information management system include but are not limited to the following:

- Limitation of the existing system to handle multi-company and multi-currency transaction processing and reporting.
- Project Managers have difficulty accessing accurate and timely financial reporting information with which to manage their projects or departments.
- Limitations of the existing systems to be upgraded to satisfy APHL financial management requirements and take advantage of evolving technology.

At a minimum, APHL anticipates the selected solution will provide the following:

- Flexibility to support multiple companies with satellite office operations in resource-poor settings, primarily the continent of Africa at the moment, and allow for ease of navigation between companies for those employees that are responsible for information management between the companies/divisions.
- Provide Multi-Currency capabilities.
- Support automated workflow that is integrated with a document management solution.

- Provide “dashboard”-type executive reporting and create custom reports based on both financial and unit measurements. More specifically, summarized management reports must provide user defined metrics that are readily available, integrated and flexible.
- Integrate with other software solutions as defined by APHL.

1.05 FUNCTIONAL REQUIREMENTS:

Specific requirements were documented for key functional areas of the APHL organization. These requirements will be used as a basis of the evaluation and include the following:

- General Ledger
- Accounts Receivable
- Cash Management
- Enterprise reporting
- Accounts Payable and Purchasing
- Contracts and Projects
- Fixed Assets

1.06 ANTICIPATED PROJECT DATES AND SCHEDULE:

At this time, APHL anticipates the following schedule:

RFP Issued: .... April 17, 2015
RFP Responses Due: ....May 18, 2015
Phase II Review Completed and Demo Scripts Issued: ....May 29, 2015
Demonstrations Completed: …………………………… ....June 29 - 30, 2015
If needed, Follow-up Demonstrations and Proposals Due: ....July 8- 10, 2015
Phase III Review Completed and Vendor Selection: .... July 17, 2015
Contracts Finalized: .... July 31, 2015
Begin Implementation: .... August 15, 2015
Implementation “Go Live” Date: ....January 1, 2016

2.0 APHL Profile

2.01 OVERVIEW:

APHL is the national organization representing state and local governmental health laboratories in the United States. Its members, known as “public health laboratories,” monitor and detect health threats to protect the health and safety of Americans. Founded over 50 years ago as a forum for state public health laboratory directors, APHL has expanded to encompass governmental health laboratories and staff from multiple disciplines, including public health, environmental, agricultural and food safety laboratories.

Today, APHL is a 501(c)(3) nonprofit corporation created under District of Columbia law with approximately 800 members and annual revenues of $34 M. The association is headquartered in Silver Spring, MD with approximately 95 employees working to shape national and global health outcomes by promoting the value and contributions of public health laboratories and continuously improving the public health laboratory system and practice.

2.02 ORGANIZATION STRUCTURE:

APHL's Board of Directors serves as its governing body and establishes the strategic direction and priority initiatives of the organization and ensures that annual goals are met. The Board of Directors is comprised of the association's President, President-Elect, Secretary-Treasurer, Immediate Past President, two public health local institutional member representatives, a public health associate institutional member representative and three elected members-at-large from the public health state institutional members. The president serves as chairperson of the Board of Directors, and APHL's Executive Director is an ex-officio member.

APHL's Executive Director leads the association, directs its day-to-day operations and serves as its primary external interface. The Chief Operating Officer is the second highest ranking staff member and she oversees the internal and operational aspects of the association's work. The work of APHL's staff falls into four main categories – public health programs and systems, professional development, public policy and operations – summarized briefly below.

2.02.1 Public Health Programs and Systems: APHL's public health program work mirrors the varied work done at its member laboratories, while its public health systems work reflect the cross-cutting systems issues addressed by the public health laboratories. This work focuses on strengthening and improving laboratory systems and practices and facilitating an exchange of ideas, initiatives and best practices among public health laboratorians. The following programs are responsible for this substantive work:

- Environmental Health
- Food Safety
- Global Health
- Infectious Diseases
- Informatics
- Institutional Research
- Newborn Screening & Genetics
- Public Health Preparedness and Response
- Quality Systems

2.02.2 Professional Development: APHL offers continuing education programs to strengthen the skills of laboratorians and to promote excellence in laboratory practice. APHL also sponsors training programs through the National Laboratory Training Network (NLTN) in collaboration with the Centers for Disease Control and Prevention. In addition, APHL directs the National Center for Public Health Laboratory Leadership, which fosters the development of emerging leaders and expands knowledge of public health laboratory management. The association also manages fellowship and traineeship programs in Emerging Infectious Disease, Environmental Health and Newborn Screening.

2.02.3 Public Policy: APHL connects the nation's public health laboratories with federal agencies and serves as a conduit for exchange of information. Through APHL's Public Policy Program, the association also advises agencies on development and implementation of national health initiatives.

APHL researches and responds to inquiries about current or proposed policies and their impact on public health laboratories and provides guidance on federal protocols and directives. APHL also issues statements on pending legislation and regulations, provides expert testimony, comments on proposed rulemaking and disseminates educational materials on priority issues.

2.02.4 Operations: APHL's operational components act across the association to assist in facilitating, promoting and supporting the programmatic, training and policy work described above. The following departments or units make up APHL's overall operations group:

- Accounting
- Grants Management
- Human Resources
- Information Systems
- Information Technology
- Legal
- Marketing and Member Services
- Strategic Communications

2.03 INTERNATIONAL OPERATIONS:

APHL works internationally on long-term projects to develop effective national laboratory systems and expand access to quality diagnostic testing services. With over 20 years' experience in 31 countries on five continents, it is recognized internationally as a leader in laboratory science and practice. APHL also works internationally on short-term projects which could include the assessment of a country's public health laboratory or infectious disease monitoring capacity, the facilitation of a training program or workshop or the hosting of a national, regional or international conference on various public health topics.

In cases where APHL anticipates that work will continue long term, the association either has created (or is working to create) a local subsidiary company through which work is conducted locally or has registered (or is working to register) a branch or representative office of APHL in country. With the current scope of work, APHL anticipates that it will have nine international subsidiaries or branches once the registration process is complete. For financial reporting purposes, APHL expects that the financials of all branch or subsidiary operations will be consolidated with APHL, the parent company, and be able to support local currency and consolidation in US dollars.

2.04 APPLICATION(S):

Current software or application systems used by APHL include, but are not limited to the following:

Business Function	Product	Integrated
Financial Accounting	Microsoft Dynamics SL	Yes
Internal reporting	SharePoint	Yes
Membership, conferences and workshop Management	netFORUM	Manual

3.0 Selection Process and RFP Criteria

3.01 REVIEW AND SELECTION PROCESS:

Applications will be reviewed in three phases.

3.01.1 Phase I Review: All applications will be reviewed initially for completeness by CLA staff and will be reviewed jointly for eligibility by CLA and APHL Project Team staff. APHL reserves the right to disqualify incomplete applications and applications that do not meet the outlined criteria from advancing to Phase II review. Vendors will be notified that their applications did not meet published submission requirements.

3.01.2 Phase II Review: During the Phase II Review, a review panel (described in more detail below) will conduct an initial evaluation of each complete proposal received. Proposals will be evaluated based upon the proven ability of the vendor to satisfy the requirements of the RFP in a timely and cost-effective manner. Each of the evaluation criteria categories is described below with a brief explanation of the basis for evaluation in that category. The maximum points associated with each category are indicated following the category name (total maximum points = 100).

3.01.2.1 Appendix A Requirement Listing Classifications: The first portion of the evaluation criteria will look at each application in light of Appendix A, which contains the APHL Requirements Listing for software or user functionality. Each requirement line in Appendix A contains a classification – “show stopper”, “required”, “desired” or “optional” – for that requirement. These classifications represent the following:

- *Show Stopper*. These items on Appendix A represent critical functionality that either (1) is available on APHL’s current financial management software and will be necessary functionalities on the new system or (2) are missing from the current system that helped drive APHL to seek alternative software solutions.
  - Applications failing to meet these criteria with minimal workaround customization are likely to be rejected during this phase without consideration of any of the other evaluation criteria described below.

- *Required*. These items on the list reflect crucial functionality that either (1) are available on the current system and are very likely to remain crucial functionality on the new system or (2) are missing from the current system but are very likely to be needed on the new system.
  - Applications failing to meet these criteria with less than moderate workaround customization are likely to be rejected during this phase without consideration of any of the other evaluation criteria described below.

- *Desired*. These items on the list reflect functionality that of interest to APHL as part of the new financial information system or ones for which it may have a need to utilize in the foreseeable future.

- *Optional*. These final items represent functionality that APHL might find useful in the new system if available as part of the systems basic functionality. No customization to develop these optional features is anticipated.

3.01.2.2 <u>Proposed Software Functionality</u>; Maximum Points = 60

Evaluate the extent to which the applicant addresses the items below.

- Proposes a software solution that meets the “show stopper” and “required” functionality specified on the APHL Requirements Listing attached as Appendix A and provides for optimization of both efficiency of financial transactions and effectiveness of internal controls.
  - Proposals that fail to meet one or more of the “show stopper” or “required” functionalities may, at APHL’s discretion, be rejected without further consideration.
- Proposes a software solution that fulfills all or a portion of the “desired” and “optional” functionality specified on the APHL Requirements Listing attached as Appendix A.

- Provides for documentation, instruction manuals and/or online tutorials which may allow end users to develop a baseline understanding of the software and to self-train on more complex software functions.

3.01.2.3 **<u>Vendor References, Experience and Capacity</u>; Maximum Points = 30**
Evaluate the extent to which the addresses the items below.

- Provides a completed vendor profile.
- Provide no less than three references, including a combination of long term clients, clients implemented within the preceding 12 months and at least one active implementation client.
- Demonstrates relevant experience and capacity (management, administrative, and technical) to develop any software customization, to install the new software and to achieve the overall project outcomes in the specified timeframe. Relevant experience with grant funded nonprofits and companies with international subsidiaries, is particularly important.
- Provides a staffing plan and project management structure that will be sufficient to achieve the project outcomes and which clearly defines staff roles.

3.01.2.4 **<u>Approach to Implementation and Ongoing Support</u>; Maximum Points = 10**
Evaluate the extent to which the applicant addresses the items below.

- Presents a project management approach that is consistent with and appears stable during the project implementation period.
- Provides a method for minimizing disruption and downtown during and after the software is released and put into use at APHL.
- Provides a copy of the proposed software licensing agreement and other documentation that the applicant might reasonably need prior to software installation.
- Proposes an ongoing customer support strategy that would allow for prompt response to urgent software issues and an efficient response to all other inquiries.

3.01.2.5 **Reviewers and Notification Procedure:** Phase II review will be conducted by APHL Project Team and CLA's RFP project team. Not more than 15 days after the Phase II review is completed, applicants will be notified electronically if their application has been selected. Each selected applicant will receive a demo script for the first portion of the Phase III review. APHL may also elect to notify non-selected vendors at this stage, or may opt to do so at the conclusion of the phase III review.

3.01.2.6 **Addressing Similar Technical Review Results:** If two or more proposals are close to equal in terms of technical review, greater weight may be given to the proposal with the lowest price.

3.01.3 **Phase III Review:** The Phase II review panel will select between three and five proposals to be included in Phase III. During this final phase, selected applicants will be notified by CLA staff and will be scheduled to provide an in-person, or if requested by an applicant and approved by APHL an online initial presentation and software demonstration on June 29 and June 30, 2015 or such later date as CLA may advise at the time the Phase III Review vendor schedule is created. The in-person presentations will take place at APHL's headquarters office in Silver Spring, Maryland.

3.01.3.1 **Review Criteria and Demo Scripts:** A full description of the Phase III evaluation criteria will be distributed to the applicants selected to take part in this phase. The criteria will be delivered to the selected applicants simultaneously with their receipt of the demo script. The evaluation will be based on a 100 point scale and may consider things like the user interface and the ease or difficulty with which it could be used, the quality and performance of the demonstrated software functionality and overall software capacity.

3.01.3.2 **Background Compliance Checks:** It is anticipated that the costs of this project will be partially paid for utilizing funding received under one or more Cooperative Agreements between APHL and various agencies within the U.S. Department of Health and Human Services. As a result, APHL staff will conduct preliminary compliance checks on the vendors selected to participate in the Phase III Review. This compliance check will serve each of the following:

- To validate that a vendor is neither excluded nor debarred from receiving federal funding.
- To verify that a vendor does not appear on the Specially Designated Nationals List maintained by the Office of Foreign Asset Control of the U.S. Department of Treasury.
- To gather the information necessary (including a DUNS number for a vendor) to file any reports required under the Federal Funding Accountability and Transparency Act of 2006 (FFATA).

3.01.3.3 **Follow-up Demonstrations or Questions:** After the selected applicants have presented their demonstrations, the APHL Project Team and CLA RFP project team may contact the top one to three candidates for clarification or follow-up questions on specific software functionality or questions on the implementation plan. These clarifying questions may necessitate a follow-up demonstration, which APHL anticipates will be conducted entirely online.

3.02 FINAL SELECTION:

Based on the results of the review described above, the qualifying proposal determined to be the most advantageous to APHL, taking into account all of the evaluation factors, may be selected by APHL for further action, such as contract negotiations. In the event that APHL decides that no proposal is sufficiently advantageous, it may take whatever further action is deemed necessary to fulfill its needs. If, for any reason, a proposal is selected and it is not possible to enter into a contract with the winning vendor, APHL may begin contract preparation with the next qualified vendor or determine that no such alternate proposal exists.

3.03 NOTIFICATION PROCESS AND DATES:

The winning vendor will be notified by CLA staff within ten business days of the completion of the Phase III Review and the vendor's name will be posted to www.aphl.org/rfp on the same day. Unsuccessful applicants will receive notification of these results by e-mail with delivery receipt or by U.S. mail within 30 days of the date the name of the winning vendor is posted at www.aphl.org/rfp.

3.04 OBLIGATIONS OF WINNING VENDOR:

In the event that federal funding is used to pay for a portion of the costs of this project, the selected vendor may be required to comply with the HHS Grants Policy Statement, an electronic copy of which may be found at http://www.hhs.gov/asfr/ogapa/aboutog/hhsgps107.pdf and/or the Additional Requirements of the U.S. Centers for Disease Control and Prevention, an electronic copy of which may be found at http://www.cdc.gov/grants/additionalrequirements/index.html**.**

3.05 RFP APPEALS PROCESS:

All vendors or prospective vendors will be entitled to utilize APHL's RFP Appeals Process to formulate a protest regarding alleged irregularities or improprieties during the procurement process. Specific details of this policy are located at www.aphl.org/rfp.

4.0 Proposal Instructions

4.01 PURPOSE OF THIS RFP:

The purpose of this RFP is to formalize the selection and acquisition process for APHL to acquire and implement application software to satisfy the association's information management requirements.

4.01.1 The vendor selected must be able to provide a solution that encompasses the installation and training of the proposed alternative in addition to interfacing or replacing existing software applications that satisfy the information management requirements of the various entities. The vendor must also be able to provide a high level of service and support for all proposed components.

4.01.2 This RFP contains the functional requirements, technical specifications, and expectations for installation, maintenance, and support. Instructions are provided to enable qualified vendors to prepare and submit proposals and supporting material in a format that will facilitate the evaluation process in a fair and consistent method.

4.02 PROPRIETARY INFORMATION, NON-DISCLOSURE:

This RFP, together with all attachments or other related materials, in its entirety remains the property of APHL. The information contained in the RFP is proprietary to APHL. APHL documents may not be duplicated or disseminated outside of the vendor's organization without prior written authorization from APHL.

In addition, any information provided by the vendor to APHL, CLA or their respective representatives will be used only for analysis purposes to evaluate and select a financial management system. Information provided by the vendor will not be duplicated or disseminated outside of either APHL or CLA without prior written authorization from the vendor.

4.03 REPRESENTATIONS MADE BY VENDOR:

By submitting a proposal, a vendor represents that:

4.03.1 The vendor has read and understands this RFP and the vendor's response is made in agreement and compliance with the RFP.

4.03.2 The vendor possesses the capabilities, equipment, personnel and financial wherewithal to provide an efficient and successful installation of properly operating equipment, and to ensure continued maintenance and technical support services of the proposed system.

4.03.3 The vendor's RFP response, pricing and demonstrations are based upon current release and product version. If a new release is issued during the procurement process, the vendor will submit a revised RFP response and pricing if the new version is to be considered by APHL within no more two business days of the date the new release is generally made available for purchase or distribution.

4.03.4 If selected as the winning vendor, the vendor's RFP response will be incorporated into the final contract or written agreement.

4.03.5 The vendor will provide full installation and support activities for all hardware and software proposed, including future updates and upgrades to the system. The vendor will coordinate all activities between business partners and other vendor relationships required to properly and completely implement system.

4.03.6 The vendor agrees that the recommended hardware and software configuration will satisfy current requirements and anticipated growth during the three years following acceptance, without reduction in response time and system throughput.

4.03.7 Upon vendor selection, specific performance and financial guarantees will be established during contract negotiation. If APHL is unable to reach agreement on these terms with the selected vendor during the contract negotiation time specified in this RFP, APHL will have the right (in its sole discretion) to enter contract negotiations with the next qualified vendor or to decide that no qualified vendor exists.

4.04 CONSIDERATION OF PROPOSAL:

The following general conditions will apply to all proposals received by APHL in response to this RFP:

4.04.1 The vendor will be considered the sole responsible party for the entire proposal, including any attachments, submitted on its behalf. APHL will hold the vendor responsible for the performance of all elements of the proposal.

4.04.2 Any subsequent revision or interpretation made by APHL to this RFP will be made by addendum and issued prior to the date the proposal is due.

4.04.3 In the event clarification or additional information is necessary, a vendor must submit the request in writing following the process set forth in Section 4.05 below. If a vendor makes assumptions during the proposal process, the vendor should state each and every one of those assumptions clearly in it response.

4.04.4 All submissions will become the property of APHL, and APHL will have the option to retain all information. APHL reserves the right to properly dispose of any and all proposal material when no longer required.

4.04.5 As noted in 4.03 above, the selected vendor's responses to this RFP will be incorporated in the resulting contractual agreements, most likely as attachments. In addition, the selected vendor will be required to adhere to specific performance criteria related to processing cycles, end-user response time, the funding restrictions or requirements imposed on any federal funding used to purchase the selected financial management system, etc.

4.05 QUESTIONS AND INTERPRETATION OF RFP DOCUMENTS:

If any vendor has questions or otherwise desires an interpretation of the RFP, specifications or any form contained in this material, the vendor must complete the online questions form available at www.aphl.org/rfp. Either APHL or CLA will post replies to the questions raised on that site as well and all questions and answers submitted will remain online through the date applications are due.

4.06 VENDOR RESPONSE:

Neither APHL nor CLA will return any vendor's proposal.

4.06.1 Vendors are required to warrant the proposed software based on documentation that accompanies the system. APHL may require the selected vendor to customize certain modules of the software to support specific and/or unique operating requirements that will be identified in a separate addendum to the final contract.

4.06.2 Any verbal or written information disclosed to APHL in the proposal process will be considered an integral part of the proposal and will be incorporated into the contract.

4.06.3 Vendors must deliver proposals to Judy Enders at CLA via email at judy.enders@CLAconnect.com.

4.06.4 All proposals must be delivered to CLA by May 18, 2015 at 5:00 p.m. CST. APHL reserves the right to not consider proposals that were incomplete as of this date and time or were received in their entirety after this date and time.

4.06.5 Vendors should clearly mark any proprietary and/or confidential information to ensure distribution is restricted to properly protect information. To facilitate the evaluation process, vendors should align the format of the proposal and respective section numbers to the section numbers in this RFP.

4.06.6 All diagrams and illustrations should be legible and clearly understood. Vendors should provide these items in electronic form, *i.e.* as a PowerPoint presentation or documents acceptable by the Microsoft Office Suite.

4.06.7 Each vendor will be responsible for all of the costs it incurred in the preparation of its proposal and subsequent demonstrations or any other activities related to the proposal.

4.06.8 APHL reserves the right to reject any or all proposals, in whole or in part, and will not be liable for incurred costs and damages.

4.06.9 APHL retains the right to select a vendor based on defined criteria other than the lowest price.

4.06.10 While APHL intends to make a decision no later than July 17, 2015, APHL requests that the proposal remain valid for 180 days. APHL understands that delays in the selection process may affect the overall project schedule and availability of personnel.

4.07 PROPOSAL FORMAT:

This RFP must be included, in its entirety, with each vendor's response. Therefore, make working copies of the RFP as necessary and do not retype the response forms. This RFP is organized so that evaluation of responses requires a minimum amount of effort and expense. An electronic copy of this RFP is publicly available at www.aphl.org/rfp and may have also been provided to vendors directly to facilitate its completion.

4.07.1 Response: As indicated in each section, please respond to the requested information where space has been provided. In an instance where a vendor needs additional space to respond, simply insert supplementary pages as necessary at the end of each section.

4.07.2 Proposal Content: A vendor must present its proposal in the following format:

A) Table of Contents
B) Executive Summary
C) RFP Response (Sections 4 - 6 and Appendix A in sequence, with responses)
  i) Other Information
  ii) Proposal Signature

4.07.3 Executive Summary: The ***Executive Summary*** should summarize the proposal content by describing the key elements and unique features of the proposal including a description of the implementation approach. Specifically, it should contain the following sections:

A) Summary of Approach: This segment should include a synopsis of the solution as proposed.
B) Project Schedule: A project schedule outlining all major efforts to be undertaken in the implementation should be provided including milestones. Utilize the proposed relevant dates listed in *Section 1* of this RFP.
C) Cost Proposal: A summary of cost, which should contain, but not be limited by, the following:
  i) How pricing was computed
  ii) Initial and recurring costs
  iii) Projected life cycle costs of proposed solution
  iv) Projected yearly incremental costs
  v) Potential costs that APHL may not have anticipated

EXECUTIVE SUMMARY

Choosing the right business management solution means balancing your short and long term business goals with your financial resources. Serenic Navigator helps you overcome these challenges with a business management solution that matches your business needs as well as your budget. Serenic Navigator is designed specifically for Not-for-Profit organizations and associations seeking one solution to help increase productivity without disrupting everyday business operations. From financial management to grants management, Serenic Navigator brings together an unrivalled array of functionality and features so you can capture, organize, share, and leverage your critical business information across your organization, as well as with key partners.

Approach:

Over the past 25 years, AVF has developed a substantial client base and is considered one of the top Serenic Navigator resellers in the country. The key to AVF's success has been its commitment to a single product line and its commitment to highest level of customer service during and post implementation process. It is through this singular focus that AVF has developed unsurpassed expertise in the sales, implementation, development, and support of Serenic Navigator. AVF's staff of certified Serenic Navigator professionals provides a complete range of software and services to clientele located throughout the region. As a certified representative of Serenic Navigator, AVF is prepared to address the diverse needs of Not-for-Profit organizations.

<u>Project Schedule</u>:

Our System for Success starts with a detailed requirements analysis. AVF's implementation team will analyze your current operations, your plans for growth, and the obstacles that may impede your progress. By becoming intimately familiar with the details of your operations, our implementation team will be equipped to configure Serenic Navigator to meet your organization's specific requirements. Once we determine the "blueprint" for your solution, we will coordinate our efforts with your organization's project leaders to establish and monitor the implementation goals and timelines. APHL's desire to kick-off the implementation on or around August 15 with a target date to go-live on or around January 1, 2016 is within the resource capabilities of AVF.

Throughout the implementation process, our team of Serenic Navigator professionals will ensure that your transition to Serenic Navigator is both smooth and efficient. We will convert your existing data into your new system, help you with any desired customizations, and ensure that your staff is well trained. Our hands-on approach allows us to build long-term relationships with our clients. It is through this sustained partnership that our clients are able to garner greater return on their investment. We are confident that you will find our Proposal acceptable and look forward to a long and mutually beneficial relationship with APHL for many years to come.

<u>Cost</u>:

Please see the following Total Cost of Ownership spreadsheet for details.

Association of Public Health Laboratories			**YEAR 1**	**YEAR 2**	**YEAR 3**	**YEAR 4**	**YEAR 5**	**Notes**
Serenic Navigator Perpetual Licensing	**QTY**	**$ / unit**	**TOTAL**					
Starter Pack (**Includes 3 Full users**)	1	$ 15,600.00	$ 15,600.00					
Additional Full User - Concurrent	3	$ 6,000.00	$ 18,000.00					User numbers should be confirmed.
Limited User - Concurrent	5	$ 1,200.00	$ 6,000.00					User numbers should be confirmed.
Extended Pack	1	$ 14,400.00	$ 14,400.00					Advanced grant management & budgeting.
Maintenance			$ 11,340.00	$ 11,340.00	$ 11,340.00	$ 11,340.00	$ 11,340.00	
Navigator License Total			**$ 65,340.00**					
Jet Reports (3 Report Designers, Unlimited Viewers)	1	$ 5,995.00	$ 5,995.00					Advanced financial reporting.
Maintenance			$ 959.20	$ 959.20	$ 959.20	$ 959.20	$ 959.20	
JET License Total			**$ 6,954.20**					
								Integrated Payment Processing
[1]Implementation (# of hours)	450	$ 190.00	**$ 85,500.00**					
Estimated Travel Costs			**$ 1,500.00**					
[2]Annual Consulting Hours	20	$ 195.00	$ -	$ 3,900.00	$ 3,900.00	$ 3,900.00	$ 3,900.00	
Annual Hosting Cost	1	$ 16,500.00	**$ 16,500.00**	$ 16,500.00	$ 16,500.00	$ 16,500.00	$ 16,500.00	Optional. Will vary by provider.
Hardware (if not hosting)	0	$ 10,000.00	$ -					Will vary.
[3]Training (**included in Year 1**)			$ -	$ 2,500.00	$ 2,500.00	$ 2,500.00	$ 2,500.00	
Total			**$ 174,294.20**	**$ 22,900.00**	**$ 22,900.00**	**$ 22,900.00**	**$ 22,900.00**	**$ 265,894.20**
								5 Year TCO

[1]Good faith estimate based on experience working with similar size organizations with similar complexity and requirements.
[2]Estimated on-going consulting budget based on experience working with similar size organizations with similar complexity and requirements.
[3]Suggested budget for on-going training for existing staff (as needed) or new staff.

4.07.4 RFP Section: The vendor's proposal must include its responses to the following sections of the RFP (no vendor response is required for Sections 1 – 3):

Section 5. <u>Vendor Profile</u>: Vendors must provide the information requested in the next section of this RFP.

Section 6. <u>Cost Summary</u>: Vendors must provide the information requested in this RFP below.

Section 7. <u>Proposal Signature</u>: Vendors must provide the signature and approval requested on the last page of the RFP.

4.07.5 Appendix A: Appendix A is a Microsoft Excel spreadsheet that contains a listing of specific functional requirements, identified by APHL, for a financial management system to be used effectively and efficiently across the association. These requirements are segmented into the following functional areas as identified by the tabs on the individual worksheets within the MS Excel workbook:

A1.0 Overall
A21.0 General Ledger
A23.0 Accounts Payable and Purchasing
A17.0 Accounts Receivable
A24.0 Cash Management
A8.0 Contracts and Projects
A25.0 Fixed Assets

For an explanation on how to complete Appendix A, please refer to the Instructions tab of the MS Excel workbook which describes how to respond to each functional requirement identified on the individual worksheet(s).

4.07.6 Other Information: Vendors should provide any additional information in this section that is necessary to support it proposal.

On behalf of Microsoft, Serenic Software and AVF Consulting, we appreciate the opportunity to offer our response and solution to the integrated financial, procurement, budgeting, fixed asset, contract and project management needs of APHL. Our proposed solution, Serenic Navigator powered by Microsoft Dynamics NAV, represents the leading mid-market solution available for nonprofit organizations and associations. Our experience working with organizations such as APA, AUA and The Bridge enables AVF to present APHL with the knowledge as well as technical expertise to fulfill your requirements. The strength of our solution can be summarized in the following terms:

- Rich, powerful functionality developed specifically for the needs of the NFP community.
- Modern technology maintained and broadened directly by Microsoft.
- Integrated, comprehensive features that provide a seamless user experience.
- Intuitive, on-line analysis with drill down access to transactional detail.
- Advanced workflow automation that dramatically reduces manual, paper driven processes.
- Experienced partner that solves complex issues with our people, processes, and expertise.
- Built-in multi-company, multi-currency, document attachment with enhanced dashboard reporting features, all available through the Windows Client as well as the Web Client (browser based).

AVF is a full-service, Microsoft Certified ERP partner specializing in accounting applications and IT solutions for Not-for-Profit organizations and associations. AVF has been deploying accounting solutions for over 25 years and has specialized in Serenic Navigator for over 15 years. AVF has been recognized as one of the Nation's leading ERP software providers for the NFP industry. Based on our years of experience and our documented success, we are 100% confident that AVF would be the ideal partner to assist APHL with the worldwide deployment and on-going support of your financial system.

Thank you again for the opportunity to assist APHL in meeting the needs outlined for this project.

5.0 Vendor Profile

5.01 ORGANIZATION BACKGROUND:

Vendors must provide an answer to each of the following questions. If the proposed solution includes a separate organization for implementation services, vendors must provide a separate set of responses for each entity.

5.01.1 Identify the official name of the organization(s) responding to this RFP.
AVF Consulting, Inc.

5.01.2 Identify the official address of the organization(s) responding to this RFP.
1220-C E. Joppa Road, Suite 514, Baltimore MD 21286

5.01.3 Identify the website of the organization(s) responding to this RFP.
www.avfconsulting.com

5.01.4 Identify the primary contact name including telephone number and email address.
John Uder, 443-278-8401, juder@avfconsulting.com

5.01.5 Identify the ownership of the company including all subsidiaries and divisions in a graphical representation.
No subsidiaries and divisions.

5.01.6 Identify the year the(each) organization was established.
1986

5.01.7 Identify the most recent acquisition or merger that has occurred within the organization(s) responding to this RFP.
N/A

5.02 FINANCIAL INFORMATION:

Vendors must provide an answer to each of the following questions. If the proposed solution includes a separate organization for implementation services, vendors must provide a separate set of responses for each entity.

Company Overview:

AVF Consulting is a Microsoft Certified ERP partner specializing in accounting applications and IT solutions for non-profit organizations and associations. AVF has provided ERP and accounting solutions since 1986 and has specialized in Microsoft Dynamics NAV and Serenic Navigator since 1996 and 1999, respectively. Our staff includes 28 professionals with extensive expertise in accounting as well as ERP installation and programming. Unlike typical consulting firms in the financial solutions industry, AVF's senior consultants are capable of performing all phases of implementation from systems analysis and design, to programming, customization, and testing. Our senior staff combines the typically separate roles of "system analyst" and "implementation developer" in order to avoid communication gaps. The project manager and the lead implementer will gather your requirements and will work hands-on with you to configure Serenic Navigator to meet your specific expectations. AVF has proven that this approach avoids miscommunications, in turn saving our clients money while allowing us to deliver a system that meets or exceeds your expectations.

Statement of Financial Stability:

AVF is a Subchapter S Corporation with 25 year history of offering accounting and business solutions in the Mid-Atlantic region. AVF has a sound history of steady growth and strong financial standing. We have consistently increased our revenues over the past decade and have ranked as one of the top 100 business software consultants and resellers of financial management software by *Accounting Technology* magazine for the past five consecutive years. In addition, AVF has consistently lead the country as one of top performing partners for Serenic Software focused exclusively on the needs of the not-for-profit industry, and has been selected by Serenic Software as their *Partner of Excellence* three times over the past five years.

AVF is not currently in litigation with any organization regarding fulfillment of contractual obligations, performance, or copyright and patent infringement.

	FY2012	**FY2013**	**FY2014**
Total Revenue (in millions)	$6.1	$6.3	$6.5
# of Employees	27	30	28
# of Customers	206	215	222

5.02.1 Identify the annual revenue of the organization(s) responding to this RFP.

5.02.2 Identify the annual net income/profit of the organization(s) responding to this RFP.

5.02.3 Identify the percent of annual revenue allocated to research & development for the organization(s) responding to this RFP.

5.02.4 Identify the percent of annual revenue generated from new sales.

5.02.5 Identify the percent of annual revenue generated from annual recurring income.

5.02.6 Identify the percent of annual revenue and/or annual recurring income that the largest client represents.

5.02.7 Please provide a copy of the most recent audited financial statements for the organization(s) responding to this RFP.

5.03 ORGANIZATION EMPLOYEES:

Vendors must provide an answer to each of the following questions. If the proposed solution includes a separate organization for implementation services, vendors must provide a separate set of responses for each entity.

5.03.1 Identify the total number of employees in the organization(s) responding to this RFP.

5.03.2 Identify the number of employees in the organization(s) by the following breakdown:

A) Management
B) Administration
C) Marketing
D) Sales
E) Support
F) Training
G) Installation
H) Research and Development
I) Developers /Programmers
J) Other

5.04 USER BASE:

Vendors must provide an answer to each of the following questions. If the proposed solution includes a separate organization for implementation services, vendors must provide a separate set of responses for each entity.

5.04.1 Identify the total number of nonprofit clients served by the organization(s) responding to this RFP. If applicable, identify software developer and implementer(s) separately.
We have 150+ nonprofit customers using the Serenic Navigator product.

5.04.2 Identify how many of the installations are similar in nature to the requirements of APHL, including, but not limited to, recipients of grants with project terms that are different from the organization's fiscal year and international subsidiaries.
We have a number of organizations with similar requirements. Please note that AVF only serves the nonprofit industry. We've seen any and every requirement and their combinations in one shape or form over the years.

5.04.3 Provide a list of five users that are most similar to APHL.
American Psychological Association
American Urological Association
American College of Surgeons
ASCD
The Bridge

5.04.4 Identify the most recent installation.
The Bridge

5.04.5 Identify the number of NEW clients added in the last 18 months.
11

5.05 USER GROUP:

Vendors must provide an answer to each of the following questions. If the proposed solution includes a separate organization for implementation services, vendors must provide a separate set of responses for each entity.

5.05.1 Identify if the(each) organization has a formal users group and, if so, who directs the group.
The user conference is organized by Serenic Software is called Explorations.

5.05.2 Identify if the users group is local or national.
National.

5.05.3 Identify how frequently meetings are conducted and the location.
Once a year. Alternates between major cities in the East Coast, West Coast, and Midwest.

5.05.4 Identify if a fee is required for user group participation.
None.

6.0 Cost Summary

6.01 OVERVIEW:

APHL requests that each vendor to submit complete pricing for all items related to the proposed system in a format that is easily interpreted and understood. At this time, APHL is requesting the vendors to provide hardware and software estimates for the proposed system configuration. In addition, each vendor must identify specifics related to hardware sizing and component requirements in its proposal. APHL will make the determination, based upon the specifications within the proposal, of whether to use or allocate existing information technology assets to specified functions in lieu of purchasing new equipment /licenses.

6.02 INITIAL COSTS:

In this section, vendors must provide an initial estimate of costs to support the following:

6.02.1 Software: Vendors must provide pricing by module or as a complete solution to satisfy the requirements outlined in this RFP.

If the software being proposed is not licensed directly through the vendor or one of its affiliate organizations, vendors must provide information regarding ownership of source code, licensing information, cost of updates/upgrades from the software developer and/or your organization, interface/integration approach and level, etc.

The price for Microsoft Dynamic NAV based Serenic Navigator is based on a licensing model called Perpetual Licensing. Perpetual Licensing simplifies how customers purchase their accounting and business management solution. The entire solution can be licensed via four core components:

- Starter Pack
- Extended Pack
- Full User License (Concurrent)
- Limited User License (Concurrent)

Number of users will be adjusted per APHL's input during the process. Based on the size of the organization and the requirements matrix, AVF had predicted the user counts to be as follows:

- Full User: 5
- Limited User: 5

Full User License (Concurrent): Full read and write capabilities to all of the licensed solution functionality through the Windows Client and the Web Client.

Limited User License (Concurrent): Full read capabilities to all of the licensed solution functionality through the Windows Client and the Web Client. Capabilities include the following:

- Budget Preparer
- Budget Approver
- Request for Authorization for Purchase Requisition (Purchase Requisition Input)
- Request for Authorization for Purchase Order (Purchase Order Input)
- Purchase Request Approval
- Receiving (Purchasing)
- Time Entry & Review
- Expense Entry

In addition to the Serenic Navigator, we believe that the excel add-in reporting tool, JET Reports, that is specifically designed for Dynamics NAV will enhance the reporting capabilities of APHL and therefore is included in the pricing computation.

Initial project cost for this project comprise of the software purchase and the first year's maintenance.

Description	**Quantity**	**Unit Price**	**Ext. Price**
Starter Pack (Includes 3 Full Users)	1.00	15,600.00	15,600.00
Additional Full Access Users (Concurrent)	3.00	6,000.00	18,000.00
Limited Access Users (Concurrent)	5.00	1,200.00	6,000.00
Starter Pack Modules:			
General Ledger	✓		
BudgetVision	✓		
Cash Management	✓		
Accounts Payable	✓		
Purchasing	✓		
Accounts Receivable	✓		
Sales Order	✓		
Fixed Assets	✓		
Advanced Allocations	✓		
Time & Expense Entry	✓		
Inventory	✓		
Extended Pack	1.00	14,400.00	14,400.00
AwardVision	✓		
BudgetVision Calculations & Assumptions	✓		
BudgetVision Approvals	✓		
Jet Reports			
3 Designers, Unlimited Viewers, 1 connector	1.00	5,995.00	5,995.00
Total Software Price			**$59,995.00**
Annual Software Maintenance			$12,299.20
Total Software and Maintenance Price			**$72,294.20**

Please note that the price for the annual software maintenance plan (also known as the Enhancement Plan) is based on the software value at the time of purchase (i.e. historical list price) and will not change if the list price for the software increases over time. This is known as the Protected List Price Policy. Annual maintenance for Serenic Navigator and JET Reports are 21% and 16%, respectively.

6.02.2 Custom Programming (If Applicable)
Included in the services (implementation) estimate.

6.02.3 Database(s): If the software requires a database that is licensed separate from the application system, vendors must provide the costs and method of pricing associated with these licenses.
SQL Server is required. See System Requirements doc in Appendix. Pricing varies, please visit Microsoft website for pricing info and details.

6.02.4 Interfaces/Integration
Included in the services (implementation) estimate.

6.02.5 Training
Included in the services (implementation) estimate.

6.02.6 Data Conversion
Included in the services (implementation) estimate.

6.02.7 Implementation/Project Management
Included in the services (implementation) estimate.

Implementation costs are estimated to be in the range of 450 – 600 hours. The following table provides an initial breakdown of the hours. Services included in these hours are explained in detail in our Implementation Methodology document in the Appendix.

Description	Low Est.	Price	High Est.	Price
Professional Services				
IT Services	12	2,280.00	20	3,800.00
Project Management	60	11,400.00	90	17,100.00
Design Study	60	11,400.00	80	15,200.00
General Consulting	170	32,300.00	200	38,000.00
Data Conversion	50	9,500.00	80	15,200.00
Development	20	3,800.00	40	7,600.00
Application Training	40	7,600.00	60	11,400.00
Jet Reports Training (for 3)	N/A	4,610.00	N/A	4,610.00
Go Live, On-Site Support	32	6,080.00	32	6,080.00
Total Professional Services		**$88,970.00**		**$118,990.00**

Please note that the prices above are based on a blended effective rate of $190 per hour. The actual billing rate varies based on the task. The actual billing rates based on the task are outlined in the PSA (see Appendix). The prices above do not include hardware, hosting or travel expenses.

On execution of this proposal AVF shall perform an initial requirements analysis and design study. The purpose of this analysis is to document the functional requirements, assess the gap/fit of the system functionality, identify any system enhancements or modifications needed to meet client specific requirements and perform the preliminary design assessment for any identified customizations or third party integrations. The implementation consultant will prepare a detailed statement of work (SOW) document and estimate for the services based on this comprehensive assessment of the requirements by functional area and information gathered from discovery meetings with the client's personnel. The statement of work and corresponding project estimate developed from the discovery process will be presented to APHL for review and approval prior to AVF commencing the configuration and implementation services.

The estimate of services based on the discovery process is expected to fall within the range of services, provided herein, for similar type and size engagements, but may vary from this projected range of services if additional factors, affecting the scope, are uncovered during the discovery and requirements analysis process. The statement of work shall establish the final project scope of work for the implementation engagement and establish the base budget for services from which AVF shall manage the project. The executed Statement of Work shall constitute the Project Agreement for the initial implementation engagement.

6.02.8 Other (Please Specify)

6.03 RECURRING COSTS:

Each vendor must provide details for each of the following recurring costs associated with its proposal:

6.03.1 Software: Vendors must provide support pricing by module or as a complete solution to satisfy the requirements outlined in this Request for Proposal.

If the software being proposed is not licensed directly through the vendor or one of its affiliate organizations, vendors must provide information regarding ownership of source code, licensing information, cost of updates/upgrades from the software developer and/or your organization, interface/integration approach and level, etc.

Recurring software cost is the annual software maintenance of $12,299.20.

Projected life cycle costs that should be taken into consideration are on-going consulting and training costs. An example of an on-going consulting expense could be developing a new interface with a new application APHL is looking to put in place that needs to integrate with the financial system. An example of an on-going training cost could be having new staff join the team, or having staff seek periodic training (annual) on how to use the system efficiently. This can be done on-site or remotely. Just a few hours of recurring training an annual basis every year has proven to rid of hundreds of hours of inefficiencies while keeping the users happy and satisfied.

Hosting costs should also be taken into consideration. First item to consider is whether to host the system in-house (on premise) or have it outsourced by a data center or in the cloud (ie Microsoft Azure). If hosted on premise, then the cost of hardware, its maintenance and the reliability and the cost of the IT resources should be taken into consideration. If hosted in the cloud or by a data center, then the annual total cost should be taken into consideration. Please note that when the system is hosted on-site, there may be additional costs to obtain server application software. Please see System Requirements document in Appendix.

6.03.2 Custom Programming (If Applicable)

6.03.3 Database(s): If the software requires a database that is licensed separate from the application system, vendors must provide the costs and method of pricing associated with these licenses.

6.03.4 Interfaces/Integration

6.03.5 Training

6.03.6 Help Desk

6.03.7 Other (Please Specify)

6.04 COST SUMMARY:

In the cost summary section, vendors must summarize all of the above to identify costs for a five-year period. In addition, vendors must identify how costs are calculated (*i.e.* concurrent users, named users, etc.) Vendors must also describe how any discounts would be determined and applied.

Please see TCO spreadsheet in Appendix.

Please note that if APHL is current on its Microsoft Dynamics SL product, there will be a license migration credit available. AVF will need APHL's approval to request this amount from Microsoft to be applied toward the Serenic Navigator product.

Discounts may be available upon confirming user counts.

6.05 TRAVEL COSTS:

Vendors must disclose the estimated travel costs associated with implementing the proposed system, and must indicate if the travel cost is included in the pricing for the proposed system or will be an additional expense for APHL. If the vendor's policy is to bill actual expenses as incurred, the vendor must identify the number of trips and the number of staff associated with each phase of the installation/implementation process.

Travel costs are not included in the services estimate. They are billed as actual expenses. AVF does not make travel arrangements without the approval of the customer. AVF charges 1.5 hours of round trip travel time from our AVF office to APHL in Silver Spring. Travel time is billed at a rate of $185/hour. AVF anticipates 3 to 5 on-site trips for this project.

6.06 FINANCING OPTIONS:

Each vendor must indicate what, if any, financing options are available through its organization for the purchase of the proposed software and/or implementation services.

AVF recommends the following technology financing should you consider the cashflow benefit of spreading the software cost:

Blue Street Capital, LLC
2120 Main Street, Suite 160
Huntington Beach, CA 92648

Neil Holmes | Vice President
D: 714-316-1595 | C: 775-220-9852

[AVF Consulting, Inc.]
APHL FINANCIAL MANAGEMENT SYSTEM RFP

Responses Prepared By:

Name: John Uder________________________
(please print or type)

Title: Sales Manager____________________
(please print or type)

Date: 05/15/2015________________________
(please print or type)

Company: AVF Consulting, Inc.________________
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