Amendment of Solicitation

Date of Issuance: 20 December 2019

Solicitation No. 09RFI Payroll & RFI

Requisition No. *N/A*

Amendment No. 2

Hour and date specified for receipt of offers is changed: No **X Yes**, to: 15 January 2020 3:00PM CST

Pursuant to OAC 260:115-7-30(d), this document shall serve as official notice of amendment to the solicitation identified above. Such notice is being provided to all suppliers to which the original solicitation was sent.

Suppliers submitting bids or quotations shall acknowledge receipt of this solicitation amendment prior to the hour and date specified in the solicitation as follows:

(1) Sign and return a copy of this amendment with the solicitation response being submitted; or,

(2) If the supplier has already submitted a response, this acknowledgement must be signed and returned prior to the solicitation deadline. All amendment acknowledgements submitted separately shall have the solicitation number and bid opening date printed clearly on the front of the envelope.

ISSUED BY and RETURN TO:

U.S. Postal Delivery:

5005 N. Lincoln Blvd
Oklahoma City, OK 73105

or

Personal or Common Carrier Delivery:

5005 N. Lincoln Blvd
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-

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Contracting Officer

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Description of Amendment:

a. This is to incorporate the following:

Questions and Answers

1. The RFI mentions time and labor as well as payroll are currently handled with PeopleSoft HCM, is that fully managed in-house or are any vendors contracted for assistance?
A.) PeopleSoft is managed in-house. Six agencies have separate time and labor solutions that interface with PeopleSoft.

2. Does OMES have a target date or quarter for a solicitation if a decision is made to proceed after RFI responses?
A.) While we don't have a specific target date, our intention is to issue an RFP or multiple RFPs by segment, sometime within the next year.

3. Do you prefer that only software companies respond to this? We are a services / strategy / advisory firm involved in State of Oklahoma. If we were to respond to this, we would represent our software partners' capabilities, features, and functionality as it pertains to the requirements in your RFI. We would also talk about total cost of ownership, business process improvement, change management, and implementation. Would that be of value or should we not respond? If it would be of value,

should we respond separate from our software partner or jointly with them?
A.) Your response would be welcome. We believe that it would be appropriate for the response to be jointly with the software partner.

4. What is the estimated cost?
A.) We are asking potential vendors to provide their best estimate of the costs involved in the software and services.

5. Has the Department allocated funding yet? If so, through which source (budget, CIP, state/federal grant etc.)? If funding has not been allocated, which source(s) will be sought?
A.) The need for a solution is definite but the exact funding source has not yet been determined.

6. Should the Department decide to proceed past the RFI process, has a time frame been established in which an RFP may be issued?
A.) See #2

7. Which vendor (s) provide the incumbent systems?
Time and labor and payroll are currently through PeopleSoft, with a few exceptions, such as agencies that need timecard/timeclock entry and law enforcement entities that use 28-day work cycles.
A.) JobAps is the provider for online application for employment, applicant tracking, online test administration, test development, applicant and test analytics, scoring and ranking of qualified applicants, and hiring list certification.

8. Would it be possible to name the three greatest challenges the Department is having with the current solutions?
A.) The PeopleSoft HCM version we currently use will be losing support. It currently works for most functions and upgrading is an option. However, there are tools available through best of breed solutions that the state is interested in exploring.
The current benefits system is outdated and must be replaced.

9. Can the Department elaborate on any additional drivers behind this acquisition that may not be addressed in the RFI?
A.) The PeopleSoft HCM version we currently use is losing support. The state is exploring all options and additional tools available.
Also, in need of technology solutions where none currently exist.

10. Which other systems will have to integrate or interface, and will the State provide incumbent vendors for each system?
A.) Time and Labor as well as the Benefits solution must interface with whatever the new payroll solution is. Payroll must interface with PeopleSoft financials. HR data must interface with payroll. Currently, HR data and payroll data is also interfaced with the state's vendor file for travel and expenses. All HR components should interface.

11. Which operating platform does the Department currently use? / Is desired?
A.) Windows, IIS and .Net for BAS (Benefits system)
AIX and Oracle for Peoplesoft though the process server use Windows.

12. What is the number of users anticipated?
A.) It depends on the solution. Currently, around 35,000 employees have member self-service access and there are several hundred HR and payroll specialist throughout the state with a higher level of access.

13. Who is the technical contact and/or project manager?
A.) Contacts are listed in the RFI.

14. Have you had any external assistance preparing this RFI?
A.) No.

15. Does the Department anticipate any professional or consulting services may be needed to accomplish this effort? (i.e. project planning/oversight, PM, QA, IV&V, staff augmentation, implementation services etc.)?
A.) Possibly but not yet determined.

16. As dealing with public sector, we understand that there is generally a process of board approval, has this process been completed?
A.) Governance board approvals will be completed when we have a better idea of whether this will be one large overriding project encompassing all HR and payroll tools or whether each function will be contracted and implemented separately.

17. Do all questions need to be submitted at one time on Dec 12th? Or can we submit questions multiple times as we formulate them?
A.) Questions can be submitted up until December 12th. You do not need to wait to submit.

18. Is there a particular form or process for question submission, or will free form email to you be the8 process?
A.) Free form email is fine, there is no standard response format used.

19. How will proprietary & confidential information be handled?
A.) You will need to follow OAC 260:115-3-9. That rule will assist on how to submit that type of information.

20. Please provide additional detail on what systems and databases the RFI is referring to for "ability to reconcile data from 2 or more differing systems or databases including cloud sources on a schedule".
A.) This requirement may vary based on whether a vendor proposed a single application that will replace existing applications or whether a vendor proposes a solution that replaces only a subset of existing applications. For example, if a vendor proposes only a benefits system, then the state will need to reconcile what was sent to payroll vs. what is in the benefits system and determine if there are any over/underpayments. Likewise, any payments from payroll (garnishments, taxes, funding) must be reconciled with payments made through AP or journal entries processed through GL.

21. Please provide additional detail on the differing systems the RFI is referring to for "ability to format and export to differing systems on a schedule".
A.) Peoplesoft / ERP HR systems. Including HealthScope benefits card systems, Healthcare Accounts only for active state employees. Send data on an automated time schedule, specific day and specific time.

For example: send data of employee medical reimbursement and dependent care contributions, new hire data, employee termination data every Thursday at 9:15pm

22. Please provide additional detail on what the State requires for "tools for auditing and reconciling and related reports." Also, please provide some examples of reports used currently.
A.) 3270 report, Net Deposit Report, Duplicate Warrant Report, Payroll Audit Exception Report – Screenshot examples are attached.

23. Is Medicare Secondary Payor reporting to CMS something the State would like to automate and be provided by the benefits vendor?
A.) No, we will not need this service. This RFI request for a benefit management system is for active state employee population only. The Employees Group Insurance Division provides Medicare and retiree benefit management services.

24. Please provide a list of the statutes that the State feels are non-negotiable and must be maintained/performed in their current way.
A.) • Compensatory time accrual (74 O.S. §840-2.15)
• Maximum leave accruals and forfeitures (74 O.S. §840-2.20) Title 62 Section 34.63, Section 34.64, Section 34.67, Section 34.69, Title 74 Section 840-2.19 – all related to the budget check, approval, release to and payment by the State Treasurer
• Statutes that relate to retirement contribution calculations
• Veterans preference (74 O.S. §840-4.14)
• Hiring rule of 10 (74 O.S. §840-4.13)
• Optional hiring for persons with severe disabilities (74 O.S. §840-4.12)

25. Please provide additional information on retiree benefits offered and if retirees can return to work and keep the same benefits.
A.) We provide benefits administration to active state employees only. We do not provide benefits administration to retirees.

26. Please provide additional information on "Alert reporting based on agency or carrier".
A.) The software should have the ability to run comparability between types of employees or if/then type statements. For example- a report of all regular full-time employees who do not have enrollment in benefits 25 days after their start date. Ideally this report would run automatically based on the individual employee's hire date specifics and an alert email sent to the benefits team that the report exists for the identified employee. This would allow us to reach out to the employee before the 30 day due date. Also, the ability to run various combinations of groups filtered by identifying factors like a particular agency only, etc.

27. How long have you been on PeopleSoft for PR/HR?
A.) July 2004.

28. What is your current Benefits platform?
A.) A custom built Benefits Administration System (BAS).

29. What is your current ERP system?
A.) PeopleSoft HCM 9.0. Our ERP for financials is PeopleSoft 9.2.

30. What data will be flowing over from payroll to your ERP?
A.) If the proposed solution is for just some of the modules, then the vendor will need to proposed required integrations based on functionality available in the proposed solution. If the proposed solution covers all of the modules, then the plan will be to retire the PeopleSoft HCM application. For any solution, the employee's funding stream along with total payroll claim cost information must be interfaced with PeopleSoft Financials. Withholding amounts must be interfaced with PeopleSoft financials to create vouchers for payments for employee withholdings.

31. Does the total employee count of 35,000 employees include retirees?
A.) No. This count includes active employees.

32. What system do you use to pay retirees?
A.) Retirees are paid from our various retirement systems.

33. Do you require pricing in the RFI or will that be part of the RFP?
A.) We are requesting a price estimate as part of the RFI with the understanding that it is only an estimate.

34. Please provide details of the compensatory time referenced on page 4, (74 O.S. §840-2.15).
A.) The four compensation time plans currently in use by the state are as follows:
o Exempt employees receive only straight time compensation time.
o Non-exempt employees receive compensation time at time and a half.
o There is a compensation time plan with a maximum time of 180 days to use. Depending on whether the employee is exempt or non-exempt, they either lose it after the 180 days or are paid for it.
o Finally, we have a 365 day limit that agencies can use on a limited basis.

35. Please provide the business rules around the various types of accruals referenced on page 4 (74 O.S. §840-2.20).
A.) See appendix 1 of this Q&A for specifics on leave accruals.

36. Please provide your definition of common paymaster
A.) The state is the legal employer with the IRS. Each agency operates as a DBA entity of the state. All reporting to the IRS and states is at the legal employer (State of Oklahoma) level.

37. For unemployment filing, it looks like you might be filing as a common pay agent. Please clarify.
A.) For unemployment, each agency is considered a separate entity. The reporting to the Oklahoma Employment Security Commission is handled centrally but each agency is treated individually with their own unique account number under the state's FEIN.

38. Please describe the details of longevity payment as described on page 7, (74 O.S. §840-2.18).
A.) Longevity Pay:
An additional benefit the state offers to eligible full-time employees is longevity pay, based on the employee's years of service. The full amount in the below table is payable in one lump sum annual payment. The payment is made in the pay period that includes the anniversary date.
2-3 years of service = $250 12-13 years of service = $1,250
4-5 years of service = $426 14-15 years of service = $1,500

6-7 years of service = $626 16-17 years of service = $1,688
8-9 years of service = $850 18-19 years of service = $1,900
10-11 years of service = $1,062 20-21 years of service = $2,000
Each additional two years, add $200.

39. Please provide details on the different retirement systems requirements as noted on page 8.
A.) See Appendix 2 to this Q&A document.

40. What details are you looking to track in relation to 1042 filings?
A.) We do not currently offer treaty benefits to non-resident aliens and therefore we have no payrollrelated 1042 filings. The Oklahoma Lottery Commission will occasionally have a prize paid to a nonresident alien. The Lottery Commission completes the forms and the central payroll office submits the report at year-end.
If we begin offering treaty benefits in the future, we would want to track all the information required in order to complete the 1042 reporting and apply any treaty limits.

41. What are the exceptions you note on page 9 for employees enrolling in benefits? (74 O.S. §1370)
A.) Part-time employees are not eligible for benefits. Employees who have group insurance outside the state plan may opt out. In lieu of benefits, these employees receive $150 per month. Military retirees may opt out and receive $150 per month.

42. How many job descriptions does OMES have overall?
A.) HCM maintains the classified job families of which there are over 1,000 with an average of 4 levels in each job family. HCM also maintains the unclassified job titles which currently allow for 9,000 jobs.

43. How many administrator logins would OMES want for the job description management functionality?
A.) We would have to understand more about the solution to answer this question.

44. How many compensation structures does OMES have, and what kind of structures are they (i.e. grades, broadband, individual ranges for each job, etc.)?
A.) The state has several compensation structures with set pay grades. The compensation pay structures include: classified, unclassified, engineering, law enforcement, and agency director.
https://omes.ok.gov/employee-benefits/salary-schedule

45. What types of reports and analytics is OMES interested in for providing to leadership?
A.) The state is interested in any data and analytics that are offered by the vendor, including:
• Payroll costs by agency and by job categories;
• Leave usage and balances;
• Compensation time close to expiration date;
• Time to hire
• Total salary spend broken by time increments, divisions, departments
• Turnover
• Retirement eligibility
• EEOC data
• Fully loaded salary costs (including benefits)
• Salary increase and job title changes

• Performance evaluations: completed, not completed, distribution of ratings
• Employees by job code and agency
• Job postings and all associated data
• Test statistics: pass rates, reliability coefficients, discrimination indices, etc.
• Compensation analytics by job code, location, etc.

46. What Time Clocks are currently being used by state agencies?
A.) Kronos (ODVA, OTA), Time Clock Plus (Tourism and OJA in February), Jantech/Novatime (JD McCarty).
Agencies have various in-house time clocks that should be moved to a standardized solution.

47. What is the level of Customization in current system?
A.) The current system is highly customized. We would prefer a standardized solution for all state agencies.

48. Is all payroll processed In house? If not, what are the vendors?
A.) Currently payroll is processed in-house. The state is open to other options.

49. How many pay groups are currently configured in system, and please provide a head count of each pay group processing.
A.) PayGroup Description
Total
EES
B11 Biweekly Exempt Sun 1870
B1E Bi Weekly Exempt Sunday 2306
B1H BiWeekly Hrly NE W/BB 15
B1M BiWeekly Military Active 611
B1N Bi Weekly Non Exempt Sun 4816
B21 BiWeekly Non Exempt Sun 2191
B31
BiWkly Hrly Sun W/BB
Exemp 9
B3A
BiWeekly Hrly EX Sun
W/oBB 60
B41 Biweekly Hrly NE Sun W/BB 12
B4A
BiWeekly NonEx Sun W/o
BB 123
BAH Bi Weekly Hrly W/BB 545
BEX BiWeekly Exc Exempt Salary 7
BOR Monthly Board Members 16
HSE
Monthly House of Rep
Member 100
M11 Monthly Exempt Sun 96
M17 Monthly Exempt Sat 82

M1E Monthly Exempt Salary 7285
M1F Monthly FireFighters Exempt 23
M1L Monthly Law Enforce Exempt 530
M1N Monthly NonExempt Salaried 11250
M21 Monthly Nonexempt Sal Sun 27
M27 Monthly Nonexempt Sat 8
M2L
Monthly Law Enforce
Exempt2 340
M3L
Monthly Law Enforce
Exempt3 15
M4L
Monthly Law Enforce
Exempt4 16
PIF DOC Special Clients 3
PIT DOC Special Clients Taxed 558
S11 Monthly Supp Ex Sal Sun 4
S1E Supp Monthly Exempt Salary 158
S1H Supp Monthly Hrly w/o BB 602
S1N Supp Mothly Non Exempt 791
S2H Supp Monthly Hrly w/BB 37
S37
Mtn Sup Hr Exempt Sun
w/BB 5
S4A Mnthly Sup Hrly Nonex NBen 2
S4G Mth Supp Hr NE Sat (NBen) 5
SBR Supp Board Members 3
SNT Monthly Senators 48

50. Provide list of customizations and description of the usage?
A.) The PeopleSoft HCM system is highly customized. The state maintains development requests for each modification and is currently at #0811. However, some of these may have been retired by now.
Many of these development requests are reports, queries and interfaces. Our goal with a new system will be to standardize processing and also offer a robust reporting tool that maintains user security profiles so that we can greatly reduce the number of customizations.

51. Are there any challenges with tax updates and/or system updates in the current System?
A.) There is not currently a challenge but the system is losing support and will not be provided updates in the future.

52. How does the state pay terminations?
A.) Per Oklahoma law, terminated employees are paid any amount due on the next regularly scheduled pay date.

53. Does State print checks locally or use paycards?
A.) State employees are paid by direct deposit or paycard. In limited circumstances some employees are

paid by paper check and those are printed by the State Treasurer.

54. Does State allow employees to setup their own garnishments? (not court ordered garnishments)
A.) No. HR or payroll personnel enter the garnishments per the order.

55. Do any of the state's garnishments have fees? Could be employer fees, local fees, etc. Sometimes there's a fee employers charge for garnishment, either one-time/monthly, etc. for processing/setting up the employee's garnishment. Some states/laws regulate fees that employers can process.
A.) We currently have no agencies that charge fees for garnishments although an agency could decide to charge a fee.

56. Who is the GL Vendor?
A.)PeopleSoft version 9.2.

57. Is it common for State to do GL overrides (like on deductions/earnings)?
A.) It's possible but not common.

58. What challenges does the State have in the current GL structure?
A.) In regards to payroll and the interface with GL, we aren't experiencing challenges currently. However, with a new system, one potential challenge would be ensuring that the agency has sufficient budget and cash for payroll as a part of the payroll process. Another potential challenge with a new system may be replicating the two-way flow of information that currently takes place between the PeopleSoft HCM system and PeopleSoft financials.

59. Is the State planning to re-evaluate the existing Business process?
A.) Yes. We are requesting this information so that we can evaluate all potential solutions for HR and payroll. We are very open to changing business processes.

60. What functionality is implemented as part of ESS and MSS?
A.) For ESS, employees may make changes to basic personal information and enter time worked. They can review and print earnings statements and leave statements.
For MSS, managers may enter and approve time for their employees or employees under their chain of command. They can also view accrued balances of employees.

61. Does the State have an ultimate preference for hosted vs. on-premise solution; i.e. if a solution offers both, all things held equal, what would the preference be of the State?
A.) The state prefers a hosted solution.

62. Does State require us to provide Organizational Change Management service?
A.) This would be something to be negotiated in the RFP process.

63. Does functional and technical documentation exist for all customizations in PS?
A.) We have development requests that outline the functional requirements and technical specifications.

64. "What is the level of documentation available for existing systems (Implementation Document and post implementation changes tracked for enhancement/alteration)

A.) (Up to date – Each customization is identified with Change Request numbers and tracking documentation from customization is easy.
Medium– Documentation available for major Changes or projects, but not available for small ad-hoc Change requests or Bug reports.
Low – No detail documentation available for customization. High dependency on current technical team or business super users.)
All changes are documented through development requests.

65. Can you clarify and provide an example for the following requirement: Provide user-defined fields (drop down) fields for time card entry.
A.) PeopleSoft provides up to 3 or 4 user defined fields for timecard entry. Agencies that utilize these fields can provide a list of values from which the user may select. The agency may use one or more of the user defined fields. Agency personnel cannot view the list of values for other agencies (security).

b. All other terms and conditions remain unchanged.

Supplier Company Name (**PRINT**)	Date

Authorized Representative Name (**PRINT**)	Title	Authorized Representative Signature