



COMMONWEALTH of VIRGINIA

Department of Motor Vehicles

2300 West Broad Street

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Commissioner

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August 31, 2007

Dear Potential Offeror,

You are invited to submit a proposal in accordance with the requirements set forth in the attached Request for Proposal, (RFP 154:7-061) using Best Value Acquisition procedures. This RFP is being issued by the Virginia Department of Motor Vehicles (DMV) for the purpose of seeking solutions to address the requirements of the DMV CSI Systems Redesign effort as identified in the attached RFP.

An original proposal, signed by your contractually binding authority, with 7 full copies and 2 redacted copies, must be received by DMV Contracts and Procurement Department no later than 3:00 p.m. local time on Tuesday, December 4, 2007.

An optional pre-proposal conference will be held at DMV Headquarters, 2300 West Broad Street, Richmond, Virginia, Room 702, on Tuesday, October 2, 2007 at 10:00 a.m. local time. Please refer to RFP Section VII for additional information.

All questions or inquiries regarding this RFP must be received by Wednesday, October 31, 2007 at 5:00 p.m. local time and must be submitted in writing exclusively to:

Nancy M. Davis, CPPB, CPPO, VCO
Contracts and Procurement Manager
Department of Motor Vehicles
Room 319
2300 West Broad Street
Richmond, VA 23220

E-mail: nancy.davis@dmv.virginia.gov
Fax: (804) 367-0046

All inquiries must be submitted electronically as indicated in the RFP. Please refer to RFP Section VII for additional information. No verbal inquiries will be accepted. From the date of issuance of this RFP until the selection of a Contractor is announced, all questions concerning any part of this RFP shall be directed to Nancy M. Davis. It is not permissible for any Offeror, or any entity working on behalf of an Offeror, to solicit information from any other individual or government source (Federal or State) other than from the official point of contact listed above. Any unauthorized solicitations for information that are reported are grounds for disqualification of the Offeror's proposal.

Sincerely,

Nancy M. Davis, CPPB, CPPO, VCO
DMV Contracts and Procurement Office



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I. STATEMENT OF PURPOSE

This Request for Proposal (RFP) is being issued by the Virginia Department of Motor Vehicles (DMV) to solicit proposals and establish a contract for goods and services, through competitive negotiation, using best value acquisition procedures (defined below), to design, develop, implement, and optionally support a comprehensive automated solution to address the business and technical needs of the DMV CSI Systems Redesign project.

As envisioned by DMV, the solution will be:

- Customer-centric
- Service Oriented
- State-of-the-art
- Secure
- Intelligent

.....CSI

Specifically, this RFP will allow Offerors an opportunity to:

1. Propose a comprehensive automated CSI solution.
2. Propose all the necessary services to support the design, development, and implementation of the CSI solution.
3. Describe how their proposed products, services, and solutions address the business and technical needs and objectives described in this RFP.
4. Describe why the Offeror's firm is particularly suited to fulfill the business and technical needs and objectives described in this RFP.
5. Provide an overview of their experience and capabilities for supporting the requirements of the DMV CSI Systems Redesign project.

The proposed solution to the CSI effort may come in the form of commercial off the shelf software and products, customization of off the shelf software and products, an in-house development effort, or a combination. The proposed CSI solution will be hosted by the Commonwealth's Virginia Information Technologies Agency (VITA). VITA and DMV will work with the selected vendor during the detailed design forum to define hosting and infrastructure requirements to support the CSI Systems Redesign Project.

Note: By 9/24/07, more information and documentation resulting from the DMV CSI Systems Redesign project, phase 2 business process re-engineering effort, can be found at www.dmv.virginia.gov/csi. All information and documentation found on this site is to be considered draft and work in progress.

Best Value Acquisition (BVA): A process used to acquire goods and nonprofessional services in which best value concepts will be applied. The best value award is based on evaluation criteria as stated in the solicitation with consideration of price of the goods and nonprofessional services that offer the greatest benefit(s) in meeting the needs of the public body. Refer to RFP Section V for more information.



II. BACKGROUND INFORMATION

A. DMV ORGANIZATIONAL OVERVIEW

The Department of Motor Vehicles (DMV) is a governmental agency in the Executive Branch of Virginia state government. Under the direction of the Secretary of Transportation, DMV administers motor vehicle and tax related laws for the continued benefit of all citizens of the Commonwealth of Virginia. Specifically, DMV administers motor vehicle titling and licensing laws, driver's licensing laws, transportation safety laws, tax laws, and other motor vehicle-related laws and regulations as directed by the *Code of Virginia* and Federal laws, as amended.

DMV employs nearly 2000 full and part-time employees to meet its daily mission of providing transportation services to customers in Virginia. These employees provide services via one centralized administrative Headquarters located in Richmond, Virginia as well as 74 Customer Service Centers (CSC's) and 13 Motor Carrier Service Centers/Weigh Stations (MCSC's) dispersed throughout the state. In addition, some services are provided at more than 40 DMV Select offices located throughout the state. DMV Selects are a service alternative to visiting a full-service DMV Customer Service Center. Local governments and private entities contract with DMV to provide secure, select DMV transactions at convenient locations.

DMV provides a multitude of services to private citizens, transportation entities, courts, law enforcement agencies, government agencies, insurance companies, and related transportation clients. The most commonly provided DMV services include:

- Credentialing – This includes the provision of driver testing and licensing, vehicle titling and registration, credentialing of commercial motor carriers, and regulatory licensing functions such as fuel distributors, rental car companies, dealers, commercial driver training schools, driver improvement clinics, and 3rd party testers.
- Tax processing – This includes support for the calculation, collection, accounting, and reporting statistics for all tax filings (including IFTA, tax on fuel, and tax on motor vehicle rentals) as well as support for an external/taxpayer audit function.
- Oversight of related programs such as transportation safety and information management

Due to the nature of DMV business processes, the type of work performed by the agency requires substantial use of automated systems. It is imperative that the agency operate its programs and facilities in an efficient manner, incorporating into its operation those technological developments and automated solutions that will enhance the delivery of services to DMV's various transportation clients.

B. CSI SCOPE

The DMV CSI Systems Redesign project focuses on the fragmented processing of DMV's core business areas of credentialing, tax processing, and financial management. The purpose of the CSI effort is to transform these fragmented and outdated systems into one modernized system that is responsive to the ever-changing needs relating to internal security, homeland security, legislative mandates, and customer relationship management.

As we move forward with this endeavor, DMV has a unique opportunity to revolutionize the agency's approach to fulfilling its mission, carrying out core functions, and delivering service. DMV intends to fully integrate processing while incorporating and leveraging the full functionality and benefits of proposed technology solutions as well as the technology already in place.



The scope of the DMV CSI Systems Redesign project is based on utilizing a fully integrated system to serve and manage our customers, our contractual business partners, and our stakeholders. The scope includes, but is not limited to credentialing, tax processing, and financial management.

C. CSI ASSUMPTIONS

In defining the scope of DMV's CSI initiative, the decisions made by DMV's executive management team were based on the following assumptions:

1. DMV's current processes will be reviewed and re-engineered at a high level prior to writing the RFP and at a detailed level prior to developing a detailed system design.
2. The new system will consist of the following components:
 - User interfaces for Headquarters, Weigh Station, and Customer Service Center staff, DMV Selects, Internet, Touchtone, cyber sites, and selected business partners (online dealers, Commissioners of the Revenue, insurance companies, motor carrier companies, etc.)
 - Core business services
 - Infrastructure services to manage access rights, perform audit and system logging functions, a business rules engine, a message broker to facilitate communication between components and with external system interfaces, transaction suspense capability, and a correspondence module.
 - Data stores, business intelligence to provide regular and ad hoc management reports, audit reports and fraud alerts, and other applications, and
 - Interfaces to other systems, such as DMV's Purchasing, Inventory, and Payables System (PIPS), Department of Accounts (DOA), Treasury, Unified Carrier Register (UCR) repository, Centralized Accident Processing System (CAP), Traffic Records Electronic Data System (TREDS) which will replace CAP, Hauling Permits, Virginia Criminal Information Network (VCIN), DMV's Human Resource system, etc. (See Figure 2, Conceptual CSI Solution Model on page 21)
3. A customer-centric design will be used to effectively support customer relationship management.
4. The CSI solution will be a simple, highly efficient design utilizing open standards (ODBC, XML, etc.) that support a service-oriented architecture with built-in redundancy.

D. CSI PROJECT APPROACH

The DMV CSI Systems Redesign project consists of three phases:

- Phase 1: Project Initiation, Business Requirements, and High-Level Business Process Re-engineering
- Phase 2: Automated Solution Procurement and Detailed Business Process Re-engineering
- Phase 3: Detailed Design Forum, Phased Systems Development, and Phased Implementation

In October, 2006, DMV hired a re-engineering Contractor (CACI) to provide support to the DMV CSI Systems Redesign project as defined below. The re-engineering Contractor (and their sub-contractors) hired for the re-engineering effort is not eligible to participate in the procurement process for the CSI solution being procured in this RFP.

1. CSI Phase 1 Approach

During Phase 1, the re-engineering Contractor led DMV focus groups through a methodical process to validate our vision and strategic objectives, establish guiding principles, and document high level



business requirements for all components identified within the scope of the DMV CSI Systems Redesign project.

To create executive buy-in, focus groups consisting of Assistant Commissioners and Directors of cross-functional core business areas were led by the re-engineering Contractor through a process to define the future system needs and requirements using a holistic approach. This approach created a high level customer-centric future state model to effectively support the business needs of CSI including customer relationship management, internal controls, auditing, and fraud prevention and detection.

2. CSI Phase 2 Approach

Phase 2, which began in February, 2007, is currently underway. During this phase, DMV has engaged Iconix Software Engineering (www.iconixsw.com) to provide training and guidance for DMV to lead a detailed business process analysis and re-engineering effort based on a use-case driven, UML object modeling approach (Iconix Process) utilizing results of the high level re-engineering activities performed during Phase 1.

The results of the Phase 2 effort are being captured and documented using Sparx's Enterprise Architect software. In addition, DMV is extracting embedded business rules from the existing Natural source code. Also during Phase 2, DMV will proceed through the procurement process to select a solution provider.

By 9/24/07, more information and documentation resulting from the DMV CSI Systems Redesign project, phase 2 business process re-engineering effort, can be found at www.dmv.virginia.gov/csi. All information and documentation found on this site is to be considered draft and work in progress.

3. CSI Phase 3 Approach

Phase 3 will begin with the selected solution provider working with DMV to conduct a detailed design forum based on the results of Phase 1 and 2 re-engineering efforts and developing a functional and detailed system design of all proposed approaches and solutions utilizing Iconix Process (www.iconixsw.com) and Sparx's Enterprise Architect software as specified by DMV.

The purpose of the detailed design forum is to architect and design a technical solution which is able to meet all the requirements specified at the conclusion of Phase 2 detailed business process analysis and re-engineering initiatives, and prior to the beginning of system development. To begin the detailed design forum, DMV will provide a domain model, nonfunctional, functional, and behavioral requirements, business rules defined and extracted, and use cases (scenarios) as a result of the Phase 2 efforts.

Specific tasks that will be undertaken during the detailed design forum include, but are not limited to:

- Specification of the technical architecture to be employed and the required configuration
- Program structure and flow
- Logical and physical data models
- Definition of any interfaces between systems
- Preliminary screen design

To facilitate these tasks, Sparx's Enterprise Architect should be used, along with Iconix Process, to facilitate the traceability from the requirements and analysis performed during phases 1 and 2 through the design artifacts, into implementation and deployment.

The results of the detailed design forum will specify how the requirements will be delivered to the user. It will be written in technical terms and will be used by the developers as a blueprint of the system that will be built in the next stage. The results should be comprehensive and leave no ambiguity as to what the



system will deliver, how it will be structured and how it will be presented to the user. Each business process documented during the business process re-engineering effort must be taken in turn and a technical implementation specified. A definite link must be made between specific requirements from the business process re-engineering effort and the proposed implementation in order to facilitate testing.

Using the results of the detailed design forum, DMV will specify the final scope of the overall CSI solution to be built. Contractor activities and development effort following the detailed design forum will be re-negotiated and priced accordingly based on the DMV specified final scope.

At the conclusion of the detailed design forum, the Contractor will work with DMV to negotiate and document a detailed go-forward plan based on the results of the detailed design forum and the final scope specified by DMV. This includes, but is not limited to:

- Developing a detailed project work plan, staffing plan, and phased implementation approach based on the results of the detailed design forum.
- Negotiating a finalized detailed solution approach.
- Documenting a detailed list of all deliverables based on the detailed solution approach and the phased implementation approach.
- Re-negotiate total solution and project costs based on the results of the detailed design forum and the detailed go-forward plan.

The Commonwealth retains ownership of any and all documentation and work products created during the detailed design forum and DMV reserves the right to use all documentation, intellectual property, and work products created during the detailed design forum in any way. Refer to Special Terms and Conditions contained in RFP Section IX, Part A, Items 15 and 18 for more information.

If DMV accepts and approves the results of the detailed design forum and go-forward plan, a phased development and implementation approach, including implementation and deployment of the artifacts from the design forum (for example, business rule engine configuration, population, and implementation) may proceed for the various components of the overall CSI solution. Acceptance and approval of the detailed design forum will be based on successful periodic reviews by the appropriate CSI project team members and/or the CSI oversight committee.

DMV reserves the right to terminate the contract at the conclusion of the detailed design forum or at any other point after award of the contract. Reasons for termination may include, but are not limited to results that fail to meet the overall needs of DMV, unacceptable management or performance, insufficient project funding, and/or for convenience of the Commonwealth.

E. OVERVIEW OF EXISTING DMV TECHNICAL ENVIRONMENT

The information provided in this section regarding the existing DMV technical environment is intended to be used for information purposes only and does not represent constraints on Offeror responses to this RFP.

DMV intends to reuse appropriate components of the existing technology wherever feasible and practical when designing the new CSI system.

Please see ATTACHMENT A for additional information regarding anticipated system replacements due to the CSI Systems Redesign effort.



1. Overview of Existing Customer Service Center (CSC) Environment

Each CSC has the capability to house its own hardware and software supporting the citizens of the Commonwealth utilizing server virtualization and operating system streaming to reduce the support costs associated with distributed systems.

The main technologies utilized are based on Ardenne Desktop Edition (www.ardence.com) to stream the Windows operating system to the desktops. VMWare ESX server is utilized to host virtual Windows 2003 based servers.

DMV CSCs are connected to the DMV HQ via T1 speed circuits. The HQ WAN connections are enhanced by the use of F5 WANjet appliances. DMV CSC's also have frame relay circuits connecting them to the Virginia Information Technologies Agency (VITA) data center for SNA Mainframe traffic only.

All servers in each branch must support being virtual servers. This allows DMV to centrally manage and deploy servers without having to procure or replace server hardware as systems are introduced, upgraded, or replaced. Servers can be deployed from the central DMV support system utilizing the existing DMV Virtual Server Farm. DMV has a pair of HP Proliant DL360s fiber connected to an HP MSA1000 SAN for Virtual Machines. All connections to the SAN are through the DL360s and Virtual Servers. The current storage capacity of the MSA1000 is approx 1TB of storage. Disk space can be provided via Windows 2003 Virtual Servers.

All workstations have the operating system streamed (OSS) via Ardenne Desktop Edition. This allows DMV to centrally manage and update one system image for all machines at the DMV CSCs. The internal hard disk on each workstation has been deactivated as the operating system is streamed but can be enabled if necessary. Also, Ardenne Desktop Edition provides a full Windows XP Pro Operating system, not an XP embedded or thin client OS. This allows any device with the proper drivers installed in the master image to work on the DMV OSS Workstations. DMV has deployed HP dc7600 slim line PC's for the OSS Workstations.

User authentication, authorization, file and print, and group policies are provided locally at each CSC via Virtual Windows 2003 Servers.

Each CSC presently has its own software to support the citizens of the Commonwealth for driver licensing and vehicle registration utilizing CSCNet (Customer Service Center Network) written in the Software AG language Natural, in a Unix environment.

2. Overview of Existing DMV HQ Computing Environment

At its Headquarters location, DMV operates a Novell v6.5 LAN.

Customer Service Center PC's connect to the HQ LAN via the WAN. DMV PC's operate in either a Windows 2000 or XP Pro SP2 environment.

Novell GroupWise v7.x is used for e-mail. Netware for SAA is used for 3270 emulation with the use of Powerterm to access CSS.

3. Overview of Existing Citizen Services System (CSS)

The CSS System is a mainframe application system running in the OS/390 environment at VITA. DMV's application programs are built using the Software AG products ADABAS, Natural, and COMPLETE. CSS is DMV's primary information system that is used for storing information on customers, their addresses, their driver history, vehicle registration and titling information, etc.



This system is accessed from the CSCs via a private Frame-Relay network, and from the DMV Headquarters location via a private DS3 serial connection. CSS is also accessible via the EAI layer described below via XML web services.

4. Overview of Current DMV Enterprise Application Infrastructure (EAI)

DMV's current EAI is a service-based architecture utilizing a variety of techniques. The preferred mechanism to interact to DMV's EAI is via web services. DMV provides high-availability services to the mainframe, databases, and a variety of other DMV systems.

Presently DMV utilizes Windows based servers as Presentation, Business Logic, and Data Access servers. DMV Servers are secured based on current industry standards provided by the NSA, SANS Institute, etc, as well as those published by VITA. Servers are designed with standardization across all machines. DMV utilizes both physical and virtual servers (VMWare ESX Server) based on need and activity.

Document and image management, storage, retrieval, and workflow services are provided by Hyland Systems OnBase application.

DMV's present enterprise database platform consists of a high-availability Oracle 10g RAC 2 node cluster and a SQL Server 2005 failover cluster both utilizing fibre channel storage.

The DMV Enterprise Application Infrastructure (DMV-EAI) is designed with security and standardization as the core set of principles required to provide maximum uptime to applications and customers.

DMV's present development environment for enterprise applications is based on the Microsoft .NET development platform (VB.NET and C#).

5. Overview of Other Outlets

DMV has several outlets that utilize a combination of technologies defined above. These outlets and systems provide core services to internal and external customers of DMV. They are highlighted below and are not all-inclusive of all outlets, yet provide the necessary sampling of technology implementation for reference purposes:

DMV Select: DMV Select allows selected business partners to provide core DMV services to the citizens of the Commonwealth. They utilize a smart client application to perform vehicle related transaction processing. Select offices utilize the public Internet over a secure channel to access the core services available on CSS. The access is provided by the EAI listed above to interact with CSS.

MCSC (Motor Carrier Service Center): The MCSC offices utilize a variety of applications to perform their daily activities. They have access to CSCNet as well as several intranet applications that interact with CSS via the EAI listed above. They utilize a combination of smart client, intranet web applications and Powerterm to access CSS via a 3270 client.

3rd Party Systems: DMV has several 3rd Party hosted systems that support various business functions. Examples include ACS, Digimarc, etc. These systems utilize various technology sets and platforms that interact with the core platforms identified above.



III. STATEMENT OF NEEDS

A. INTRODUCTION

The Virginia DMV requires a comprehensive integrated CSI solution that is customer-centric, service-oriented, state of the art, secure, and intelligent to support its re-engineered core business processes related to credentialing, tax processing, and financial management. The new CSI solution will also provide improved efficiency and productivity through the use of new technology, a re-engineered service delivery model, and improved business process methods.

B. BUSINESS NEEDS

The Offeror should use the following information related to business needs as a basis for developing a proposal for this RFP:

1. CSI Objectives

DMV envisions that multiple strategic objectives will be met through the CSI effort and the implementation of the proposed vendor solution. These objectives will address various business problems that exist within the agency to include:

- a. Utilizing a simple, highly efficient design utilizing open standards (ODBC, XML, etc.) that support a service-oriented architecture with built-in redundancy.
- b. Providing improved access to information through single sign-on and limiting access to data, fields and values, screens, system processes to only authorized users, improving user authentication, segmenting and tracking access based on user roles and responsibilities (role-based security model capabilities), and creating a new ability for users to generate ad hoc reports.
- c. Enhancing security, customer ID verification, and fraud prevention by eliminating duplicate customer records and creating a true single customer record, tracking patterns of suspicious activity (customer and employee), producing automated exception reports and creating systems alerts to potential safety, security, and risk management issues, and restricting access based on user roles and responsibilities and accommodating multiple authentications based on segregation of duties.
- d. Automating audit requirements and oversight by tracking user activity in a standard manner and creating a single data store.
- e. Consolidating disparate applications by replacing multiple systems with a single integrated data store, integrating multiple applications through core modules (such as user interfaces, core business services, infrastructure related services, interfaces, etc.), and providing a financial services component, as well as a tax processing component, with enhanced tracking and netting capabilities. Please see ATTACHMENT A for additional information regarding anticipated system replacements due to the CSI Systems Redesign effort.
- f. Improving efficiencies by incorporating best practices and re-engineering all processes within the project scope (at a detailed level as part of developing a detailed system design during the detailed design forum).
- g. Implementing a customer-centric model that effectively supports customer relationship management.



- h. Increasing alternative service channel usage by allowing most transactions to be offered through multiple channels.
- i. Migrating toward electronic credentials to provide the type of controlled access needed for authorized entities to verify the existence of electronic credentials, including photographic or other images as may be required.
- j. Accommodating interoperability and integration with business partners by providing a consistent method to interface with business partners and a consistent message format for exchanging data as well as creating the ability to effectively manage business partner contracts and billing electronically.
- k. Providing an integrated financial component, including integration of the agency's ERP (Oracle Financials), to facilitate a complete financial view of the customer (refunds due, additional fees due, etc.) as well as an enhanced ability to allocate revenues to appropriate accounts.

2. CSI Characteristics

In order to address the business needs and requirements of DMV, the proposed CSI solution should be:

- **Customer-Centric** – DMVs customers include the general public, business partners, and stakeholders. We need to truly manage every customer's experience with DMV each and every time they have contact with the agency and regardless of which service channel they use to make the contact. Wherever possible, the system should support our goal of ensuring that customers complete their business on "first contact". The new system should capture and utilize data that allows us to effectively manage all our relationships. We need to understand who our customers, business partners (such as contractual vendors), and stakeholders (such as legislators) are, what they need and want, and which service option best meets their needs. We need to proactively manage our customers' behavior through a system that provides a 360-degree "picture" of all previous contacts with the agency as well as information on upcoming transactional needs such as renewals due in the near future. In addition, the system should support a customer's desire to split their payment to DMV between cash and check, etc.
- **Service-Oriented** – We need customer-facing processes that eliminate fragmented components and duplicative data entry stemming from organizational silos. We need to provide seamless outcomes, ensuring that when interdependent inputs from multiple DMV functional areas are needed to produce an output (decision or product) we have incorporated, aligned and facilitated all of the required inputs for every customer, business partner and stakeholder. Customers, business partners, and stakeholders should be active participants in transaction processing—effectively and efficiently processing as much of their own transactions as possible regardless of the service option selected. For example, paper applications should be eliminated wherever possible and customers should key their information directly into the system before interacting with a DMV employee. This "partnership" approach to service will allow us to rely on our customers to process routine transactions, or portions thereof. Procedures should be built into the system as business rules to ensure consistent outcomes for all customers regardless of which service option is utilized or which DMV employee handles their transaction. We can then focus our human resources on complex transactions and problem resolution.
- **State-of-the-Art** – We can realize efficiencies by incorporating the results of business process re-engineering and identified best practices. System functionality should be based on the core functions we identified through our strategic planning efforts (these core functions include collect transportation-related revenues, issue credentials accurately and efficiently, transportation safety services that help address the Commonwealth's most critical highway safety needs, provide accurate and timely data and information, enforce all motoring and tax laws, provide information that



customers and business partners need to transact business with us, and serve as portal to other government services). Programming needs should be reduced through the use of open systems architecture. Separating the application source code from the business rules should facilitate the re-use of code across multiple applications--system modifications will be less time consuming. Business users should be allowed to modify business rules and system-generated correspondence, providing faster responses to changing policies and statutory requirements. We should leverage the efficiencies offered by technological peripheral equipment such as barcode readers, check and credit card scanners with PIN pads, document imaging, workflow software, computer touch screens, electronic forms, and fraudulent document recognition technology. Use of single sign-on technology should streamline processing in the various business areas.

- **Secure** – We need to improve our ability to provide secure services and perform our stewardship responsibilities stemming from our sensitive data. The new system should enhance security through appropriate internal controls, audit trails, and fraud prevention and detection analyses and alerts. It should adequately protect the security and privacy of our records by establishing and monitoring system access for employees, customers, business partners, and stakeholders based on their roles, responsibilities, and relationships to the agency. The benefits of today's technology should be used to enhance our ability to effectively verify and authenticate all system users and to monitor their utilization of the databases. Audit trails should accurately reflect the actions of every employee involved in any portion of transaction processing and ensure that requisite supervisory and/or managerial approvals have been secured before transactions can be completed. This approach will allow us to better fulfill our responsibilities for system user identification and authentication and to create system alerts when potential misuse is detected. Incorporation of the proper level of checks and balances will ensure that we collect all of the revenue due the Commonwealth. In addition, we will adequately track and monitor the distribution of secure products such as titles, license plates, driver's licenses, and tax return information.
- **Intelligent** – We envision an automated system that will support “netting” of the fees owed by DMV customers, using a “shopping cart” service for our web site transactions for example. We should have much more effective management tools through the creation of a business intelligence component in our new system. These tools should facilitate prompt management responses to changing business conditions by providing access to system data in real-time at our desktops. Well-designed management reports and dashboard updates on key performance indicators should facilitate productivity monitoring and trend identification. An interface to the agency's enterprise resource planning (ERP) system will allow us to create connectivity between customer trends and budgetary impacts. We should be able to use transaction data to automatically adjust inventory statistics, trigger inventory reorders and support a migration to “just in time” inventory practices.

3. **CSI Global Benefits**

The following global benefits and impacts for each of the CSI characteristics describe how DMV envisions the proposed CSI solution will impact the work processes and environment within the agency:

a. **Customer-Centric: A 360-degree view of all contacts with customers, business partners, and stakeholders**

The new system should be built from a true customer perspective and should support better customer experience management. The system should contain a profile of every customer, business partner (including vendors, contracts, and grantees) and stakeholder. This profile should provide complete, chronological information on every contact, transaction, or contract. Information on future contacts, such as vehicle renewals, driver's license renewals, invoices or billing due or past due, and contract expiration dates, should be included as well. Employees should be able to “drill down” to view digital images of all correspondence received from and/or mailed to the customers, business



partners, and stakeholders, as well as digital images of any applications and supporting documents that have been submitted to the agency. All of this should be accessible to staff at their desktops.

Global Benefits/Impacts:

Having a complete, 360-degree view of the customer's experiences and contacts with DMV will facilitate a holistic approach to problem identification and ensure responses that are thoroughly researched and complete.

When responding to a customer, business partner, or stakeholder (in-person, by telephone, e-mail, or letter) staff can review historical contact information and documentation for all previous contacts (based on individual access rights) direct from their desktops to resolve issues.

The ability to "drill down" from the customer profile to view document images and documents that relate to the incoming customer transaction, call, e-mail, or letter will significantly reduce research time as well as facilitate complete research.

Staff should be able to identify customer situations another employee is already working on, thereby eliminating duplicate effort and wasted staff time. When a customer claims they were provided incorrect information by a DMV employee these records should help to validate or invalidate that claim, providing better information to guide decision making.

Having complete information about various expiration dates, suspensions or outstanding compliance issues at their finger tips will allow staff to encourage completion of multiple business transactions with a single contact and facilitate earlier collection of revenues, increased compliance, and potentially result in increased revenues.

Staff should be able to fully research a customer's history and situation without having to rely upon other work areas or employees for information, thereby increasing productivity, reducing service time and the number of customer contacts.

b. Service-Oriented: Customer-facing processes and seamless outcomes

Automated work-flows embedded in the system should ensure that any interdependent inputs from multiple DMV functional areas required to produce a decision or product will occur in the proper sequence. Status data on these interdependent inputs should be available at the desktop. System screens should be user friendly—all fields should have full labels instead of a myriad of codes. Common layouts should be used for all screen designs and browser-based technology should support quick navigation. On-line help should be available. Incorporation of many of our procedures as "business rules" will enable staff to focus on problem resolution.

Global Benefits/Impacts:

Transactions requiring supervisory or management approval should be automatically routed to appropriate staff for action and returned to complete the transaction.

Business rules will be embedded in the system to ensure statutory requirements and many procedures are followed automatically.

Wherever possible, business rules and correspondence will be established and maintained by the appropriate business area. Historical versions of correspondence will be maintained so employees can quickly and easily see the actual version sent to an individual customer. Changes to the content of programmed correspondence, in many cases, will be made by business users instead of the DMV



Information Technology Services (ITS) area. This will reduce the programming hours needed to implement legislative changes.

On-line help will assist staff in understanding the information on the customer, business partner, or stakeholder record. This will enable staff to resolve problems and answer questions without having to transfer callers to “functional experts” in other areas of the agency.

Universal processing steps should apply to all products tied to the core functions.

c. State-of-the-Art: Leverage all the benefits that today’s technology offers

Transaction processing should be based on the agency’s core business functions—credentialing, tax processing, and financial management. Electronic forms should be available and paper applications should be eliminated wherever possible. Workflow for processes should be built into the system with the flexibility to change a process flow easily to implement legislative changes. Utilization of workflow software should support electronic approval processes, as needed, for transaction completion. The system should contain the capability to suspend a transaction and maintain it in a pending status for future action or completion. All incoming correspondence should be imaged in the mail room and routed electronically. Digital images of incoming correspondence, outgoing correspondence, and applications/supporting documents submitted to DMV as part of transaction processing should be accessible at the desktop and should be tied to the appropriate records for all customers, business partners, and stakeholders.

Global Benefits/Impacts:

Electronic forms should replace paper, whenever possible, allowing customers and business partners to conduct portions of the needed data entry for us. Automated workflows should support internal distribution and tracking of electronic documents (e.g., correspondence, supply orders, invoices, contracts, grants, etc.) and external electronic forms requiring further analysis and/or approval (e.g. driver license application, medical, Operating Authority, etc.).

Managers and supervisors should receive electronic notification of the need to log into the system to complete needed reviews and/or approvals for forms, decision briefs, point sheets, transactions, etc.

Automated workflow should automatically route specific transactions, forms, or documents to other areas or a supervisor/manager to complete necessary steps required to complete a transaction or finalize a document. Transactions requiring supervisory approval may be held in a transaction suspense status and automatically forwarded to supervisors for approval.

d. Secure: Enhanced internal controls, audit trails, and fraud detection and prevention alerts

Access to the system should be based on roles and responsibilities. Online audit trails should provide information on every person who was involved in any portion of transaction processing. If supervisory or managerial approval is required for an action to be completed, the system should hold the transaction in suspense until the supervisor or manager logs in to conduct electronic approval. An example of this type of situation would be a need to process a transaction as a “no fee”, which requires supervisory approval. Programming in the system should detect system usage that could indicate potential fraudulent activity. When suspected fraud is detected, the system should produce reports for management so that proactive research can be completed. To deter fraudulent activity and ensure accuracy, supervisors will be required to review samples of employees’ transactions. The system should have the capability to temporarily suspend transactions (on a random basis) as they are being completed and supervisors will be required to log into the system and review the transactions before the processing will be allowed to move forward.



Global Benefits/Impacts:

The level of access possessed by each staff member should be tailored to their specific roles and responsibilities. This could create distinct differences in access, even though staff members have the same general job titles and job duties.

When researching a question or complaint, staff should be able to access audit logs that will reflect all component pieces of every transaction and obtain information on the employee responsible for each component. This will facilitate faster and more accurate problem identification and resolution.

Management staff should be able to receive fraud alerts and transaction exception reports allowing staff to research and take appropriate action as needed in a timely fashion. This is similar to the process used today to review the telephone bills. Any problems identified will need to be addressed through coaching, counseling, etc. or referred to the DMV Special Investigations Unit (depending upon the nature of the problem).

e. Intelligent: Real-time access to data on key performance indicators and ability to “net” fees and split payments

The system should provide connectivity to a myriad of databases that should feed a data warehouse. System programming (business intelligence) should utilize this warehouse to supply data at the desktop for transaction volumes, revenue collection, fuel consumption, wait times, etc. In many cases, users should be able to access the warehouse to conduct real-time data analysis in lieu of requesting ad hoc reports. Integration with the agency's enterprise resource planning (ERP) system, which is an Oracle Financials based system called Purchasing, Inventory and Payables System (PIPS), should create connectivity between customer trends and budgetary impacts.

Global Benefits/Impacts:

Questions from customers, business partners, and stakeholders should be able to be researched and answered through the real-time analysis of warehouse data. This will facilitate faster response times and support “first contact” resolution.

Paper production reports should be automated. Management reports should be replaced by an enhanced dashboard, which provides information on the agency's key performance indicators. Management should be able to utilize access to warehouse data to manage productivity and pending work, monitor transaction volumes, revenue, trends, employee performance and identify training needs based on performance.

Real-time access to the data warehouse would enable staff the ability to query, download data, and develop many ad hoc reports direct from the desktop.

All DMV employees who are providing data to external sources will be utilizing the same data warehouse. This will help ensure the provision of consistent responses to statistical questions.

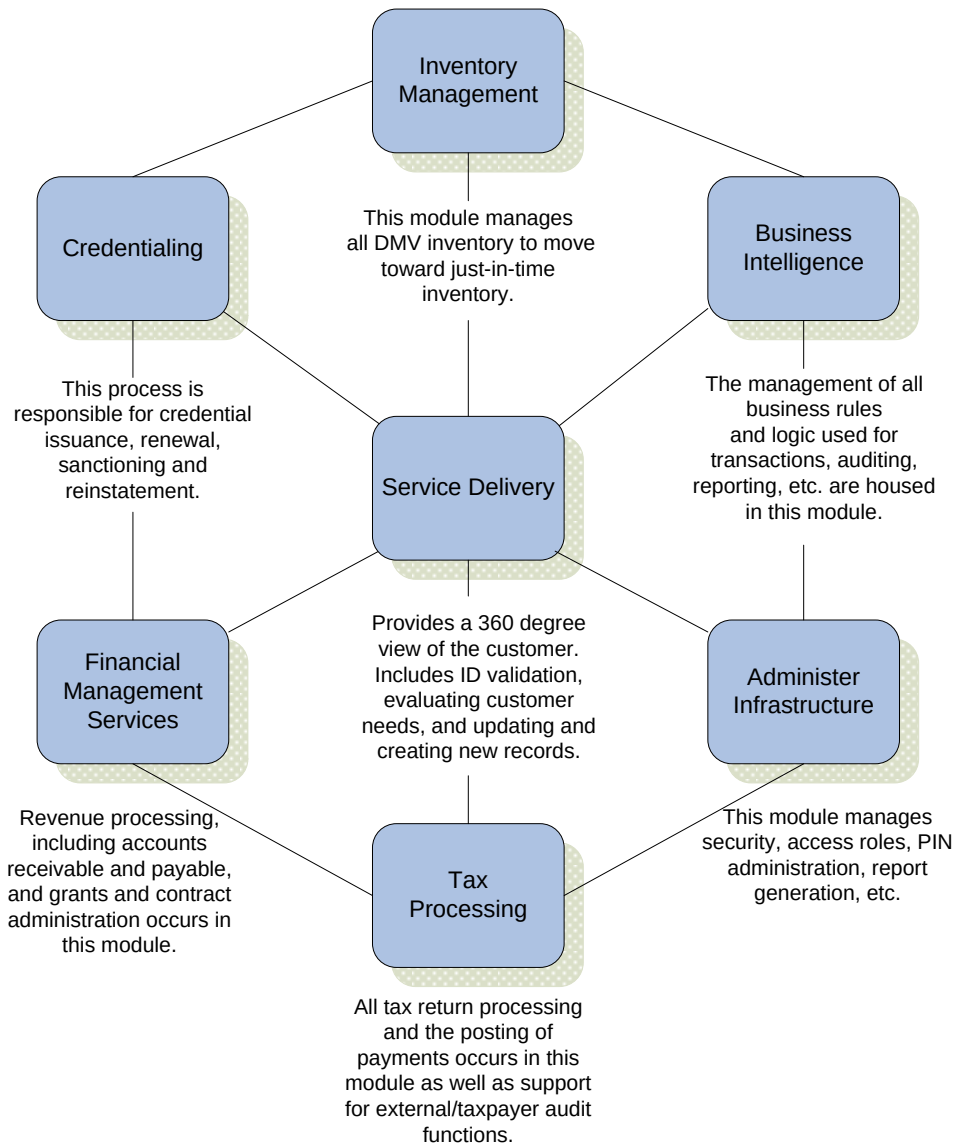
4. CSI Future State Business Process Model

The diagram below (Figure 1) provides an overview of the CSI Future State Business Process Model. This model, developed during Phase 1 of the DMV CSI Systems Redesign project, is a high-level view of improved DMV business process steps based on the concepts presented in the CSI Objectives, CSI Characteristics, CSI Global Benefits, and Conceptual CSI Solution Model sections of this RFP.



The Offeror shall propose a CSI solution that supports the CSI Future State Business Process Model to the fullest extent possible.

FIGURE 1
CSI FUTURE STATE BUSINESS PROCESS MODEL



Each of the seven process areas identified in the CSI Future State Business Process Model are described below, including the business functions supported by each as well as the products/services provided. Please note that these processes and business functions are not listed in priority order.



a. Service Delivery

Service delivery supports all DMV access channels to provide a 360-degree view of a DMV customer by collecting all relevant data. All customer (including business partners, stakeholders, etc.) and employee contact and activity must enter and exit through this process. Service Delivery will coordinate all support functions of the contact activity including the ability to support a shopping cart concept for multiple transactions, payment processing and netting, inventory processing, and release of the final product.

Functions supported include, but are not limited to:

- Identity Verification for Employee, Customer, Business Partner, or Stakeholder prior to system access
- Provides holistic view of customer needs
- Creation of New Customer Account
- Determines appropriate system component needed to support transaction desired (e.g., credentialing, tax processing, financial services, inventory, business intelligence, business intelligence, and/or administrative infrastructure)
- Automatically monitor business events to trigger an orchestrated business process or web service
- Determines correspondence needed and generates correspondence
- Calculates total amount due
- Initiates financial services to process payment (single sum for all transactions)
- Initiate any external processes (such as DL Central Issue 3rd party system)
- Initiate release of product or credential
- Manages customer record by updating the record each time an activity occurs, including but not limited to:
 - Judgment Letters
 - Hearing Notices
 - Notices of Revocation
 - Probation Letters
 - Vehicle & Driver Transcripts
 - Contest Letters
 - Reinstatement Letters
 - Citation/Billing letter
 - Hearing Decision

b. Credentialing

The credentialing process rolls the credentialing functions of driver, vehicle, motor carrier, and regulatory licensing functions such as fuel distributors, rental car companies, dealers, commercial driver training schools, driver improvement clinics, and 3rd party testers into one, all inclusive process. A credential can be issued, updated, or renewed, a privilege reinstated or taken away, and compliance to requirements is monitored. A credential would also include the creation of PINs, Use Agreements, and any other DMV product or service requiring formal authorization or approval.

Functions supported include, but are not limited to:

- Issuance, update, and renewal of credentials
- All processes related to sanctioning, reinstatement, and compliance for every program administered (e.g., Driver, Driver Improvement, Habitual Offender, Conviction Processing, Insurance Monitoring, Vehicle, Motor Carrier Intrastate Operating Authority, Liquidated Damages, IRP, IFTA, Fuels Tax, Rental Tax, etc.)



Products/Services provided include, but are not limited to:

- Fuel Tax Licenses
- Rental Tax Licenses
- Cancellation of IFTA, Fuels Tax, or Rental Tax credentials
- Orders of suspension and/or revocation
- Vehicle registration stops
- IRP credential stop on account
- Hauling permits
- Trip permits
- Liquidated damages citations
- Licensee audits (IFTA, IRP, Rental companies, and Fuel Tax Licensees)
- IFTA credentials
- IRP credentials
- IRP transmittals for other jurisdictions
- Truck, tractor and trailer titling
- Truck, tractor and trailer registration for both Intrastate and Interstate Operations
- Certificates, licenses, and permits for companies providing transportation services Intrastate
- Driver licensing, including learner's permits
- Commercial driver licensing, including learner's permits and endorsements
- Motorcycle licensing, including learner's permits and endorsements
- Suspension of driving privileges for driving and non-DMV related reasons
- Driver monitoring
- Medical testing
- Licensing and certification of driver training schools and driver improvement clinics
- Vehicle titling
- Vehicle registration
- Sales and Use Tax (SUT)
- EMS
- Emissions
- Local Vehicle Registration (LVR)
- Dealer Licensing
- Overload permit renewal
- Disabled plates
- Tax Assessments
- Salesperson Licenses
- ID Cards
- Organ Donor List
- Registered Voter Acknowledge
- Disabled Placard
- DI clinic orders
- Insurance Verification
- Escort Certification

c. Tax Processing

Tax Processing manages the processing of tax returns and posting the tax payment as well as taxpayer audit support functions.

Functions supported include, but are not limited to:



- Process tax filings required to support IFTA, Fuels Tax, and Rental Tax collections.
- Calculate and compute taxes, penalties, interest, and overages
- Import IFTA tax rate chart on quarterly basis to support tax calculation and computation
- Support electronic tax filings
- Identify and manage late and non-filers (required to file but did not)
- Cross match and analysis of return data to detect problems, errors, potential lost tax dollars, along with the functionality to manage and resolve such issues
- Interfaces with other state and federal tax systems to support data sharing and automated analysis of taxpayer reported data
- Capture and track incoming and outgoing IFTA transmittal data, identifying gaps and providing data to support reporting and analysis needs

Products/Services provided include, but are not limited to:

- Fuels tax processing
- Rental tax processing
- IFTA tax processing
- Reports based on fuels tax data (for example, Federal Highway Administration reports, etc.)
- IFTA transmittals for other jurisdictions

d. Financial Management Services

Financial Management Services handles reconciliation and distribution of revenue of all payments from DMV transactions as well as grant and contract administration.

Functions supported include, but are not limited to:

- Support all functions related to revenue reconciliation and distribution, accounts receivable, and accounts payable transactions.
- Grant management
- Contract management

Products/Services provided include, but are not limited to:

- Revenue Reconciliation
- Revenue Distribution
- Invoice Processing
- Refund Processing
- Returned Check Notification and Collections
- Billing processes
- Inter-Agency Transfers

e. Inventory Management

Inventory Management tracks the consignment of controlled inventory and assets.

Functions supported include, but are not limited to:

- Administers inventory consignment
- Initiates the ordering of inventory based on "just-in-time" concept
- Tracks assets



Products/Services provided include, but are not limited to:

- Inventory Consignment
- Inventory Ordering & Receipt
- Inventory Distribution
- Asset Management

f. Business Intelligence

Business Intelligence will provide the ability for retrieving and reporting information on DMV data. There will be the ability to compile data in such a manner that will be meaningful to the end user (including decision makers at DMV, external entities, etc.). This will include key performance indicators such as customer wait time and cost per transaction. Once the data is presented, there will be a decision support tool to assist DMV managers so that various alternatives can be compared. BI will also support automated and ad hoc reports (e.g., enabled by Use Agreements) and assist in identifying fraud through periodic audits.

Functions supported include, but are not limited to:

- Produce metrics and decision support
- Produce inquiries and reports
- Produce transcripts (e.g. driver and vehicle records)
- Support ad hoc queries and report generation
- Audits and audit monitoring
- Fraud monitoring

Products/Services provided include, but are not limited to:

- Performance measurement reporting
- Report generation
- Transcripts
- Audit and fraud alerts

g. Administer Infrastructure

Administer Infrastructure will give DMV the necessary flexibility for business users to be able to change their workflow and business rules as needed. Additionally, DMV staff with the appropriate roles and permissions will be able to control system credentials, access, and data management roles such as PINs and Service Agreements. This module also supports the call center help desk and mail processing.

Functions supported include, but are not limited to:

- Provides the ability to revise business rules, workflow, standard forms, and correspondence at the user level
- Administer system security and access rights
- Support DMV call center and DMV application help desk support
- Manages all incoming and outgoing mail including any mail-related security protocols, such as x-raying incoming mail
- Scanning and/or barcoding of correspondence
- Tracks and distributes DMV application help desk calls



Products/Services provided include, but are not limited to:

- Business rules, workflow, forms, and correspondence administration
- Scanning and/or barcoding

C. TECHNICAL NEEDS AND REQUIREMENTS

1. Conceptual CSI Solution Model

The proposed solution to the CSI effort may come in the form of commercial off the shelf software and products, customization of off the shelf software and products, an in-house development effort, or a combination.

The proposed CSI solution will be hosted by the Commonwealth's Virginia Information Technologies Agency (VITA). VITA and DMV will work with the selected vendor during the detailed design forum to define hosting and infrastructure requirements to support the CSI Systems Redesign Project.

The diagram below (Figure 2) provides a conceptual model overview of how DMV envisions a fully integrated CSI solution. The proposed CSI solution should support the following model components:

Access Channels – DMV envisions all users will utilize this component to access the system and these channels will support full service, assisted service, and express/self-service users in order to handle the unique processing needs of each group. Segregating users into groups allows DMV the ability to better manage system access based on user needs as well as establish and enforce transaction restrictions consistently across all types of users.

Core Business Services – DMV envisions these components will serve as the foundation of the system. They should be able to be integrated with other components of the system and each other to provide efficient processing, effective customer relationship management, appropriate internal controls, and comprehensive management reporting. The Core Business Services are defined as follows:

- Point of Contact Services – This is actually a group of applications designed to handle all transaction processing. The individual components are as follows:
 - Customer Establishment and Maintenance – Supports effective management of customer records for customers, business partners, and stakeholders.
 - Customer Relationship Management (CRM) – Creates a common view or profile of customers, business partners, and stakeholders across DMV's multiple core services and service channels. Tracks all contacts and communications as well as system access capabilities, contract expiration dates, service level agreements, etc.
- Product Management – Provides the infrastructure needed to support all transactions involving credentials and the processing of tax filings. Consists of two components, Credentialing and Tax Processing, as described below:
 - Credentialing – Provides the infrastructure needed to support all credentialing functions for all areas (such as driver, vehicle, dealers, motor carriers, fuel distributors, and rental car companies). This would consist of two modules:



- Issuance and Renewal – Supports the issuance and renewal of all credentials as well as any ancillary activities such as testing, photos, recordation/release of liens, surety bonds, and external validations.
- Sanctioning, Reinstatement, and Compliance – Supports the sanctioning and reinstatement of all credentials in all areas (such as suspensions, revocations, cancellations, and stops) as well as all compliance activities (such as medical, insurance, liquidated damages, licensing suspensions or revocations, and tax penalties).
- Tax Processing – Support for the calculation, collection, accounting, and reporting statistics for all tax filings (including IFTA, tax on fuel, and tax on motor vehicle rentals) as well as support for an external/taxpayer audit function. IFTA, rental tax and fuels tax processing will be rebuilt as DMV systems.

Financial Management Services – DMV envisions this component should be able to provide overall support for the following financial functions. It should consist of two modules, identified below, as well as integration with an enterprise resource planning (ERP) system:

- Product financial services – Supports fee and tax collection, settlements, reconciliation, returned checks and refund processing. Tracks and allocates revenue streams and manages fund transfers.
- Inventory Management – Supports tracking and maintenance of inventory using a “just in time” ordering and delivery approach.

Note: The Secretary of Finance is working on a new state financial system that may eventually become the ERP (VEAP Project). Initially, DMV will expand the functionality of the Oracle Financials based Purchasing, Inventory and Payables System (PIPS) to serve as the ERP.

Business Intelligence – DMV envisions this component to be the trusted data source to support knowledge management, data warehousing, data-mining, business analysis, and management reporting. It is used to identify, track, and improve key processes and data, identify and monitor trends in performance (processes, personnel, and systems), and provide risk management information, such as key indicators evaluation system (KIES), Federal highway reports, etc.

Infrastructure Services – DMV envisions that these services should be able to provide functionality that will be utilized by each core business component above. These components help ensure consistency among core service areas, assist in the decision making process and transaction processing, promote greater flexibility and security in the system, and facilitate more personal and personalized service levels.

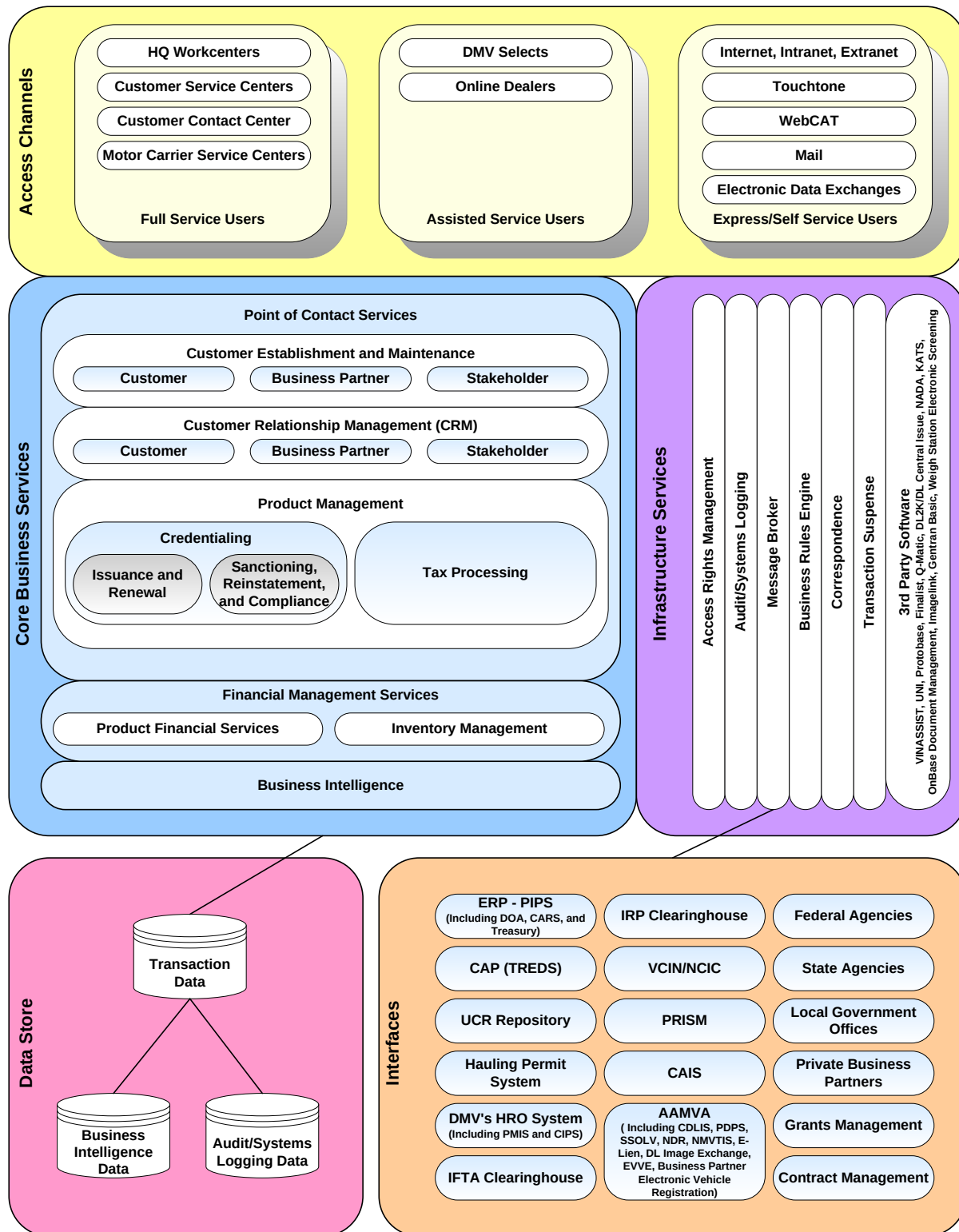
- Access Rights Management
- Audit/Systems Logging
- Message Broker
- Business Rules Engine
- Correspondence
- Transaction Suspense
- 3rd Party Software

Interfaces – DMV envisions that this component will support a variety of internal and external interfaces utilized in the current system and will need to be available in the modernized system.

Data Store – DMV envisions this component to store customer, transaction, business intelligence, and audit data. It will receive data requests from the component processes and return data to that component. The business rules engine (Infrastructure Services) component will provide parameters for purging the data from the data store, and these purge criteria will vary depending upon the function.



FIGURE 2
CONCEPTUAL CSI SOLUTION MODEL





2. Mandatory Technical Requirements

DMV information is highly confidential and must be protected from unauthorized access and use. Security of this data is of utmost importance to the Commonwealth.

Certain types of information are considered restricted data and laws and policy govern how they are stored and used. The proposed CSI solution must conform to these laws and policies.

To support this requirement, DMV has established the following requirements when designing automated solutions. Generally speaking:

- DMV does not allow direct connections from outside sources to internal systems. All externally and most internally available applications are designed in a multi-tier security model. No http proxy based applications are allowed.
- DMV restricts the IP application ports that are allowed to traverse networks and segments.
- DMV does not allow dynamic port allocation applications.
- DMV considers any machine that is directly accessed by an outside entity as a perimeter device and restricts accordingly.
- DMV does not allow the sharing of security credentials for user's access to DMV systems. This includes both DMV internal users and external users.
- DMV restricts network services that traverse LAN and WAN networking segments.

To meet these requirements, the proposed CSI solution shall:

- a. Comply with the standards provided in the Commonwealth of Virginia (COVA) Information Technology Security Standard SEC 501-01 and 507-00.
- b. Adhere to the Virginia Information Technology Agency (VITA) policy for Secured Architecture Application Delivery.
- c. Manage and display data in compliance with standards established under the Americans with Disabilities Act.

3. Reuse of Existing Technical Components

The Offeror should review the background information that describes the existing DMV technical environment and allow for reuse of appropriate components of the existing technology wherever feasible and practical when designing the new CSI system.

For example, the proposed CSI solution should be compatible with:

- a. Ardence Desktop Edition (www.ardence.com) Operating System Streaming (OSS).
- b. Hyland Systems OnBase software for document and image management, storage, retrieval, and workflow services.
- c. The following client operating systems: Microsoft Windows 2000, Microsoft Windows XP Pro SP2, and Microsoft Windows XP Pro SP2 streamed via Ardence Desktop Edition.



4. Technology Principles

New enterprise systems, such as the proposed CSI solution, should make use of industry standard technologies to support flexibility of use and ease of integration with existing and future systems, and with systems external to the agency.

The Offeror should use the following information regarding technology principles as a basis for developing their proposed CSI solution:

a. General:

- 1) The new system should provide well-defined interfaces to enable application functionality to be accessed programmatically. Interfaces are to be provided to the presentation layer, the business logic, and the enterprise data store or other data resources.
- 2) Development tools should be current and commonly used for a variety of enterprise applications.
- 3) The CSI solution should utilize a Service-Oriented Architecture (SOA) that will facilitate connections among transactional systems. Extensible Markup Language (XML) is the preferred standard language for facilitating communication among systems within our heterogeneous environment.
- 4) The integrated CSI solution should be flexible and modular in nature and capable of supporting current and future automated processing needs and capacity of DMV core business processes and functions. In addition, the integrated CSI solution should be capable of complying with future Federal and State mandates and requirements (such as the Federal Real ID Act, etc.)
- 5) The integrated CSI solution should be organized in an n-tier fashion to create separate layers for user presentation, data access, enterprise data store, and the business logic and other middle-tier processing. All applications should reside on a separate server from the enterprise data store.
- 6) All deployment of software and applications should be centrally distributed and updated. Ideally should be Zero-Touch deployment.
- 7) Should utilize TCP/IP for all client/server communication.
- 8) Should use industry standards for data storage, retrieval, and processing.
- 9) Should use ODBC or standard industry interface to back end systems and not allow any vendor proprietary interfaces.
- 10) Should have an automatic restart process for connection failures or if the back-end systems are unavailable.
- 11) Should support future growth and scalability.
- 12) Should have an open API for all applications available for consumption of "products" from said applications.
- 13) Should integrate with applications via programmatic methods and not via screen-scraping technology.



b. Usage Profile:

- 1) The proposed CSI solution should support approximately 2,000 concurrent users and transaction volumes in excess of 15,000,000 per annum.

c. Interfaces:

- 1) The success of the system will heavily depend on its ability to interface, integrate and leverage the functionality of other systems (examples: AAMVANET, credential production services, Queuing, etc.).

The CSI solution should be able to seamlessly share data with other systems (examples: queuing ticketing systems from different vendors, state and local jurisdiction's systems, Oracle Financials, credential production systems, etc.).

- 2) The CSI solution should leverage best-practice integration services, both built into the application and through outside vendor solutions. Interfaces may be achieved through XML, API's, and views directly into data tables.

d. Security:

- 1) DMV currently follows the guidelines and standards provided by NSA and the SANS Institute. These guidelines and standards should be followed with the proposed CSI solution.
- 2) All communications and transmissions between servers, and between servers and clients should be encrypted.
- 3) For access control, new enterprise systems should be able to integrate with DMV's Enterprise Security system (presently Active Directory and LDAP via Novell NDS) for authentication and authorization, and, in addition, should be able to support certificate-based authentication using a standard PKI infrastructure.
- 4) The CSI solution should be able to restrict access to certain segments of the database based on user roles.

e. Administration:

- 1) The CSI solution should provide application administrators with easily used, web-based or GUI management tools to automate repetitive tasks.
- 2) The CSI solution should support a division of labor within the system administration team (example: one group administers the RDBMS while other groups administer the reporting warehouse, business rules, etc.).

The CSI solution should also allow DMV to delegate some management to authorized personnel outside of the IT department. Browser-neutral web-based applications are preferred so that users do not have to install or update software on their desktops.

f. Customization:

- 1) The CSI solution should be capable of being customized to meet DMV's unique needs, while easily retaining these customizations in the future.



g. Reporting:

- 1) The CSI solution should allow report authors to easily access all of the application's data, within application security rules, and clear and complete metadata and documentation.
- 2) For reporting, the CSI solution should be able to ship data using standard ETL tools to a separate reporting data mart and a central Enterprise Data Warehouse.

h. Data access:

- 1) The CSI solution should offer powerful and flexible data manipulation tools that allow us to quickly append, modify, and delete any data element in the application. The proposed CSI solution should allow users to take snapshots of data, build summaries of data and build and update reporting data marts.
- 2) All activities, including viewing of specific information, should be tracked in audit logs that will reflect all actions of every transaction and obtain information on the individual responsible for each action.

D. DATA CONVERSION AND MAPPING

DMV will be performing data quality profiling, data cleansing, and data preparation services for the data conversion and mapping process prior to the beginning of the detailed design forum.

Working with DMV, the Contractor must perform the data mapping and conversion activities related to the proposed CSI solution and implementation approach.

E. PROJECT MANAGEMENT

1. Project Oversight and Control

The DMV Project Manager is responsible for overseeing the entire CSI project.

Under the direction of the DMV Project Manager, the Contractor Project Manager must manage all Contractor activities associated with this project and serve as the Contractor central point of contact. These activities include, but are not limited to:

- a. Providing input and assisting with establishing and updating an integrated project plan and related project documentation. This includes, but is not limited to:
 - Project Charter
 - Project Scope Statement
 - Detailed Work Breakdown Structure
 - Project Performance Plan
 - Project Resource Plan
 - Project Schedule
 - Risk Management Plan
 - Communications Plan
 - Change and Configuration Management Plan
 - Required VITA Documentation



- b. Establishing and administering controls to ensure Contractor deliverables are of a quality acceptable to DMV.
- c. Updating a detailed Contractor work plan and schedule on a weekly basis.
- d. Monitoring Contractor activities to ensure that project schedules are met.
- e. Providing weekly and monthly status reports.
- f. Attending and facilitating project related meetings, team status meetings, project briefings, and other meetings as required.

2. Project Management Methodology

The Contractor shall utilize a project management methodology and approach that conforms to the Commonwealth of Virginia Project Management Standards issued by the Virginia Information Technologies Agency. See <http://www.vita.virginia.gov/oversight/projects/> for more information.

3. Contractor Work Plan

The Contractor must develop and maintain (throughout the project) a comprehensive Contractor work plan that addresses the Contractor tasks and effort required to accomplish the requirements outlined in this RFP to implement the CSI solution.

The Contractor work plan must begin with the Contractor working with DMV to conduct a detailed design forum (which should take approximately 4 months to complete), based on the results of Phase 1 and 2 re-engineering efforts, to develop a functional and detailed system design of all proposed approaches and solutions. Sparx's Enterprise Architect software should be used and the Contractor should follow Iconix Process (a use-case driven, UML object modeling approach) as specified by DMV. See www.iconixsw.com for more information on Iconix Process.

The purpose of the detailed design forum is to architect and design a technical solution which is able to meet all the requirements specified at the conclusion of Phase 2 detailed business process analysis and re-engineering initiatives, and prior to the beginning of system development.

To begin the detailed design forum, DMV will provide a domain model, nonfunctional, functional, and behavioral requirements, business rules defined and extracted, and use cases (scenarios) documented using Sparx's Enterprise Architect software as a result of the Phase 2 efforts.

Specific tasks that will be undertaken during the detailed design forum include, but are not limited to:

- Specification of the technical architecture to be employed and the required configuration
- Program structure and flow
- Logical and physical data models
- Definition of any interfaces between systems
- Preliminary screen design

The Contractor must document the functional and detailed design of all approaches and solutions, and receive DMV acceptance and approval, prior to system development and implementation. To facilitate these tasks, Sparx's Enterprise Architect software should be used along with Iconix Process. Detailed system design must be based on joint detailed design discussions between DMV and the Contractor, facilitated and documented by the Contractor.

The results from the detailed design forum will specify how the requirements will be delivered to the user. It will be written in technical terms and will be used by the developers as a blueprint of the system that will be built in the next stage. The results should be comprehensive and leave no ambiguity as to what the system will deliver, how it will be structured and how it will be presented to the user. Each business



process documented during the business process re-engineering effort must be taken in turn and a technical implementation specified. A definite link must be made between specific requirements from the business process re-engineering effort and the proposed implementation in order to facilitate testing.

Using the results of the detailed design forum, DMV will specify the final scope of the overall CSI solution to be built. Contractor activities and development effort following the detailed design forum will be re-negotiated and priced accordingly based on the DMV specified final scope.

At the conclusion of the detailed design forum, the Contractor will work with DMV to negotiate and document a detailed go-forward plan based on the results of the detailed design forum and the final scope specified by DMV. This includes, but is not limited to:

- Developing a detailed project work plan, staffing plan, and phased implementation approach based on the results of the detailed design forum.
- Negotiating a finalized detailed solution approach.
- Documenting a detailed list of all deliverables based on the detailed solution approach and the phased implementation approach.
- Re-negotiate total solution and project costs based on the results of the detailed design forum and the detailed go-forward plan.

The Commonwealth retains ownership of any and all documentation and work products created during the detailed design forum and DMV reserves the right to use all documentation, intellectual property, and work products created during the detailed design forum in any way. Refer to Special Terms and Conditions contained in RFP Section IX, Part A, Items 15 and 18 for more information.

If DMV accepts and approves the results of the detailed design forum and go-forward plan, a phased development and implementation approach, including implementation and deployment of the artifacts from the design forum (for example, business rule engine configuration, population, and implementation) may proceed for the various components of the overall CSI solution. Acceptance and approval of the detailed design forum will be based on successful periodic reviews by the appropriate CSI project team members and/or the CSI oversight committee.

DMV reserves the right to terminate the contract at the conclusion of the detailed design forum or at any other point after award of the contract. Reasons for termination may include, but are not limited to results that fail to meet the overall needs of DMV, unacceptable management or performance, insufficient project funding, and/or for convenience of the Commonwealth.

The proposed plan must clearly define a phased development and implementation approach that provides for project progression from a detailed design forum into a system development environment, progressing through the various testing phases, then user and IT training as required, then implementing at initial pilot test sites, finishing up with statewide production implementation, final system acceptance, and post implementation support.

The Contractor work plan should include the time frames and required resources detailed in each component of the project. DMV reserves the right to negotiate the work plan prior to award and/or during the detailed design forum phase of the project.

Milestones should be identified in the Contractor work plan to measure overall progress and as an indicator of conformance with the established project schedule. Milestones will be identified by completion date.

The Contractor work plan should include reasonable time for DMV to review and approve task completion deliverables, without interrupting the continuing progress towards completion of the project.



4. Project Staffing

The Contractor shall provide an appropriate level of project staffing necessary to complete all Contractor tasks associated with the entire project including all project phases. Contractor staffing shall include, but is not limited to:

- A Contractor Project Manager available on-site at DMV throughout the duration of the project until Final System Acceptance has been achieved.
- An appropriate level of Contractor technical and support staff necessary to complete all tasks on schedule and satisfy the requirements of this project. Staffing should be available on-site at DMV throughout the duration of the project until Final System Acceptance has been achieved.

DMV will provide an appropriate amount of work space at the Richmond DMV Headquarters facility to house the proposed Contractor staffing. General office tools will also be provided. This includes a PC, telephone, general office supplies, and access to a workgroup printer.

DMV reserves the right to request a replacement of any member of the Contractor's team at any time during the life of the contract. Refer to Special Terms and Conditions contained in RFP Section IX, Part A, Item 13 for more information.

F. TESTING APPROACH

1. System acceptance, if the contract proceeds to systems development, will be based on individual CSI solution components and will follow a phased implementation approach. For each component being reviewed and tested for acceptance, the following stages will occur:
 - a. Level 1 Testing: General testing performed during the development stage. Testing is performed in the development environment.
 - b. Level 2 Testing: Full system integration testing, prior to production implementation. Testing is performed in the test environment.
 - c. Level 3 Testing: System component(s) deployed and monitored for a minimum of 30 calendar days in a production environment at specified pilot site(s).
 - d. Final Acceptance Period: Final acceptance review and monitoring for a minimum of 30 calendar days after system component(s) fully implemented and operational statewide.
2. The Contractor shall work with DMV to document a detailed written test plan which shall include, but is not limited to:
 - All necessary criteria and tests which will be performed to ensure that the CSI solution as a whole, and all components thereof, satisfy the requirements of this RFP
 - A description of all phases of testing.
 - Provisions for the documentation of testing results, problem detection, and corrective measures taken to permanently address problems
 - A description of the resources, including DMV and Contractor staffing, necessary to conduct testing



DMV shall have the sole discretion to determine the appropriate test plan, including all details contained therein, that will ultimately be used in the determination of whether the CSI solution, and all components thereof, satisfy the requirements of this RFP (including all addenda and any resulting contract).

3. Unless otherwise specified by DMV, the requirements of this RFP must be completed and final acceptance achieved within the mutually agreed upon project work plan and schedule. Refer to Special Terms and Conditions contained in RFP Section IX, Part A, Item 19 for more information.
4. DMV and the Contractor will maintain appropriate records documenting performance during the testing and final acceptance periods and such records shall be conclusive for purposes of determining compliance with all testing criteria and final system acceptance requirements.

DMV shall be the sole judge of compliance with testing criteria and whether any failure to satisfy or pass testing criteria was due to operator error or malfunction.

5. The Contractor is responsible for providing support and software corrections until Final Acceptance is achieved.

G. TRAINING AND TRANSITION

1. The Contractor shall provide training to adequately prepare operational, administrative, security, and technical staff in all aspects and functionality of the CSI solution.
2. The Contractor must train technical staff and system/security administration staff to adequately prepare them for ongoing CSI system maintenance and enhancements.
3. DMV will establish a training schedule after consultation with the Contractor. This schedule must coincide with the installation schedule.
4. Prior to training, the Contractor must present a "dry run" training presentation to DMV staff for approval. This presentation must represent what will be presented during the actual training and must include the final training documents.

H. POST IMPLEMENTATION SUPPORT

1. DMV intends to be self-sufficient to the extent possible and transition into full system support once final acceptance is achieved. To support this, the Contractor should provide all CSI solution source code to DMV at the beginning of Level 2 Testing. If the software proposed does not include the source code, the Contractor shall deposit the complete, well-documented source code for the most recent version of the software delivered under the contract in an escrow account held by a third party. The source code shall be made available to DMV in the event that the Contractor ceases to do business or discontinues technical support for the software.
2. Post implementation support provided by the Contractor may be considered by DMV on an as needed basis, at DMV's sole discretion.



IV. PROPOSAL PREPARATION AND SUBMISSION INSTRUCTIONS

A. PROPOSAL PREPARATION INSTRUCTIONS

1. RFP Response

In order to be considered for selection, Offerors must submit a complete response to this RFP. As further described in this entire section IV of the RFP, (1) original, (7) full copies, and (2) redacted copies of each proposal must be submitted to DMV. No other distribution of the proposal shall be made by the Offeror. DMV will not compensate the Offeror for the cost of proposal preparation whether or not an award is made.

The Offeror is responsible for determining if any addenda have been issued on the solicitation and responding appropriately within their RFP response. All addenda will be posted on the Commonwealth of Virginia's electronic procurement site, eVA. Addenda, as well as any questions and answers, will be posted on www.eva.virginia.gov under "Solicitations and Awards." A "key word" search, using "CSI", "Systems Redesign", or "DMV" may be used to locate the solicitation, addenda and questions and answers (if issued).

2. Proposal Preparation

- a. Proposals shall be signed by an authorized representative of the Offeror. All information requested should be submitted. Failure to submit all information requested may result in DMV requiring prompt submission of missing information and/or giving a lowered evaluation of the proposal. Proposals which are substantially incomplete or lack key information may be rejected. Mandatory requirements are those required by law or regulation or are such that they cannot be waived and are not subject to negotiation.
- b. Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.
- c. Proposals should be organized in the order in which the requirements are presented in the RFP. All pages of the proposal should be numbered. Each paragraph in the proposal should reference the paragraph number of the corresponding section of the RFP. It is also helpful to cite the paragraph number, subletter, and repeat the text of the requirement as it appears in the RFP. If a response covers more than one page, the paragraph number and subletter should be repeated at the top of the next page. The proposal should contain a table of contents which cross-references the RFP requirements. Information which the Offeror desires to present that does not fall within any of the requirements of the RFP should be inserted at an appropriate place or be attached at the end of the proposal and designated as additional material. Proposals that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed.
- d. As used in this RFP, the terms "must", "shall", "should" and "may" identify the criticality of requirements. "Must" and "shall" identify needed requirements whose absence will have a major negative impact on the suitability of the proposed solution. Items labeled as "should" or "may" are highly desirable. Depending on the overall response to the RFP, some individual "must" and "shall" items may not be fully satisfied, but it is the intent to satisfy most, if not all, "must" and "shall" requirements. The inability of an Offeror to satisfy a "must" or "shall" requirement does not automatically remove that Offeror from consideration; however, it may seriously affect the overall rating of the Offerors' proposal.
- e. The Offeror shall respond to each paragraph of the RFP. The Offeror shall indicate their ability to meet mandatory requirements of the RFP and the extent to which they meet the desirable components or



optional features. Each response to an RFP paragraph must contain a statement such as “XYZ Fully Complies”, followed by elaboration.

“XYZ Fully Complies” solely as an answer to a specific RFP paragraph will be considered incomplete. The Offeror shall describe/explain/clarify how they comply, or in the case of their proposed products and solutions, the Offeror shall describe/explain in detail their proposed products and solutions and how the products and solutions meet the requirements stated in the RFP.

- f. Each copy of the proposal should be bound or contained in a single volume where practical. All documentation submitted with the proposal should be contained in that single volume. The response to pricing should be contained in a separate sealed envelope.
- g. Ownership of all data, materials, and documentation originated and prepared for the State pursuant to the RFP shall belong exclusively to the State and be subject to public inspection in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by an Offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the Offeror must invoke the protections of § 2.2-4342F of the Code of Virginia, in writing, either before or at the time the data or other material is submitted. The written notice must specifically identify the data or materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret material submitted must be identified by some distinct method within the body of the proposal, such as highlighting or underlining, and must identify only the specific words, figures, or paragraphs that constitute trade secret or proprietary information. The classification of an entire proposal document, line item prices, and/or total proposal prices as proprietary or trade secrets is not acceptable and will result in rejection of the proposal.
- h. If the Offeror provides product literature, manuals, diagrams, or other documentation to support their proposal, it shall be referenced in the appropriate section of their proposal.

3. Oral Presentation

Offerors who submit a proposal in response to this RFP may be required to give an oral presentation and demonstration of their proposal to DMV. This provides an opportunity for the Offeror to clarify or elaborate on the proposal. This is a fact finding and explanation session only and does not include negotiation. DMV will schedule the time and location of these presentations.

Oral presentations are at DMV's option and may or may not be conducted; however, the Offeror must be prepared to conduct a presentation within four weeks of proposal opening. If held, DMV will provide the Offeror with a suggested agenda for this presentation and demonstration at the time the presentation is scheduled.

4. Site Visit

At DMV's option, Offerors must be prepared to provide a site visit at an operational customer site where the proposed solution, or other similar solution of the Offeror, has been implemented. Upon request, the Offeror must conduct an escorted tour of the site, demonstrating the use of the proposed solution and describing how the proposed solution meets the needs of DMV. DMV evaluation committee travel expenses associated with this visit shall be the sole responsibility of DMV.



B. PROPOSAL SUBMISSION INSTRUCTIONS

1. The Offeror shall submit the following items as a complete proposal. DMV reserves the right to request missing information and if not provided in a reasonable time the information or entire proposal may be rejected, at DMV's sole discretion.
 - a. The RFP cover sheet completed and returned. Proposals shall be signed by an authorized representative of the Offeror.
 - b. Signed copy of all addenda, if issued.
 - c. A comprehensive and complete proposal (including all specific items or data requested in the RFP) with detailed information describing innovative approaches and/or solutions being offered. At a minimum, a comprehensive and complete proposal includes the following specific proposal components:
 - 1) CSI Solution Proposal
 - 2) CSI Technical Proposal
 - 3) Data Conversion and Mapping Proposal
 - 4) Project Management Proposal
 - 5) Testing Approach
 - 6) Training and Transition Proposal
 - 7) Post Implementation Support Proposal
 - 8) Incentives or Inducements
 - 9) Offeror Information and Customer Reference
 - 10) Response to Contractual Terms and Conditions
 - 11) Small Business Subcontracting Plan (See ATTACHMENT D)
 - 12) Cost Proposal (Including Cost Matrices 1, 2, and 3) in a separate binder contained in a separate sealed package.
2. The redacted version of the proposal must have all proprietary information deleted that has been marked as proprietary. Section numbers which are redacted should be identified as follows: Example: Section 3, paragraph B: "Redacted". The redacted version of the proposal must be carefully edited, altered, and refined by the Offeror in order to protect and maintain complete confidentiality of protected information.

DMV will not accept responsibility for any public disclosure of proprietary information that is a result of improper redaction by the Offeror.

3. The signed proposal must be submitted to DMV in a sealed package, identified as follows. No other correspondence or other proposals should be placed in the package.

FROM: Name of Offeror Street Address City, State, Zip Code RFP No. 154:7-061 Due Date _____ Time _____	TO: DEPARTMENT OF MOTOR VEHICLES Contracts and Procurement Department Attn: Nancy M. Davis, CPPB, CPPO, VCO 2300 West Broad Street Richmond, VA 23220
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4. Proposals will not be accepted after the closing date and time. The Offeror may use any means of delivery, but it is the responsibility of the Offeror to allow adequate time for delivery. Proposals received after closing date and time will be returned unopened.

If a proposal is mailed, the Offeror takes the risk that the package, even if marked as described above, may be inadvertently opened and the information compromised which may cause the proposal to be disqualified.



Proposals may be mailed or hand delivered to the designated location. It is the Offeror's responsibility to ensure that their proposal is delivered to DMV at 2300 West Broad Street, Richmond, VA, by the specified date and time.

C. SPECIFIC PROPOSAL COMPONENTS

1. CSI Solution Proposal

The Offeror must submit a comprehensive, integrated CSI solution proposal that addresses the business and technical needs and requirements as outlined in this RFP.

- a. Based on an understanding of the information provided in this RFP, the Offeror must submit a detailed narrative describing the proposed products and automated solutions and how they come together to form a complete, comprehensive, and integrated CSI solution that meets the needs of DMV based on the information provided in this RFP.

As part of the detailed narrative, the Offeror should provide a clear understanding of the proposed CSI solution, how it addresses the need for an integrated, modernized, non-siloed system approach, and a detailed discussion of all proposed functionality, system capabilities and limitations, and performance capabilities and limitations.

- b. The Offeror must submit a comprehensive narrative describing how their proposed CSI solution aligns with the business needs outlined in RFP Section III, Part B.
- c. The Offeror must submit a detailed narrative describing the value their proposed CSI solution will deliver to DMV. For example, what is the differentiation in the market as it relates to the DMV CSI Systems Redesign project?

Additional functionality and enhancements may be added to the CSI solution while this contract is in effect, at DMV's option.

2. CSI Technical Proposal

The Offeror must submit a comprehensive technical solution proposal that addresses the business and technical needs and requirements as outlined in this RFP.

a. **Technical Aspects and Architecture**

The Offeror must submit a detailed narrative and detailed diagrams of the technical aspects and architecture of their proposed CSI solution including:

- 1) Proposed architecture design. (Including systems, interfaces, hardware, and software, and how the proposed architecture design changes and/or utilizes the existing DMV technical environment).
- 2) Proposed hardware infrastructure requirements to support the proposed CSI solution. (The proposed CSI solution will be hosted by the Commonwealth's Virginia Information Technologies Agency (VITA). VITA and DMV will work with the selected vendor during the detailed design forum to define hosting and infrastructure requirements to support the CSI Systems Redesign Project.)



- 3) An itemized list with quantities, descriptions, and technical specifications of all proposed CSI components. The Offeror must provide a breakdown of each separate component and feature along with corresponding technical specifications.

In addition, the detailed narrative must also address the following areas:

- 1) Development, pre-production testing and staging, production, and training environments
- 2) Integration approach during all phases to current systems
- 3) Platform and architecture specifications
- 4) Performance/scalability

b. Alignment with Technology Requirements and Principles

The Offeror must describe how the proposed CSI solution aligns with each of the technology requirements and the technology principles identified in RFP Section III, Part C. In addition, the Offeror must respond to the following questions related to each of those areas.

General:

- 1) Describe how the proposed CSI solution aligns with the general technical strategy of DMV.
- 2) Describe the development tools and environment.
- 3) Describe the system's compatibility with SOA and XML.

Usage Profile:

- 1) Provide a recommended hardware and software configuration to support the defined usage profile.

Interfaces:

- 1) Describe how the proposed CSI solution interfaces with other systems and takes advantage of functionality and data provided in those systems. Describe specific examples from other implementations.
- 2) Describe how the proposed CSI solution can utilize document and image management, storage, retrieval, and workflow services provided by Hyland Systems OnBase software. Describe any requirements that cannot be met by the CSI solution and what measures are taken to ensure compatibility.

Security:

- 1) Describe how the proposed CSI solution implements security both for unauthorized access and restricted access by role.
- 2) Describe how the proposed CSI solution complies with all Commonwealth security policies as described in the Commonwealth of Virginia (COVA) Information Technology Security Standard SEC 501-01 and 507-00 and the Virginia Information Technology Agency (VITA) policy for Secured Architecture Application Delivery. Please describe how your system meets these requirements and describe any of these requirements that cannot be met by the system.
- 3) Does the proposed system encrypt all communications and transmissions between servers, and between servers and clients?
- 4) Describe how the proposed CSI solution will interface with DMV's Enterprise Security system as well as a certificate-based authentication using a standard PKI infrastructure.
- 5) Describe the proposed CSI solution capability to provide both row and column level security. Describe any limitations of the system in this area.



- 6) Describe the security review and quality assurance processes your solution receives.
- 7) Is your proposed solution audited and certified by an independent security consulting firm? Describe this audit and certification. Identify the consulting firm.
- 8) Does your proposed CSI solution comply with the security principles found in the NSA and SANS guidelines? Please describe which ones and how.
- 9) Can specific data elements, such as Social Security Number, date of birth, and credit card numbers, be encrypted within the database? If so, how is this achieved?
- 10) Can the ability to decrypt encrypted data elements be restricted to selected users? Please describe.
- 11) Does the proposed solution have built in functionality for auditing data access and changes? If yes, please describe. Please describe any limitations of this functionality.
- 12) Does the proposed solution provide logging capabilities? If yes, please provide logging formats and logging reports available.
- 13) Is the proposed CSI solution compatible with Virtual Private Network (VPN) technology? Describe any limitation.
- 14) Can third party tools (example: Crystal Reports, Reporting Services, etc.) accessing the database make use of the security rules configured in the application?
- 15) Do security groups apply to all parts of the proposed CSI solution, including any built-in reporting and data extraction tools?
- 16) Can partial Social Security Numbers (example: last 4 digits) be stored in the system? Describe how this would be accomplished.
- 17) Do you have a security expert as part of your software development team? What certifications and experience does that staff person have?

Administration:

- 1) Does the proposed CSI solution support the following client operating systems: Microsoft Windows 2000, Microsoft Windows XP Pro SP2, and Microsoft Windows XP Pro SP2 streamed via Arden Desktop Edition? Describe any additional components required to support these client operating systems.
- 2) If the proposed CSI solution provides a web interface, does it support the following browsers: Microsoft Internet Explorer 6+, Netscape 7+, Mozilla Firefox 1+, Apple Safari 1.2+? Describe any limitations.
- 3) Does the proposed CSI solution have a web interface or GUI for all aspects of system administration, including user account management, software updates, and application configuration? Describe any limitations.
- 4) Does the proposed administration interface allow operations to be executed in batch form (example: modify the attributes of a set of users)?
- 5) Can user management tasks for a work group be delegated to a member of the work group?
- 6) Can system jobs (examples: reports, extracts, data loads) be scheduled for unattended operation? Please describe.

Customization:

- 1) To what extent, and through what technical methods, can the proposed CSI solution be configured and customized for DMV's specific needs? Can we add a new data element to the system? Describe how.
- 2) Can we tie the new element to an existing dataset? (example: new credential). Describe how.
- 3) In this example, would it be possible to allow multiple types of credentials to be issued per transaction, while having multiple transactions per customer experience, and multiple customers per business partner, etc.?
- 4) Can we make this new data element editable and viewable by end-users on an application form? Describe how.
- 5) Can we define and limit the allowable data values for the new data element? Describe how.



- 6) How would we make this new data element available through the reporting tools?
- 7) Would your data manipulation and conversion tools allow us to populate the new data element?
- 8) How would we secure this new data element throughout the system?
- 9) Are there tools provided that we would use to customize the business logic within the proposed CSI solution? Describe them.
- 10) What other parts of the system cannot be modified through customization tools? Describe them.
- 11) How would we maintain these customizations through application patches and upgrades?
- 12) Can system customizations be migrated between instances (example: from test to production)?
- 13) Could our programming staff use the system customization tools to create add-on modules to the proposed CSI solution to meet unique business needs? Please describe how this would work.
- 14) Does the proposed solution support a variety of peripherals for more efficient processing such as scanners, MICR readers, credit card readers, etc.? Please describe all capabilities.

Reporting:

- 1) Are all data elements available to the reporting tool?
- 2) Is the metadata clear, complete, and available to the report author?
- 3) How are data elements documented and described within the reporting tool?
- 4) Describe any reporting tools that can be integrated with the proposed CSI solution. For example: put a report on the system's menu or call a report from a batch update process.
- 5) Does the proposed CSI solution include pre-built reporting views? Please describe.

Data access:

- 1) Does the system include flexible tools to load new records into the system or to append or modify data onto existing records? Please describe any limitations.
- 2) Does the system include any tools to merge duplicate records? Describe any limitations.
- 3) Do the system's data manipulation tools automatically apply the business rules of the application to imported data? Describe any limitations.
- 4) Does the system log the activity and use of its data manipulation tools? Please describe.
- 5) Does the system include tools to take snapshots of transactional data? Describe any tools.
- 6) Can snapshots be scheduled? Describe how.
- 7) Does the system have tools for building reporting data marts? Describe.
- 8) Can the proposed CSI solution perform incremental builds of data marts based on changes in the database?
- 9) Does the system's data mart tool automatically apply the business rules of the application to summarize exported data? Describe how.

3. Data Conversion and Mapping Proposal

The Offeror must submit a comprehensive data conversion and mapping proposal that addresses the business and technical needs and requirements as outlined in this RFP. As part of their comprehensive proposal, the Offeror must describe:

- a. The proposed approach to creating staging files and specifications for mapping and conversion activities.
- b. The proposed approach for establishing and executing a quality assurance process to insure that data populated into the staging files accurately reflects production data.
- c. The proposed process for managing and conducting full source to target migration/conversion functions to insure staging files are correctly populated within timelines established as part of the CSI project.



- d. The proposed techniques and processes to perform data integration where needed to insure that data from all data sources and platforms have been merged, linked and consolidated when they are migrated to the staging files.
- e. The proposed approach for both forward and backward data bridging between legacy, staging, and target sources.

4. Project Management Proposal

a. Project Management Methodology Proposal

The Offeror must submit a detailed narrative describing their proposed project management methodology and approach. In addition, the Offeror must clearly describe how their proposed methodology conforms to the Commonwealth of Virginia Project Management Standards as well as any areas that do not conform.

b. Escalation Procedure Proposal

The Offeror must submit their proposed escalation procedure as it relates to resolving problems associated with meeting the requirements of this RFP.

c. Contractor Work Plan Proposal

The Offeror must submit a comprehensive Contractor work plan proposal that addresses the Contractor tasks and effort required to accomplish the requirements outlined in this RFP to implement the CSI solution. The proposal must include detail related to all Contractor tasks associated with the entire project including all project phases such as:

- Project Initiation
- Detailed Design Forum
- System Development
- System Testing
- System Acceptance
- Training
- Implementation
- Transition
- Project Closeout

As part of the overall comprehensive Contractor work plan proposal, the Offeror must submit detailed proposals for the following specific project stages:

1) Detailed Design Forum

The Offeror must submit a comprehensive detailed design forum proposal that outlines the plan and approach in detail, including all associated tasks, for accomplishing detailed system design prior to proceeding with development and deployment.

The proposal must include a detailed description of all products and documentation that will be delivered as part of the detailed design forum.

2) Phased Development and Implementation Approach

The Offeror must submit a comprehensive implementation proposal that outlines a detailed phased plan and approach for developing, configuring, and implementing the various components of the CSI solution.



The Offeror may submit multiple implementation approaches for DMV consideration. DMV will review and approve the final implementation approach that will be followed.

The Offeror must explain their proposed approach to ensure that this undertaking will be closely coordinated with DMV representatives and how it will minimize disruption to DMV services.

d. Project Staffing Proposal

The Offeror must submit a comprehensive project staffing proposal that supports the proposed Contractor work plan. The proposal must describe the proposed Contractor staffing necessary to complete all tasks associated with the entire project including all project phases.

The project staffing proposal must include, but is not limited to:

- 1) The Offeror's proposed staffing approach with adequate project staffing to include:
 - A Contractor Project Manager available on-site at DMV throughout the duration of the project until Final System Acceptance has been achieved.
 - An appropriate level of Contractor technical and support staff necessary to complete all tasks on schedule and satisfy the requirements of this project. Staffing is to be available on-site at DMV throughout the duration of the project until Final System Acceptance has been achieved.
 - The anticipated DMV staffing requirements (i.e. number of people, type of people, estimated number of hours needed, and when) that may be needed to meet the project requirements and work plan associated with this RFP. DMV reserves the right to negotiate final project staff provided by DMV.
- 2) The number of staff persons over what duration.
- 3) The proposed staffing levels which will be working on-site at DMV during each of the project phases.
- 4) The specific skills and expertise that the individuals will bring to the project.
- 5) Any sub-contractors that the Offeror plans to use during the project, including the scope of their work and their qualifications.
- 6) The Offeror's plan for addressing skills and services that are not provided in this base staffing assignment, how assignment of such staff will occur, how quickly the staff can be provided, and what procedures must be followed by DMV and the Offeror's project manager in acquiring such additional staff.
- 7) The workspace requirements at the DMV Headquarters facility for the proposed level of Contractor and DMV staff working on-site at DMV during each of the project phases.
- 8) The resume of the proposed Contractor project manager that includes summaries of similar projects managed by that individual in the past. Summaries must describe the purpose/intent of the project and the major accomplishments of the project manager towards achieving the project goals. DMV reserves the right to interview the proposed project manager and either confirm the recommendation or request an alternate project manager.
- 9) The resumes of all key Contractor project personnel being proposed to staff the project with an overview of each person's role and whether they will be assigned part time or full time to the



project. Resumes must reflect qualifications and recent experience relevant to the scope of work and areas of expertise required for this specific project. DMV reserves the right to interview all key project personnel proposed by the Offeror and either confirm the recommendations or request alternates.

5. Testing Approach

- a. The Offeror must submit a detailed narrative describing the proposed testing approach that supports the requirements described in the RFP.

6. Training and Transition Proposal

- a. The Offeror must submit a comprehensive training proposal to include training for operational, administrative, security, and technical staff.

The training proposal must include, but is not limited to:

- Method of training.
 - Length of training (estimate number of hours for each type of employee).
 - Facility requirements for training.
 - Detailed outline and description of each training session.
 - List of training materials and samples.
 - Description of any self-guided training modules that may reside on the system.
- b. The Offeror must submit a comprehensive transition and training plan for technical staff that will adequately prepare them for ongoing CSI system maintenance and enhancements.

7. Post Implementation Support Proposal

- a. The Offeror must submit a comprehensive narrative describing how the overall proposed CSI solution provides for DMV to be self-sufficiency. The Offeror must describe how their solution provides for DMV to manage, maintain, and enhance the various solution products proposed.
- b. The Offeror must submit a comprehensive post implementation support proposal offering an optional annual system support contract. The proposal must include varying levels of support.
- c. The Offeror must describe the availability of source code to allow DMV to maintain the CSI solution after Final Acceptance. The Offeror must state if source code is not available and if DMV cannot self maintain the CSI solution.

8. Incentives or Inducements

Incentives are designed to motivate vendors to surpass specific requirements of the solicitation while discouraging inefficiency and waste. The Offeror should submit a proposal describing any available incentives, additional benefits, or rewards to DMV to encourage acceptance of their proposal. (Examples of incentives may include additional warranties, services, rebates, royalties, training, support, etc.)

9. Offeror Information and Customer Reference

- a. The Offeror must submit a narrative describing their ability to offer the long-term commitment and the financial resources necessary to undertake the services required by this RFP. Based on past performance and future prospects, the Offeror must describe why DMV can be confident of their firm's viability for the next 5 to 10 years. The Offeror must submit their most recent annual financial report. The



Offeror must describe their capability to raise the necessary capital for the initial investments needed for this project and include any pertinent independent financial ratings or endorsements of financial backing.

- b. The Offeror must explain why their firm is particularly suited to fulfill the requirements of this RFP. The Offeror must include their firm's primary business, years of operation, number of employees, ownership (public company, partnership, subsidiary, etc.), and years of providing systems development, integration, and implementation services as requested in this RFP. The Offeror must provide background information for any subcontracted firms as well.
- c. The Offeror must describe the 4 most recent current and previous engagements (of a similar size, nature, and complexity as defined by the RFP requirements) that they have performed within the last 5 years that demonstrate your firm's capability to perform the service required in this RFP. The Offeror must include the following:
 - 1) Contract duration, including dates.
 - 2) Brief written description of the problem solved and the methodology employed.
 - 3) A reference that can be contacted for verification of all data submitted (include name, title, company name, address, email address, and telephone number).
 - 4) Name, address and number of sub-contractors used, if any.

The Offeror must state if they have no such contracts to report.

The Offeror must use the attached customer reference form (see ATTACHMENT C) to report information for each engagement.

- d. DMV requires a certain level of experience and demonstrated success in delivering a system of similar scope and complexity. Where it is stated that the Offeror shall meet the requirements it shall be understood that the requirement is equally applied to the Offeror, its sub-Offeror and any other third-party, which the Offeror intends to propose as part of their CSI solution response to this RFP.

The Offeror must provide evidence that they are experienced and have engaged in this activity for at least 5 years, developing and implementing systems of a similar size and nature.

10. Response to Contractual Terms and Conditions

The Offeror must respond to each of the General and Special Terms and Conditions contained in Sections VIII and IX of the RFP. For each term and condition, the Offeror must indicate whether they fully accept or take exception. For each term and condition not fully accepted, the Offeror must indicate the reason(s) for taking exception and provide suggested alternate wording.



V. EVALUATION AND AWARD

A. EVALUATION

1. Evaluation Criteria

Proposals will be evaluated on a best value basis using the following criteria in order of decreasing importance.

- a. Satisfy Business Needs and Requirements
- b. Satisfy Technical Needs and Requirements
- c. Offeror Qualification and Support which includes:
 - Project Management
 - Data Conversion
 - Testing
 - Training and Transition
 - Post Implementation Support
 - Qualifications
 - References
 - Financial Condition
- d. Small Business Subcontracting Plan
- e. Cost
- f. Risk (defined below)
- g. Incentives

Evaluation criteria, other than costs, are evaluated first. After rating the technical proposals, costs are then considered against trade-offs such as satisfaction of requirements in the RFP, qualifications and financial condition of the Offeror, risk and incentives.

Definition of Risk:

Risk Level	Description
High	Offeror's proposal approach is likely to cause significant disruption of schedule, increase in cost or degradation of performance and will require a high level of Contractor emphasis and government monitoring to overcome difficulties.
Medium	Offeror's proposal approach is likely to cause a moderate disruption of schedule, increase in cost, or degradation of performance and will require a medium level of Contractor emphasis and government monitoring to overcome difficulties.
Low	Offeror's proposal approach is likely to cause minimal or no disruption of schedule, increase in cost, or degradation of performance and will require a low level of Contractor emphasis and government monitoring to overcome difficulties.



2. Evaluation Method

Using the best value acquisition methodology, points are not assigned, however, the evaluation will be adjectival and rated according to the following descriptions:

Rating	Description
Exceptional	Proposal exceeds requirements and demonstrates an exceptional understanding of goals and objectives of the procurement. One or more major strengths exist. No significant weaknesses exist.
Acceptable	Offeror's proposal demonstrates an acceptable understanding of goals and objectives of the procurement. There may be strengths and weaknesses, however strengths outweigh the weaknesses.
Marginal	Offeror's proposal demonstrates a fair understanding of the goals and objectives of the procurement. Weaknesses have been found that out balance any strengths that exist. Weaknesses will be difficult to correct.
Unacceptable	Offeror's proposal fails to meet an understanding of the goals and objectives of the procurement. The proposal has one or more significant weaknesses that will be very difficult to correct or are not correctable.

B. AWARD

1. Best Value Award

Selection shall be made of two or more Offerors deemed to be fully qualified and best suited among those submitting best value proposals on the basis of the evaluation factors included in this solicitation, including price, if so stated. Negotiations shall be conducted with the Offerors whose proposals represent the most advantageous and best offer. An award will be made on a best value basis to the Offeror which represents the best overall combination of quality, price, and various elements of required goods and services, as stated in this solicitation, and as determined by DMV, that in total are optimal relative to DMV needs. The DMV may cancel this solicitation or reject proposals at any time prior to an award, and is not required to furnish a statement of the reasons why a particular proposal was not deemed to be the most advantageous (*Code of Virginia*, § 2.2-4359 D). The award document will be a contract incorporating by reference all the requirements, terms and conditions of the solicitation and the offer as negotiated.



VI. REPORTING AND DELIVERY INSTRUCTIONS

A. DOCUMENTATION

Documentation with sufficient detail, as determined by DMV, for each completed deliverable must be delivered to DMV by the Contractor before acceptance will be granted. Documentation examples include, but are not limited to:

- Detailed system design documentation and specifications resulting from the detailed design forum.
- Detailed technical architecture documentation including information and diagrams that show systems, interfaces, and hardware and software architecture.
- A complete description of all proposed CSI solution components and instruction on its operation.
- A screen-oriented training manual that contains all the procedures necessary for the successful operation and interaction with the system.

B. DELIVERABLES

The results of the detailed design forum will be considered the first deliverable.

Additional specific CSI components and deliverables will be based on the results of the detailed design forum. Delivery of these components and deliverables will be based on the mutually agreed upon project plan produced as a result of the detailed design forum.



VII. PRE-PROPOSAL CONFERENCE

A. PRE-PROPOSAL CONFERENCE

1. An optional pre-proposal conference will be held at 10:00 a.m. local time, on Tuesday, October 2, 2007, at the Department of Motor Vehicles, 2300 West Broad Street, seventh floor, room 702, Richmond, VA.
2. No one will be admitted after 10:10 a.m. local time. Visitors must check in at the security desk and be escorted to the meeting.
3. Bring a copy of the solicitation with you. Any changes resulting from this conference will be issued in a written addendum to the solicitation.

B. OFFEROR UNDERSTANDING OF REQUIREMENTS

1. It is the responsibility of the Offeror to inquire about and clarify any requirement of this RFP that is not understood. No verbal inquiries will be accepted. The Commonwealth will not be bound by verbal responses to questions. All inquiries concerning this RFP shall be submitted in writing to:

Department of Motor Vehicles
Contracts and Procurement Department
Attn: Nancy M. Davis, CPPB, CPPO, VCO
2300 West Broad Street, Room 319
Richmond, VA 23220

Email: nancy.davis@dmv.virginia.gov

DMV requires questions in electronic (MS Word) format via e-mail attachment.

No verbal inquiries will be accepted. From the date of issuance of this RFP until the selection of a Contractor is announced, all questions concerning any part of this RFP shall be directed to Nancy M. Davis. It is not permissible for any Offeror, or any entity working on behalf of an Offeror, to solicit information from any other individual or government source (Federal or State) other than from the official point of contact listed above. Any unauthorized solicitations for information that are reported are grounds for disqualification of the Offeror's proposal.

2. All written inquiries must be received by **Wednesday, October 31, 2007 at 5:00 p.m.** local time.



VIII. GENERAL TERMS AND CONDITIONS

A. REQUIRED GENERAL TERMS AND CONDITIONS

1. **APPLICABLE LAWS AND COURTS - §2.2-4364(E)**: This solicitation and any resulting Contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The Contractor shall comply with all applicable federal, state and local laws, rules and regulations.
2. **ANTI-DISCRIMINATION - §2.2-4343(1)(E), §2.2-4310 and §2.2-4311**: By submitting their proposals, Offerors certify to the Commonwealth that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and § 2.2-4311 of the Virginia Public Procurement Act (VPPA). If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the Contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that Contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (*Code of Virginia*, § 2.2-4343.1E).

In every Contract over \$10,000 the provisions in a. and b. below apply:

a. During the performance of the Contract, the Contractor agrees as follows:

- 1) The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, status as a service disabled veteran, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
- 2) The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, will state that such Contractor is an equal opportunity employer.
- 3) Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.

b. The Contractor will include the provisions of 1) above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

3. **ETHICS IN PUBLIC CONTRACTING - §2.2-4367**: By submitting their proposals, Offerors certify that their proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other bidder, supplier, manufacturer or subcontractor in connection with their proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.
4. **IMMIGRATION REFORM AND CONTROL ACT OF 1986**: By submitting their proposals, Offerors certify that they do not and will not during the performance of this Contract employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986.



5. **DEBARMENT STATUS - §2.2-4321:** By submitting their proposals, Offerors certify that they are not currently debarred by the Commonwealth of Virginia from submitting proposals on Contracts for the type of goods and/or services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.
6. **ANTITRUST:** By entering into a Contract, the Contractor conveys, sells, assigns, and transfers to the Commonwealth of Virginia all rights, title and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Commonwealth of Virginia under said Contract.
7. **PAYMENT - §2.2-4363 and §2.2-4354:**
- a. To Prime Contractor:
- 1) Invoices for items ordered, delivered and accepted shall be submitted by the Contractor directly to the payment address shown on the purchase order/Contract. All invoices shall show the state contract number and/or purchase order number; social security number (for individual Contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).
 - 2) Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however.
 - 3) All goods or services provided under this Contract or purchase order, that are to be paid for with public funds, shall be billed by the Contractor at the Contract price, regardless of which public agency is being billed.
 - 4) The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.
 - 5) Unreasonable Charges. Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, Contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges which appear to be unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the Commonwealth shall promptly notify the Contractor, in writing, as to those charges which it considers unreasonable and the basis for the determination. A Contractor may not institute legal action unless a settlement cannot be reached within thirty (30) days of notification. The provisions of this section do not relieve an agency of its prompt payment obligations with respect to those charges which are not in dispute (*Code of Virginia*, § 2.2-4363).
- b. To Subcontractors:
- 1) A Contractor awarded a Contract under this solicitation is hereby obligated:
 - (a) To pay the subcontractor(s) within seven (7) days of the Contractor's receipt of payment from the Commonwealth for the proportionate share of the payment received for work performed by the subcontractor(s) under the Contract; or
 - (b) To notify the agency and the subcontractor(s), in writing, of the Contractor's intention to withhold payment and the reason.



- 2) The Contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the Contract) on all amounts owed by the Contractor that remain unpaid seven (7) days following receipt of payment from the Commonwealth, except for amounts withheld as stated in (2) above. The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier Contractor performing under the primary Contract. A Contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Commonwealth.
- c. Each prime Contractor who wins an award in which provision of a SWAM procurement plan is a condition to the award, shall deliver to the contracting agency or institution, on or before request for final payment, evidence and certification of compliance (subject only to insubstantial shortfalls and to shortfalls arising from subcontractor default) with the SWAM procurement plan. Final payment under the Contract in question may be withheld until such certification is delivered and, if necessary, confirmed by the agency or institution, or other appropriate penalties may be assessed in lieu of withholding such payment.

8. CHANGES TO THE CONTRACT: Changes can be made to the Contract in any of the following ways:

- a. The parties may agree in writing to modify the scope of the Contract. An increase or decrease in the price of the Contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the Contract.
- b. The DMV may order changes within the general scope of the Contract at any time by written notice to the Contractor. Changes within the scope of the Contract include, but are not limited to, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. The Contractor shall comply with the notice upon receipt. The Contractor shall be compensated for any additional costs incurred as the result of such order and shall give the DMV a credit for any savings. Said compensation shall be determined by mutual agreement between the parties in writing.

9. LIMITATION ON MODIFICATIONS - §2.2-4309: This Contract may be modified in accordance with §2.2-4309 of the *Code of Virginia*. Such modification may only be made by the representatives authorized to do so. No modifications to this Contract shall be effective unless it is in writing and signed by the duly authorized representative of both parties. No term or provision hereof shall be deemed waived and no breach excused unless such waiver or consent to breach is in writing. No fixed-price Contract may be increased by more than twenty-five percent of the amount of the Contract or \$50,000 whichever is greater, without the advance written approval of the Governor of the Commonwealth of Virginia or his authorized designee.

10. INSURANCE - §2.2-4332 and §65.2-800 et seq.: By signing and submitting a proposal under this solicitation, the Offeror certifies that if awarded the Contract, it will have the following insurance coverages at the time the Contract is awarded. DMV shall be named as an additional insured. An endorsement to the policy showing appropriate insurance coverage on the Commercial General Liability and Business Auto Liability policies should be forwarded to the Contract Officer at the time of award.

The Offeror further certifies that the Contractor and any subcontractors will maintain these insurance coverages during the entire term of the Contract and that all insurance coverages will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission. The total policy limits which are shown below are applicable to the contract.

MINIMUM INSURANCE COVERAGES AND LIMITS REQUIRED:

- a. Workers' Compensation - Statutory requirements and benefits. Coverage is compulsory for employers of three or more employees, to include the employer. Contractors who fail to notify the Commonwealth of increases in the number of employees that change their workers' compensation requirements under the *Code of Virginia* during the course of the Contract shall be in noncompliance with the Contract.



- b. Employer's Liability - \$100,000.
- c. Commercial General Liability - A minimum of \$2,000,000 per occurrence and \$5,000,000 general aggregate. Commercial General Liability is to include bodily injury and property damage, personal injury and advertising injury, products and completed operations coverage. The Commonwealth of Virginia must be named as an additional insured and so endorsed on the policy.

Products and Completed Operations - \$5,000,000 aggregate minimum.

- d. Automobile Liability - \$1,000,000 combined single limits. (Only if the Contractor is using company owned vehicles in performance of the Contract.)
- e. Errors and Omissions, also known as Directors and Officers Liability - A minimum of \$5,000,000 in the aggregate during each policy period.

11. **ANNOUNCEMENT OF AWARD - §2.2-4300 et seq.:** Upon the award or the announcement of the decision to award a contract over \$50,000, as a result of this solicitation, the DMV will publicly post such notice on the DGS/DPS eVA web site (www.eva.virginia.gov) for a minimum of 10 days.
12. **DRUG-FREE WORKPLACE - §2.2-4312:** During the performance of this Contract, the Contractor agrees to:
- (i) provide a drug-free workplace for the Contractor's employees;
 - (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition;
 - (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Contractor that the Contractor maintains a drug-free workplace; and
 - (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.
- For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific Contract awarded to a Contractor, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the Contract.
13. **NONDISCRIMINATION OF CONTRACTORS - §§ 2.2-4311, 2.2-4343.1(H):** A Bidder, Offeror, or Contractor shall not be discriminated against in the solicitation or award of this Contract because of race, religion, color, sex, national origin, age, disability, faith-based organizational status, any other basis prohibited by state law relating to discrimination in employment or because the Bidder or Offeror employs ex-offenders unless the state agency, department or institution has made a written determination that employing ex-offenders on the specific Contract is not in its best interest. If the award of this Contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this Contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.
14. **NONVISUAL ACCESS TO TECHNOLOGY and Section 508 Compliance: §2.2-3500 - §2.2-3504:** All information technology which, pursuant to this Agreement, is purchased or upgraded by or for the use of any State agency or institution or political subdivision of the Commonwealth (the "Technology") shall comply with the following nonvisual access standards from the date of purchase or upgrade until the expiration of this Agreement:



- (i) Effective, interactive control and use of the Technology shall be readily achievable by nonvisual means;
- (ii) The Technology equipped for nonvisual access shall be compatible with information technology used by other individuals with whom any blind or visually impaired user of the Technology interacts;
- (iii) Nonvisual access technology shall be integrated into any networks used to share communications among employees, program participants or the public; and
- (iv) The technology for nonvisual access shall have the capability of providing equivalent access by nonvisual means to telecommunications or other interconnected network services used by persons who are not blind or visually impaired.

Compliance with the foregoing nonvisual access standards shall not be required if the head of the using agency, institution or political subdivision determines that (i) the Technology is not available with nonvisual access because the essential elements of the Technology are visual and (ii) nonvisual equivalence is not available.

Installation of products, software, or peripheral devices used for nonvisual access is not required when the Technology is being used exclusively by individuals who are not blind or visually impaired, but applications programs and underlying operating systems (including the format of the data) used for the manipulation and presentation of information shall permit the installation and effective use of nonvisual access software and peripheral devices.

If requested, the Contractor must provide a detailed explanation of how compliance with the foregoing nonvisual access standards is achieved and a validation of concept demonstration. The requirements of this Paragraph shall be construed to achieve full compliance with the Information Technology Access Act, 2.2-3500 through 2.2-3504 of the *Code of Virginia*. "All information technology which, pursuant to this Agreement, is purchased or upgraded by or for the use of any Commonwealth agency or institution or political subdivision of the Commonwealth (the "Technology") shall comply with Section 508 of the Rehabilitation Act (29 U.S.C. 794d), as amended.

If requested, the Contractor must provide a detailed explanation of how compliance with Section 508 of the Rehabilitation Act is achieved and a validation of concept demonstration. The requirements of this Paragraph along with the Non-Visual Access to Technology Clause shall be construed to achieve full compliance with the Information Technology Access Act, §§2.2-3500 through 2.2-3504 of the *Code of Virginia*."

- 15. eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION - §2.2-4301:** The eVA Internet electronic procurement solution, website portal www.eVA.virginia.gov, streamlines and automates government purchasing activities in the Commonwealth. The eVA portal is the gateway for vendors to conduct business with state agencies and public bodies. All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution either through the eVA Basic Vendor Registration Service or eVA Premium Vendor Registration Service. All Bidders or Offerors must register in eVA; failure to register will result in the bid/proposal being rejected.
- a. eVA Basic Vendor Registration Service: \$25 Annual Registration Fee plus the appropriate order Transaction Fee specified below. eVA Basic Vendor Registration Service includes electronic order receipt, vendor catalog posting, on-line registration, electronic bidding, and the ability to research historical procurement data available in the eVA purchase transaction data warehouse.
 - b. eVA Premium Vendor Registration Service: \$25 Annual Registration Fee plus the appropriate order Transaction Fee specified below. eVA Premium Vendor Registration Service includes all benefits of the eVA Basic Vendor Registration Service plus automatic email or fax notification of solicitations and amendments.
 - c. For orders issued prior to August 16, 2006, the Vendor Transaction Fee is 1%, capped at a maximum of \$500 per order.



d. For orders issued August 16, 2006 and after, the Vendor Transaction Fee is:

- (i) DMBE-certified Small Businesses: 1%, capped at \$500 per order.
- (ii) Businesses that are not DMBE-certified Small Businesses: 1%, capped at \$1,500 per order.

- 16. CLARIFICATION OF TERMS:** If any prospective Offeror has questions about the specifications or other solicitation documents, the prospective Offeror should contact the buyer whose name appears on the face of the solicitation by the date indicated on the cover page of this solicitation. Any revisions to the solicitation will be made only by addendum issued by the buyer.
- 17. QUALIFICATIONS OF OFFERORS:** The Commonwealth may make such reasonable investigations as deemed proper and necessary to determine the ability of the Offeror to perform the services/furnish the goods and the Offeror shall furnish to the Commonwealth all such information and data for this purpose as may be requested. The Commonwealth reserves the right to inspect Offerors physical facilities prior to award to satisfy questions regarding the Offerors capabilities. The Commonwealth further reserves the right to reject any proposal if the evidence submitted by, or investigations of, such Offeror fails to satisfy the Commonwealth that such Offeror is properly qualified to carry out the obligations of the Contract and to provide the services and/or furnish the goods contemplated therein.
- 18. TESTING AND INSPECTION:** The Commonwealth reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.
- 19. ASSIGNMENT OF CONTRACT:** A Contract shall not be assignable by the Contractor in whole or in part without the written consent of the Commonwealth.
- 20. AVAILABILITY OF FUNDS:** It is understood and agreed between the parties herein that the DMV shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.



IX. SPECIAL TERMS AND CONDITIONS

A. DMV REQUIRED SPECIAL TERMS AND CONDITIONS

1. **PROPOSAL VALIDITY PERIOD:** Any proposal in response to this solicitation shall be valid until awarded or for 365 days from due date, whichever is less. At the end of the days the offer may be withdrawn at the written request of the Offeror. If the offer is not withdrawn at that time it remains in effect until an award is made or the solicitation is canceled.
2. **INITIAL TERM:** This Contract shall take effect on the date of its final award by DMV, and shall continue through date of Final System Acceptance unless terminated prior to Final System Acceptance.
3. **RENEWAL OF CONTRACT:** Following the initial term, this Contract may be renewed annually by DMV, in its sole discretion, under the terms and conditions of the original Contract for optional licensing, maintenance, and/or support. Written notice of DMV's intention to renew shall be given approximately 30 days prior to the expiration date of each Contract period.
4. **PRICE ESCALATION/DE-ESCALATION:** If during any subsequent renewal periods, the Commonwealth elects to exercise the option to renew the Contract, the Contractor may request a modification to the Contract price(s) for the subsequent renewal period which shall not exceed the Contract price(s) of the previous renewal period increased/decreased by more than the percentage increase/decrease of the all Services category of the CPI-W section of the Consumer Price Index of the United States Bureau of Labor Statistics for the latest twelve months for which statistics are available or 3% whichever is less.

The Contractor shall request any Contract price modification not less than 30 days in advance of the expiration of the previous Contract term. Any approved price changes will be effective only at the beginning of the Contract term. The Contractor shall document the amount of any general change in the cost of labor and provide that documentation to DMV with the Contractor's request for any increase. The purchasing office will notify the Contractor in writing of the effective date of any increase which it approves. However, the Contractor shall fill all purchase orders received prior to the effective date of the price adjustment at the old Contract prices. The Contractor is further advised that decreases which affect the cost of services are required to be communicated immediately to the purchasing office.

5. **CANCELLATION OF CONTRACT:** DMV reserves the right to cancel and terminate any resulting Contract, in part or in whole, without penalty, upon 60 days written notice to the Contractor. Any Contract cancellation notice shall not relieve the Contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.
6. **SMALL BUSINESS SUBCONTRACTING AND EVIDENCE OF COMPLIANCE:** It is the goal of the Commonwealth that 40% of its purchases be made from small businesses. This includes discretionary spending in prime contracts and subcontracts. All potential Offerors are required to submit a Small Business Subcontracting Plan. Unless the Offeror is registered as a DMBE-certified small business and where it is practicable for any portion of the awarded contract to be subcontracted, the Contractor is encouraged to offer such subcontracting opportunities to DMBE-certified small businesses. This shall not exclude DMBE-certified women-owned and minority-owned businesses when they have received DMBE small business certification. No Offeror or subcontractor shall be considered a Small Business, a Women-Owned Business or a Minority-Owned Business unless certified as such by the Department of Minority Business Enterprise (DMBE) by the due date for receipt of bids or proposals. If small business subcontractors are used, the prime Contractor agrees to report the use of small business subcontractors by providing the purchasing office at a minimum the following information: name of small business with the DMBE certification number, phone number, total dollar amount subcontracted, category type (small, women-owned, or minority-owned), and type of product/service provided.



7. **CONFIDENTIALITY AND SECURITY OF AGENCY INFORMATION:** The Contractor acknowledges and agrees that information obtained and work performed under this DMV contract/order involves information that is considered sensitive and requires use of sensitive and personal data and information contained in or derived from DMV records that falls under one or more categories of information that is subject to protection from disclosure and misuse, including but not limited to: personal information and highly restricted personal information in connection with motor vehicle records under the Federal Drivers Privacy Protection Act, (18 USC 2721 et seq.); law enforcement sensitive data and information; the privacy act; personal, vehicle and driver information as defined under and governed by the *Code of Virginia*, §46.2-208 et seq.; and personal information as defined under and governed by the Virginia Government Data Collection and Dissemination Practices Act (*Code of Virginia*, §2.2-3800 et seq.).

The Contractor, its officers, directors, employees and agents will hold information obtained from DMV records in the strictest confidence and will collect, maintain and use such information and data in a secure manner and will not, for any reason, disclose, sell, disseminate or distribute such information or data or provide access to such information or data to any person other than those persons who need to access such information or data for delivery of products or services hereunder. The Contractor shall take all precautions and measures necessary to ensure the integrity, nondisclosure, confidentiality and protection of all data and information obtained from DMV or derived therefrom, including but not limited to all original reporting forms and data in any other form. At such time as the Contractor no longer has need or use for the information and data in order to satisfy its obligations and performance under the Contract, shall destroy the information and data in a secure manner.

The Contractor shall, at all times, remain fully informed of and in compliance with all federal and state laws, regulations, rules and guidance documents pertaining to the acquisition, maintenance, use and release of information and data contained in or derived from DMV records, including but not limited to the federal and state laws described herein, as well as COV ITRM Standard SEC501-01 the and the Data Protection Guideline SEC507-00.

Prior to the commencement of any work for DMV, the Contractor shall declare in writing that it understands that all data and information obtained from DMV or derived therefrom is sensitive and will be held in the strictest confidence by Contractor, its officers, directors, agents, and employees and that Contractor, its officers, directors, agents, and employees shall be governed by and comply with Federal and State laws prohibiting the disclosure of information obtained or compiled during the course of their work for DMV.

The Contractor's agents and employees, working in any phase of the project, shall be subject to DMV security clearances or other security requirements imposed by the Commonwealth. In addition, all individuals, employees, subcontractors, etc. working on any aspect of this Contract will be required to sign a Nondisclosure and Confidentiality Agreement pre-approved by DMV. The Contractor shall forward all signed agreements to DMV and certify that all individuals, employees, subcontractors, etc. have signed the agreements. The Contractor shall require all individuals, employees, subcontractors, etc. to sign a new agreement annually.

All source materials/data/information and resultant work products compiled or created and any information or portion of information derived therefrom are the property of DMV and must not be used by the Contractor for any purpose other than the purpose outlined by this agreement. Except as specifically authorized by the Contract/order, the Contractor, its officers, directors, agents, and employees are prohibited from reproducing DMV source media, written products, or any portion thereof.

The Contractor shall notify in writing, each of its officers, directors, agents, and employees having access to DMV information that such information may be used only for the purpose and to the extent authorized in this Contract.

The Contractor will ensure confidentiality of all DMV testing information provided to or obtained by the Contractor, its agents or employees.



The Contractor shall provide a security plan outlining the steps and methods taken to secure and protect the information provided by DMV to address the following points:

- i) IT Security POC information.
- ii) Security of Files and/or Copies of Records (for Hardcopy).
- iii) Security of on-line Computer Terminals (On-Line Users Only).
- iv) Designation of Authorized Users/Assignment of Access Codes.
- v) For automated interfaces/electronic transmission and storage of data, if applicable.
- vi) Security of Records, Files, and Systems, use of encryption for transmission and storage.
- vii) Names and addresses of data extraction method and software creators/vendors.
- viii) Network Diagrams and descriptions of Data Extraction methods and software.
- ix) Descriptions of system support processes including backup methods and frequencies.
- x) Proposed Audit/Management Controls Over Access, Storage and Dissemination of Requested Information.

The Contractor shall indemnify, defend, and hold harmless the Commonwealth, DMV, its officers, directors, employees and agents (Commonwealth's Indemnified Parties) from and against any and all third party claims, demands, proceedings, suits and actions, including any related losses, obligations, liabilities, damages, judgments, settlements and all related costs and expenses (including but not limited to reasonable attorneys' fees and disbursements and costs of investigation, and litigation, interest and penalties), incurred by, borne by, or asserted against any of the Commonwealth's Indemnified Parties in connection with any action or proceeding arising directly or indirectly from, or related in any way to unauthorized use or disclosure, whether due to act or omission, by the Contractor, its agents, directors, officers or employees, of any data or information obtained from DMV pursuant to this Contract, or derived therefrom.

In addition to any other remedy provided in this Contract, including but not limited to indemnification, DMV may, in the event that the Contractor has not, or DMV reasonably suspects that the Contractor has not, complied with the provisions of this section, deny and terminate the Contractor's access to information and data and retrieve all such information and data thus far provided to or obtained by the Contractor pursuant to this Contract. In the event that denial and termination of Contractor's access to information and/or data prevents Contractor from satisfying its obligations under this Contract, Contractor shall be deemed to be in breach/default of the Contract. Contractor also acknowledges that non-compliance with or violations of federal and/or state law, regulations or guidelines relating to the dissemination, disclosure and use of information obtained from the records of DMV, including but not limited to personal, vehicle and driver information, may subject Contractor, its officers, directors, employees or agents to civil and criminal penalties.

8. **STORAGE OF SENSITIVE DATA:** Contractor shall store all data entered in a secure directory on a server device (storage on portable or removable media is strictly prohibited) for a maximum of one year after the expiration of the Contract. One year after the expiration of the Contract, or earlier if authorized by DMV, Contractor shall purge all data from its computer systems and any other electronic media and submit written notice to DMV acknowledging removal of the data.
9. **SECURITY COMPLIANCE:** The Contractor agrees to comply with all provisions of the then-current Commonwealth of Virginia security procedures, published by the Virginia Information Technologies Agency (VITA) and which may be found at (<http://www.vita.virginia.gov/library/default.aspx?id=537#securitypsgs>) or a successor URL(s), as are pertinent to the Contractor's operation. The Contractor further agrees to comply with all provisions of agency's then-current security procedures as are pertinent to the Contractor's operation and which have been supplied to the Contractor by agency. The Contractor shall also comply with all applicable federal, state and local laws and regulations. For any individual agency location, security procedures may include but not be limited to: background checks, records verification, photographing, and fingerprinting of the Contractor's employees or agents. The Contractor may, at any time, be required to execute and complete, for each individual The Contractor employee or agent, additional forms which may include non-disclosure agreements to be signed by the Contractor's employees or agents acknowledging that all DMV information with



which such employees and agents come into contact while at the DMV site(s) is confidential and proprietary. Any unauthorized release of proprietary information by the Contractor or an employee or agent of the Contractor shall constitute a breach of this contract.

10. **AUDIT:** The Contractor shall retain all books, records, and other documents relative to this Contract for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. DMV, its authorized agents, and/or state auditors shall have full access to and the right to examine any of said materials during said period. DMV Internal Audit reserves the right to conduct an audit on a surprise basis. Audits will be conducted during normal DMV business hours. The Contractor shall not have the right to audit DMV records.
11. **SUBCONTRACTS:** No portion of the work shall be subcontracted without prior written consent of DMV. In the event that the Contractor desires to subcontract some part of the work specified herein, the Contractor shall furnish DMV the names, qualifications and experience of their proposed subcontractors. The Contractor shall, however, remain fully liable and responsible for the work to be done by its subcontractor(s) and shall assure compliance with all requirements of the Contract.
12. **PRIME CONTRACTOR RESPONSIBILITIES:** The Contractor shall be responsible for completely supervising and directing the work under this Contract and all subcontractors that he may utilize, using his best skill and attention. Subcontractors who perform work under this Contract shall be responsible to the prime Contractor.

The Contractor agrees that he is as fully responsible for the acts and omissions of his subcontractors and of persons employed by them as he is for the acts and omissions of his own employees.
13. **PROJECT PERSONNEL:** DMV reserves the right to request removal of any of the Contractor's personnel or sub-contractor's when, in the opinion of the DMV Project Manager, the Contractor's personnel are not performing effectively. The Contractor shall acknowledge the request and within a reasonable time, provide a replacement staff acceptable to DMV.
14. **OFFEROR TRADE SECRETS/PROPRIETARY INFORMATION:** The Contractor recognizes that DMV's records related to this Contract may be subject to public inspection, and it shall be the Contractor's responsibility to fully comply with § 2.2-4342F of the *Code of Virginia*. All trade secrets or proprietary information must be identified in writing or other tangible form and conspicuously labeled as "proprietary" either prior to or at the time of submission to DMV. DMV agrees that neither it nor its employees, representatives, or agents shall knowingly divulge any proprietary information with respect to the operation of the software, the technology embodied therein, or any other trade secret or proprietary information related thereto, except as specifically authorized by the Contractor in writing or as required by the Freedom of Information Act or similar law.
15. **OWNERSHIP OF INTELLECTUAL PROPERTY:** All copyright, patent rights and ownership rights, and/or rights to resell or license all papers, reports, forms, materials, creations, deliverables, or inventions created or developed in the performance of this Contract shall become the sole property of the Commonwealth. Upon completion of the detailed design forum and/or Final System Acceptance, the Contractor shall promptly provide an acknowledgment or assignment in a tangible form satisfactory to the Commonwealth to evidence the Commonwealth's sole ownership of all other specifically identified intellectual property created or developed in the performance of the Contract.
16. **PRODUCT INFORMATION:** The Offeror shall clearly and specifically identify the products being offered and enclose complete and detailed descriptive literature, catalog cuts and specifications with its proposal to enable the Commonwealth to determine if the products offered meet the requirements of this solicitation. Failure to do so may cause the proposal to be considered non-responsive.



17. **PRODUCT SUBSTITUTION:** During the term of any Contract resulting from this solicitation, the Contractor is not authorized to substitute any item for that product and/or software identified in the solicitation without the prior written consent of DMV.
18. **RIGHTS TO WORK PRODUCT:** DMV is a state agency of the Commonwealth of Virginia and therefore all rights in, title to, and ownership of Work Product shall vest with the Commonwealth, including the rights to resell or license resulting Work Product. Work Product is defined as, "Inventions, combinations, machines, methods, formulae, specifications, work plans, staffing plans, implementation approaches and plans, solution approaches, all documentation created during, and results of, the detailed design forum, techniques, processes, improvements, software designs, computer programs, strategies, specific computer-related know-how, data and original works of authorship (collectively, the "Work Product") discovered, created, or developed by Contractor, or jointly by Contractor and DMV in the performance of this Contract or any order issued hereunder. Work Product shall not include configuration of software."

a. **Work Product:**

DMV and Contractor each acknowledge that performance of this Contract may result in Work Product. The Parties shall document all Work Product specifications and such specifications shall be made an incorporated exhibit to this Contract. Contractor agrees that it shall promptly and fully disclose to the Commonwealth any and all Work Product generated, conceived, reduced to practice or learned by Contractor or any of its employees, either solely or jointly with others, during the term or performance of this Contract, which in any way relates to the business of the Commonwealth or DMV. Contractor further agrees that neither Contractor nor Contractor's employees, nor any party claiming through Contractor or Contractor's employees, shall, other than in the performance of this Contract, make use of or disclose to others any proprietary information relating to the Work Product. All Services performed shall include delivery of all source and object code and all executables and documentation for all Work Product. Contractor agrees that a copy of the most recent source code shall be provided to the Commonwealth.

b. **Ownership:**

Contractor agrees that, whether or not the Services are considered "works made for hire" or an employment to invent, all Work Product discovered, created or developed under this Contract shall be and remain the sole property of the Commonwealth and its assigns. Except as specifically set forth in writing and signed by both DMV and Contractor, or DMV and Contractor, Contractor agrees that the Commonwealth shall have all rights with respect to any Work Product discovered, created or developed under this Contract without regard to the origin of the Work Product.

If and to the extent that Contractor may, under applicable law, be entitled to claim any ownership interest in the Work Product, Contractor hereby transfers, grants, conveys, assigns and relinquishes exclusively to the Commonwealth any and all right, title and interest it now has or may hereafter acquire in and to the Work Product under patent, copyright, trade secret and trademark law in perpetuity or for the longest period otherwise permitted by law. If any moral rights are created, Contractor waives such rights in the Work Product. Contractor further agrees as to the Work Product to assist the Commonwealth in every reasonable way to obtain and, from time to time, enforce patents, copyrights, trade secrets and other rights and protection relating to the Work Product, and to that end, Contractor and its employees shall execute all documents for use in applying for and obtaining such patents, copyrights, and other rights and protection, and in protecting trade secrets, with respect to such Work Product, as the Commonwealth may reasonably request, together with any assignments thereof to the Commonwealth or entities designated by the Commonwealth. Contractor's and its employees' obligations to assist the Commonwealth in obtaining and enforcing such rights shall continue beyond the termination of this Contract.

The Contractor hereby agrees that, notwithstanding anything else in this Contract, in the event of any breach of this Contract by DMV, the Contractor's remedy shall not include any right to rescind, otherwise revoke, or invalidate the provisions of this Section. Similarly, no termination of the Contract by DMV shall have the effect of rescinding the provisions of this Section.



c. Pre-existing Rights:

If and to the extent that any pre-existing rights are embodied or reflected in the work product, Contractor hereby grants to the Commonwealth the irrevocable, perpetual, non-exclusive, worldwide, royalty-free right and license to (i) use, execute, reproduce, display, perform, distribute copies of and prepare derivative works based upon such pre-existing rights and any derivative works thereof and (ii) authorize others to do any or all of the foregoing.

d. Return of Materials:

Upon termination of this Contract, Contractor shall immediately return to DMV all copies, in whatever form, of any and all Confidential Information, Work Product and other properties provided by DMV, which are in Contractor's possession, custody or control.

e. Software and Deliverable Cure Period:

Contractor shall correct any non-conformities identified hereunder and shall thereafter re-submit such previously non-conforming Software or Deliverable for re-testing within fifteen (15) days of written notice of non-conformance, or as otherwise agreed between DMV and Contractor. In the event that Contractor fails to deliver Software or a Deliverable which meets the Requirements, DMV may, in its sole discretion: (i) reject the Software or Deliverable in its entirety and recover amounts previously paid hereunder; (ii) issue a "partial Acceptance" of the Software or Deliverable with an equitable adjustment in the price to account for such deficiency; or (iii) conditionally accept the applicable Software or Deliverable while reserving its right to revoke Acceptance if timely correction is not forthcoming. Failure of the Software or a Deliverable to meet, in all material respects, the specifications and performance standards after the second set of acceptance tests shall constitute a default by Contractor. In the event of such default, DMV may, at its sole discretion, terminate its order, in whole or in part, for the Solution to be provided thereunder by Contractor. Contractor shall accept return of any products or Software provided to DMV, and Contractor shall refund any monies paid by DMV pursuant to the order, or portion thereof terminated, the Solution contemplated under the order being considered as a whole not as a sum of its parts. All costs of de-installation and return of product or Software shall be borne by Contractor. This remedy is in addition to and not in lieu of any other remedies of DMV set forth herein or available at law or in equity.

19. ACCEPTANCE: DMV will provide written confirmation of its acceptance following successful completion of the detailed design forum and the development, installation, and testing of each milestone component, as subsequently negotiated. Such acceptance shall not be conclusive of complete conformance in all respects to the Contract specifications and other requirements, or the nonexistence of potential latent defects.

20. REPLACEMENT FOR FAILED COMPONENTS:

- a. If the Contractor fails to meet the Contract requirements, DMV may require a replacement of the solution or any solution component (to be provided by the Contractor) and/or may avail itself of the remedies for default, breach, and/or liquidated damages. If a replacement is requested by DMV, such replacement shall be of comparable quality and shall be furnished and installed by the Contractor within a DMV specified schedule following the request for replacement, at no additional cost to DMV.
- b. System Acceptance for each CSI solution component will be provided by DMV in writing upon successful completion of testing and final acceptance periods. Such confirmation will not indicate complete conformance in all respects to the Contract specifications and other requirements. Latent defects discovered and reported to the Contractor shall be promptly remedied to the satisfaction of DMV.
- c. The Contractor shall not be entitled to, and DMV will not pay, any charges, either beforehand or retroactively, associated with the Contractors failure to satisfy any testing criteria, pass any test period, and/or achieve final acceptance.



21. **CHARGES FOR TESTING NOT ALLOWED:** The Contractor shall not be entitled to, and DMV will not pay, any charges, either prior to or retroactively, associated with the Contractor's failure to satisfy any testing criteria, pass any test period and/or achieve final acceptance.
22. **QUALIFIED REPAIR PERSONNEL:** All warranty services to be performed on the items delivered in this solicitation shall be performed by qualified technicians to perform such services. The Commonwealth reserves the right to require proof of certification prior to award and at any time during the term of the Contract.
23. **ACCESSIBILITY:** The Offeror certifies to the Commonwealth that the product(s) and/or services provided pursuant to this Contract conform to all applicable Federal and State laws, regulations, rules and guidance documents, (including but not limited to the Americans with Disabilities Act) which are applicable to the Contractor and/or the Department of Motor Vehicles (in its capacity as an employer and/or as a state agency providing products and services to the public) in the procurement and/or use of the products and/or services provided pursuant to this Contract and in the provision of such products and/or services to the public. The Contractor shall include this provision in every Contract or purchase order for subcontractors or vendors in any way related to his Contract and/or the services and products provided hereunder, so that the provisions will be binding upon each subcontractor or vendor.
24. **ADVERTISING:** In the event a Contract is awarded for products and/or services resulting from this Request for Proposal, no indication of such sales or services to the Department of Motor Vehicles will be used in product literature or advertising. The Contractor shall not state in any of its advertising or product literature that the Commonwealth of Virginia or any agency or institution of the Commonwealth has purchased or uses its products or services. In no event the Contractor shall use a proprietary mark of DMV without receiving the prior written consent of the DMV Contract Officer.
25. **AVAILABILITY OF FUNDS:** It is understood and agreed between the parties herein that DMV shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.
26. **TERMINATION FOR CONVENIENCE OF THE COMMONWEALTH:** The Contract may be terminated for the convenience of the Commonwealth by delivering to the Contractor a notice of termination specifying the extent to which performance under the purchase order or Contract is terminated, and the date of termination. After receipt of a notice of termination, the Contractor must stop all work or deliveries under the purchase order or Contract on the date and to the extent specified.

If the purchase order or Contract is for commercial items sold in substantial quantities to the general public and no specific identifiable inventories were maintained exclusively for the Commonwealth's use, no claims will be accepted by the Commonwealth. Payment will be made for items shipped or services provided prior to receipt of the termination notice, unless otherwise specified in the Contract.

If the purchase order or Contract is for items being produced exclusively for the use of the Commonwealth, and raw materials or services must be secured by the Contractor from other sources, the Contractor shall order no additional materials or services except as may be necessary for completion of any portion of the work which was not terminated. The state may direct the delivery of the fabricated or non-fabricated parts, work in process, completed work, supplies, and other material produced as a part of, or acquired in connection with the performance of the work, or direct the Contractor to sell the same, subject to the state's approval as to price. The Contractor may, with the approval of the state, retain the same, and apply a credit to the claim. The Contractor must complete performance on any part of the purchase order or Contract not terminated.

The Contractor must submit any termination claim within 120 days after receipt of the notice of termination, or such longer period as the state for good cause may allow. This claim will be in a form and with certifications



prescribed by the purchasing office that issued the purchase order. The claim will be reviewed and forwarded with appropriate recommendations to the requisitioning agency and/or the appropriate assistant attorney general for disposition in accordance with the *Code of Virginia*, § 2.2-514. Termination for convenience claims will be considered for only actual expenses incurred up to the time of termination.

- 27. CONTRACTOR'S TITLE TO MATERIALS:** No materials or supplies for the work shall be purchased by the Contractor or by any Subcontractor subject to any chattel mortgage or under a conditional sales or other agreement by which an interest is retained by the seller. The Contractor warrants that he has clear title, or has the authority from third parties to allow the transfer of title or license, to all materials, supplies and deliverables for which he invoices for payment.
- 28. AVAILABILITY OF SOFTWARE:** The Contractor represents and warrants that all Products (with the exception of custom developed software) were formally announced for marketing purposes before execution of a Contract or, in the case of subsequent Orders, before execution of such Orders.
- 29. INSPECTION/LATENT DEFECTS:** All Products are subject to inspection and test. Products that do not meet their published specifications or perform within the specifications of this RFP may be rejected. Failure to reject, however, does not relieve the Contractor of liability for latent or hidden defects subsequently revealed when goods are used after Final System Acceptance has occurred. If latent defects are found in any products delivered under this Contract at any time during the term of the warranty and maintenance period, the Contractor shall repair or replace the defective goods. This remedy shall be in addition to any other remedies or obligations under this Contract or provided by law.
- 30. INFRINGEMENT ACTIONS:**
- a. Contractor, at its own expense, shall defend any suit brought against the Commonwealth for the infringement of patents, copyrights or trade secrets protected by state or federal law if the claim of infringement is alleged to relate to or arise from the Contractor's or Commonwealth's use of any software, materials or information prepared or developed in connection with performance of the Contract. In such suit, Contractor shall satisfy any final award for any infringement.
 - b. DMV shall notify the Contractor of such suit within a reasonable time after learning of it and shall give the Contractor the full right and opportunity to conduct the defense of the suit, subject however to the requirements of §2.1-127 of the *Code of Virginia* or any successor statute. If principles of governmental or public law are involved, the Commonwealth may, at its option, participate in the defense of the suit.
 - c. The Contractor shall not be required to indemnify the Commonwealth against any claim of infringement arising solely out of the Commonwealth's own specifications or design or solely from the combination of software furnished hereunder with any software not supplied by the Contractor.
 - d. If, in the Contractor's opinion, any Product or Service is likely to or does become the subject of a claim of infringement, Contractor may, at its option, provide non-infringing substitutes that are satisfactory to the Commonwealth, or at Contractor's option and expense, may obtain the right for the Commonwealth to continue the use of such Product or Service.
 - e. If the use of such software, materials, or information by the Commonwealth is prevented by permanent injunction or by Contractor's failure to procure the right for the Commonwealth to continue using the software, materials, or information, the Contractor agrees to take back the infringing software, materials or information and refund the total amount the Commonwealth has paid Contractor under this Contract, less one and one half (1 1/2) percent of the total paid for each month of use by the Commonwealth. This obligation is in addition to the obligations cited in subparagraphs a. through d. of this Section entitled "Infringement Actions."



31. **ENGINEERING CHANGES:** The Contractor may make engineering changes with the consent of DMV, provided there is no additional charge for the change and DMV is able to schedule the change to avoid material impact upon the daily operations of DMV.
32. **OPERATIONAL RESTRICTIONS:** The Contractor warrants that, except as specifically agreed in writing all Products may be operated at any time for the convenience of DMV (exclusive of time required for preventive maintenance, remedial maintenance and approved engineering changes). Without limiting the foregoing, Contractor warrants that there are no restrictions as to consecutive hours or length of personnel shifts.
33. **INDEMNIFICATION:** Contractor agrees to indemnify, defend, and hold harmless the Commonwealth of Virginia, its officers, agents, and employees from any claims, damages, and actions of any kind or nature, whether at law or in equity, arising from or caused by the use of any materials, goods, or products/services of any kind or nature furnished by the Contractor, provided that such liability is not attributable to the sole negligence of the Commonwealth or to failure of the Commonwealth to use the materials, goods, or products/services in the manner already and permanently described by the Contractor on the materials, goods, or products/services delivered.

Contractor also agrees to indemnify, defend, and hold harmless the Commonwealth of Virginia, its officers, agents, and employees from any claims, damages, actions or other costs and expenses of any kind or nature, whether at law or in equity, arising from or caused in whole or in part by the non-compliance or non-conformity of the products and services provided hereunder with any federal or state law, regulation, rule or guidance document applicable to the Contractor and/or DMV.

Contractor further agrees to indemnify, defend, and hold harmless the Commonwealth of Virginia, its officers, agents, and employees from any claims, damages, and actions of any kind or nature, whether at law or in equity, arising from or caused in whole or part by the acts or omissions of Contractor, its agents, and/or employees, related in any way to this Contract.

34. **LIQUIDATED DAMAGES:** In the event that Final System Acceptance is not achieved by the Contractor by the date specified in the detailed design forum, there will be deducted, not as a penalty but as liquidated damages, a per day amount as negotiated at the conclusion of the detailed design forum for each and every calendar day of delay beyond the time specified, and will include total costs for all DMV resources impacted by any project delay caused by the Contractor. If the delivery is delayed by any act, negligence, or default on the part of the Commonwealth, public enemy, war, embargo, fire, or explosion not caused by the negligence or intentional act of the Contractor or his supplier(s), or by riot, sabotage, or labor trouble that results from a cause or causes entirely beyond the control or fault of the Contractor or his supplier(s), a reasonable extension of time as deemed appropriate by DMV may be granted. Upon receipt of a written request and justification for any extension from the Contractor, the DMV may extend the time for performance of the Contract or delivery of goods herein specified, at the DMV's sole discretion, for good cause shown.
35. **PERFORMANCE BOND:** A performance bond is a Contract of guarantee executed in the full sum of the Contract amount subsequent to award by a successful Offeror to protect the Government from loss due to the Contractor's inability to complete the Contract in accordance with its terms and conditions. DMV may require the successful Offeror to deliver to the purchasing office a Performance Bond in the sum of the Contract amount with the Commonwealth of Virginia as obligee, conditioned upon the faithful performance of the Contract in strict conformity with the plans, specifications, and conditions of the Contract. The surety shall be a surety company or companies approved by the State Corporation Commission to transact business in the Commonwealth of Virginia. No payment shall be due and payable to the Contractor, even if the Contract has been performed in whole or in part, until the bonds have been delivered to and approved by the purchasing office. If required, the Contractor shall provide standard bond forms to the purchasing office prior to or at the time of award.



36. **NOTICES:** Any notice required or permitted to be given under this Contract shall be in writing and shall be deemed to have been sufficiently given if delivered in person, or if deposited in the U.S. mails, postage prepaid, for mailing by registered, certified mail, or overnight courier service addressed to the addresses shown on the signature page. DMV or the Contractor may change its address for notice purposes by giving the other notice of such change in accordance with this section.
37. **NO WAIVER:** Any failure to enforce any terms of this Contract shall not constitute a waiver.
38. **HEADINGS:** The paragraph headings are for convenience and in no way define, limit or enlarge the scope of this Contract or any of its Sections.
39. **SEVERABILITY:** Invalidity of any term of this Contract, in whole or in part, shall not affect the validity of any other term. DMV and the Contractor further agree that in the event such provision is an essential part of this Contract, they shall immediately begin negotiations for a suitable replacement provision.
40. **SURVIVAL:** The provisions of this Contract regarding software license, rights to work product, warranty, escrow, confidentiality, and liability and indemnification, and the general provisions shall survive the expiration or termination of this Contract.
41. **FORCE MAJEURE:** No party shall be responsible for failure to meet its obligations under this Contract if the failure arises from causes beyond the control and without the fault or negligence of the non-performing party. If any performance date under this Contract is postponed or extended pursuant to this section for longer than thirty (30) calendar days, DMV, by written notice given during the postponement or extension, may terminate Contractor's right to render further performance after the effective date of termination without liability for that termination, and in addition DMV may terminate any order affected by such postponement or delay.
42. **REMEDIES:** The remedies set forth in this Contract are intended to be cumulative. In addition to any specific remedy, DMV reserves any and all other remedies that may be available at law or in equity.
43. **OFFERS OF EMPLOYMENT:** During the first twelve (12) months of the Contract, should the Contractor or any sub-Contractors under Contract with the Contractor, hire an employee of the DMV who has substantially worked on the project covered by this Contract without prior written consent, the Contractor shall be billed for fifty percent (50%) of the employee's annual salary in effect at the time of termination.
44. **BANKRUPTCY:** If the Contractor becomes insolvent, takes any step leading to its cessation as a going concern, fails to pay its debts as they become due, or ceases business operations continuously for longer than fifteen (15) business days, then the DMV may immediately terminate this Contract, on notice to the Contractor unless the Contractor immediately gives the DMV adequate assurance of the future performance of this Contract or the applicable order. If bankruptcy proceedings are commenced with respect to the Contractor, and if this Contract has not otherwise terminated, then the DMV may suspend all further performance of this Contract until the Contractor assumes this Contract and provides adequate assurance of performance thereof or rejects this Contract pursuant to section 365 of the bankruptcy code or any similar or successor provision, it being agreed by the DMV and the Contractor that this is an executory Contract. Any such suspension of further performance by the DMV pending the Contractor's assumption or rejection shall not be a breach of this Contract, and shall not affect the rights of the DMV to pursue or enforce any of its rights under this Contract or otherwise.
45. **RELATIONSHIP BETWEEN THE DMV AND CONTRACTOR:** The Contractor has no authority to Contract for the DMV or in any way to bind, to commit the DMV to any agreement of any kind, or to assume any liabilities of any nature in the name of or on behalf of the DMV. Under no circumstances shall the Contractor, or any of its employees, hold itself out as or be considered an agent or an employee of the DMV, and the DMV shall have no duty to provide or maintain any insurance or other employee benefits on behalf of the Contractor or its employees. The Contractor represents and warrants that it is an independent Contractor for purposes of



federal, state and local employment taxes and agrees that the DMV is not responsible to collect or withhold any federal, state or local employment taxes, including, but not limited to, income tax withholding and social security contributions, for the Contractor. Any and all taxes, interest or penalties, including, but not limited to, any federal, state or local withholding or employment taxes, imposed, assessed or levied as a result of this Contract shall be paid or withheld by the Contractor or, if assessed against and paid by the DMV, shall be reimbursed by the Contractor upon demand by the DMV.



B. CONTRACT MANAGEMENT PROVISIONS

1. **INTERPRETATION OF CONTRACT:** As used in this Contract, "software" and "software product" shall include all related materials and documentation, whether in machine-readable or printed form.

As used herein, the terms "product," "solution," or "system" shall include all products, software and any materials or supporting documentation. Such documentation may include but is not limited to: users' guides, operations manuals with part lists, copies of all applicable warranties, and any other pertinent information necessary for the proper operation and maintenance of the products being acquired.

Headings are for reference purposes only and shall not be considered in construing this Contract.

Nothing in this Contract shall be construed as an express or implied waiver of the Commonwealth's sovereign or Eleventh Amendment immunity, or as a pledge of its full faith and credit.

All time limits stated in this Contract, including but not limited to the time for completion of the work, are of the essence of the Contract.

If any term or condition of this Contract is found to be illegal or unenforceable, it shall be severed, and the validity of the remaining terms and conditions shall not be affected.

2. **BREACH OF CONTRACT/DEFAULT:** The Contractor shall be deemed in breach/default of this Contract including but not limited to the following:
- a. the Contractor fails to make any Product or Service ready for any stage of the System Acceptance Period by the specified dates or within the time periods specified;
 - b. the Contractor fails to complete any stage of system acceptance by the specified dates or within the time periods specified;
 - c. the systems fail to achieve final acceptance within the period specified;
 - d. the Contractor fails to respond to requests for maintenance or other required service within the time limits set forth;
 - e. the Contractor and/or the solutions fails to comply with any other term of this Contract and the Contractor fails to cure such noncompliance within ten days (or such greater period as is acceptable to DMV) following Contractor's receipt of a Cure Notice identifying such noncompliance;
 - f. fails to provide a written response to DMV's Cure Notice within ten days after receiving same; or
 - g. is found by a court of competent jurisdiction to be in violation of or to have violated 31 USC 1352.

The Contractor shall not be in breach/default of this Contract if its failure to perform was due to causes beyond the reasonable control of, and occurred without any fault or negligence on the part of, both the Contractor and its subcontractors. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the Commonwealth in its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather.

In the event of breach/default, in addition to any other remedies provided under this Contract or by law, DMV may cancel its obligations with respect to any or all unaccepted Products or Services. All costs for de-installation and return of Products shall be borne by the Contractor. DMV's right of cancellation under this paragraph shall be in addition to any other remedy which DMV may have under this Contract for default and/or breach, including liquidated damages. In no event shall any failure by DMV to exercise any remedy available to it be construed as a waiver of or consent to any breach.

3. **ORDERING OPTION:** At any time during the term of this Contract, DMV may purchase additional items or features under this Contract by sending the Contractor a written Order to that effect, signed by a duly authorized purchasing official of DMV. DMV may also purchase up to an additional 100% of the goods or



services originally purchased, including all software and related services, at any time during the term of this Contract. The purchase price shall be the lower of the unit cost identified in the pricing schedule of this Contract or the Contractor's then-current, published price. The foregoing shall not apply to services provided to DMV at no charge. The delivery schedule for any items added by exercise of this option shall be set by mutual agreement.

4. **CONTRACTUAL CLAIMS AND DISPUTE RESOLUTION:** In accordance with §2.2-4363 of the *Code of Virginia*, as amended, contractual claims, whether for money or other relief, shall be submitted in writing to DMV no later than sixty days after final payment; however, written notice of the Contractor's intention to file such claim must be given to DMV at the time of the occurrence or beginning of the work upon which the claim is based. Pendency of claims shall not delay payment of amounts agreed due in the final payment. DMV shall render a final decision in writing within thirty days after its receipt of the Contractor's written claim.

The Contractor may not invoke administrative procedures under §2.2-4365, nor institute legal action as provided in §2.2-4364, prior to receipt of DMV's decision on the claim, unless DMV fails to render its decision within thirty days. The decision of DMV shall be final and conclusive unless the Contractor, within six months of the date of the final decision on the claim, invokes appropriate action under §2.2-4364 or §2.2-4365 of the *Code of Virginia*, as amended.

A Contractor may bring an action involving a Contract dispute with a public body in the appropriate circuit court. A Contractor may use administrative procedures meeting the standards of § 2.2-4365, if available, but if those procedures are invoked, the procedures shall be exhausted prior to instituting legal action concerning the same procurement transaction unless the DMV agrees otherwise.

In the event of any breach by DMV, the Contractor's remedies shall be limited to claims for damages and Prompt Payment Act interest. In no event shall the Contractor's remedies include the right to terminate any license or support services hereunder. Nothing herein shall be construed to prevent DMV from instituting legal action against the Contractor.



C. SOFTWARE PROVISIONS

1. **LATEST SOFTWARE VERSION:** Any software product(s) provided under the Contract shall be the latest version available to the general public as of the due date of this solicitation.
2. **TERM OF SOFTWARE LICENSE:** Unless otherwise agreed to in writing among the parties, all licenses granted under this Contract shall be purchased on a fully paid, perpetual, worldwide, nonexclusive, transferable, irrevocable object code license basis and shall commence upon the acceptance of the Software Products by DMV. However, DMV reserves the right to terminate the license at any time. All licenses granted to the Commonwealth are for use of the Software Products at any of the Commonwealth's computing facilities, on any equipment, by any number of users, and for any purposes for which it is acquired. The Commonwealth further reserves the right to transfer all rights under the license to another state agency to which some or all of its functions are transferred. This license is perpetual and in no event shall Contractor's remedies for any breach of this Contract include the right to terminate any license or support services hereunder.
3. **LIMITATION OF USE:** The Commonwealth's right to use computer software developed entirely at private expense may be limited by the Contractor as stipulated in this Contract. Notwithstanding any provision to the contrary however, the Commonwealth shall have at a minimum: unlimited use of the software on the equipment for which it is purchased; use of the software on a secondary system for backup purposes should the primary system become unavailable, malfunction, or is otherwise rendered inoperable; use of the software at another Commonwealth site should the system be entirely transferred to that location; the right to make a backup copy for safekeeping; the right to modify or combine the software with other programs or materials at the Commonwealth's risk; and the right to reproduce any and all documentation provided such reproduction is for the sole use of the Commonwealth. These rights are perpetual and irrevocable; in the event of any actual or alleged breach by the Commonwealth, the Contractor's sole remedy shall be to pursue a monetary claim in accordance with § 2.2-4363 of the *Code of Virginia*.
4. **SOFTWARE UPGRADES:** The Commonwealth shall be entitled to any and all upgraded versions of the software covered in the Contract that becomes available from the Contractor. The maximum charge for upgrade shall not exceed the total difference between the cost of the Commonwealth's current version and the price the Contractor sells or licenses the upgraded software under similar circumstances.
5. **SOURCE CODE:** In the event the Contractor ceases to maintain experienced staff and the resources needed to provide required software maintenance, the Commonwealth shall be entitled to have, use, and duplicate for its own use, a copy of the source code and associated documentation for the software products covered by the Contract. Until such time as a complete copy of such material is provided, the Commonwealth shall have exclusive right to possess all physical embodiments of such Contractor owned materials. The rights of the Commonwealth in this respect shall survive for a period of twenty (20) years after the expiration or termination of the Contract. All lease and royalty fees necessary to support this right are included in the initial license fee as contained in the pricing schedule.
6. **THIRD PARTY ACQUISITION OF SOFTWARE OR OTHER ASSETS:** The Contractor shall notify DMV in writing should the intellectual property, associated business, or all of its assets be acquired by a third party. The Contractor further agrees that the Contract's terms and conditions, including any and all license rights and related services, shall not be affected by the acquisition. Prior to completion of the acquisition, the Contractor shall obtain, for the Commonwealth's benefit and deliver thereto, the assignee's agreement to fully honor the terms of the Contract.
7. **TITLE TO SOFTWARE:** By submitting a proposal, the offeror represents and warrants that it is the sole owner of the software or, if not the owner, that it has received all legally required authorizations from the owner to license the software, has the full power to grant the rights required by this solicitation, and that



neither the software nor its use in accordance with the Contract will violate or infringe upon any patent, copyright, trade secret, or any other property rights of another person or organization.

8. **SOFTWARE LICENSE:** DMV will consider Contractor-provided language only when Contractor is a reseller of the software and the software publisher requires an end user license agreement (EULA). In such case, Contractor is advised that DMV will require an addendum to such EULA to address terms and conditions in such EULA with which DMV, as a government entity, by law or by policy, cannot agree. DMV is a state agency of the Commonwealth of Virginia and therefore any license shall be held by the Commonwealth.

a. **License Grant:**

- 1) **License Grant Option 1 – Software licensed by Contractor:** Contractor grants to the Commonwealth a fully paid, perpetual, worldwide, nonexclusive, transferable, irrevocable object code license to use, copy, modify, transmit and distribute the Software and Documentation including any subsequent revisions, in accordance with the terms and conditions set forth herein and subject only to the limitations and/or restrictions explicitly set forth in this Contract. It is expressly understood that “perpetual” license rights shall commence upon delivery of the Software to DMV and shall exist in perpetuity unless otherwise terminated in accordance with the applicable provisions of the Contract. The Software is the property of Contractor, and no title or ownership of the Software or any of its parts, including Documentation, shall transfer to the Commonwealth.

The Commonwealth shall have the right to use, copy, modify, transmit and distribute the Software for their benefit, for government use and purposes, and for the benefit of their Agents, including internal and third-party information processing.

The Commonwealth may allow access to the Software by third party vendors who are under Contract with DMV to provide services to or on behalf of DMV, or by other entities as required for conducting the business of government. Access includes loading or executing the Software on behalf of DMV or its Agents.

The license fee includes a test system copy, which consists of the right to use the Software for non-production test purposes, including but not limited to, problem/defect identification, remediation, and resolution, debugging, new version evaluation, Software interface testing, and disaster recovery technique analysis and implementation.

In the event that all of DMV’s copies of the Software, including all backup copies, are destroyed, irreparably damaged or otherwise lost due to fire, explosion, sabotage, flood or other disaster, Contractor shall provide to DMV, at no additional cost, replacement copies of the Software and Documentation. Nothing contained in this Section shall obligate Contractor to replace or assist in the recovery of data lost concurrent with the loss of the Software.

DMV may make a reasonable number of copies of the Software and Documentation for use in training, support, demonstrations, backup, archiving, disaster recovery and development, and may run the Software concurrently at a back-up site, for no additional license fees or costs. DMV agrees that any copies of the Software or Documentation that it makes under this Contract shall bear all copyright, trademark and other proprietary notices included therein by Contractor. DMV may add its own copyright or other proprietary notice, or copyright or other proprietary notice of the Commonwealth, to any copy of the Software or Documentation, which contains modifications to which the Commonwealth has ownership rights pursuant to this Contract.

Except as expressly authorized, DMV shall not distribute the Software to any third party without Contractor’s prior written consent.



Except as provided or allowed by law, no Party shall reverse engineer, decompile, disassemble, or otherwise attempt to derive source code or other trade secrets from any software or other intellectual property of any other Party.

- 2) **License Grant Option 2 – Software licensed by Software Publisher:** Contractor shall provide Software as part of its Solution. Such Software is licensed directly from the Software Publisher through the end user licensing agreement (EULA).

Nothing contained herein shall be construed to restrict or limit the rights of the Commonwealth or DMV to use any technical data, which the Commonwealth may already possess or acquire under proper authorization from other sources.

b. **License Type:**

All licenses granted, regardless of the type, include all uses set forth above. License type(s) is/are TBD based on Contractor's licensing model(s).

c. **No Subsequent, Unilateral Modification of Terms by Contractor ("Shrink Wrap"):**

Notwithstanding any other provision or other unilateral license terms which may be issued by Contractor after the effective date of this Contract, and irrespective of whether any such provisions have been proposed prior to or after the issuance of an order for a Solution, the components of which are licensed under this Contract, or the fact that such other agreement may be affixed to or accompany Software upon delivery ("shrink wrap"), the terms and conditions set forth herein shall supersede and govern licensing and delivery of all products and services hereunder.

9. **MALICIOUS CODE:** The Contractor has used its best efforts through quality assurance procedures to ensure that there are no computer viruses or undocumented features in the solution at the time of delivery to agency. The Contractor warrants that the solution does not contain any embedded device or code (e.g., time bomb) that is intended to obstruct or prevent DMV's use of the solution. Notwithstanding any rights granted under this Contract or at law, the Contractor hereby waives under any and all circumstances any right it may have or may hereafter have to exercise electronic self-help. The Contractor agrees that the DMV may pursue all remedies provided under law in the event of a breach or threatened breach of this section, including injunctive or other equitable relief. Electronic self-help means, any use of electronic means to exercise Contractor's license termination rights, if allowable pursuant to the software license section of this Contract, upon breach or cancellation, termination or expiration of this Contract or any order placed hereunder.
10. **OPEN SOURCE:** The Contractor will notify DMV if the solution contains any open source code and identify the specific open source license that applies to any embedded code dependent on open source code, provided by the Contractor under the Contract.



D. WARRANTY PROVISIONS

1. **WARRANTY OF SOLUTION:** Purchase of components and software listed herein and the solution in general from the Contractor are to accomplish the task of redesign of DMV's automated systems including all necessary software, design, development, customization, installation, training, personnel, supplies, and maintenance. Contractor guarantees that the purchase of these components and solution generally will accomplish a complete and workable solution. If, however, additional components are required to affect a complete solution Contractor shall furnish and install all additional components without additional charge to the Commonwealth.
2. **DOWNTIME:** Any component of the system is considered to be "down" if it is unavailable during the normally scheduled hours of availability by DMV.

Downtime shall commence when the Commonwealth reports the malfunction to the Contractor at its designated contact point, and shall end when the malfunctioning component(s) becomes available for operational use.
3. **SERVICE REPORTS:** Upon completion of any maintenance call, the Contractor shall provide DMV with a signed service report that includes, at a minimum: a general statement as to the problem, action taken, and the number of hours required to complete the repairs.
4. **WARRANTY OF SOFTWARE:** Beginning on the date of Contract award, through the entire term of the Contract, the Contractor warrants that all Software products provided and/or developed under this Contract shall operate in accordance with the requirements and specifications set forth in this Contract. Service necessary to maintain operation of the Software Products shall be performed by the Contractor and shall include, but not be limited to, toll-free phone support, detection and correction of errors, updating all Software Products to operate with all updated or revised versions of the operating systems on which the Software Product is operating on, and all patches, fixes, revisions, updates, upgrades, and minor releases to all software and supporting documentation. DMV shall not bear any additional cost for maintenance or replacement of Software Product.
5. **WARRANTY AGAINST SHUTDOWN DEVICES:** The Contractor warrants that the software provided under the Contract shall not contain any lock, counter, CPU reference, virus, worm, or other device capable of halting operations or erasing or altering data or programs. Contractor further warrants that neither it, nor its agents, employees, or subcontractors shall insert any shutdown device following delivery of the software.
6. **KNOWN DEFECTS:** Promptly notify DMV in writing of any defects or malfunctions in the solution or documentation of which it learns from any source other than the DMV, correct any such defects or malfunctions or provide a work around until corrected, within 5 days of the Contractor's knowledge of such defect or malfunction and provide the DMV with corrected copies of same.
7. **NEW RELEASES:** Provide to agency no later than the first day of general release, copies of the software and documentation revised to reflect any enhancements, including all new releases, upgrades, and access modes, to the software made by the Contractor, including, without limitation, modifications to the software which can increase the speed, efficiency or base of operation of the software or add additional capabilities to or otherwise improve the functionality of the software.
8. **SOFTWARE EVOLUTION:** Should the Contractor or software publisher merge or splinter the software previously provided to agency, such action on the part of the Contractor or software publisher shall not in any way result in agency being charged additional license or support fees in order to receive enhancements, releases, upgrade or support for the software.



If the Contractor or software publisher reduces or replaces functionality contained in a licensed software product and provides the same or substantially similar functionality as or within a separate or renamed software product, then the Commonwealth shall be entitled to license such software product at no additional license or maintenance fee, and subject to the terms and conditions herein.

If the Contractor or software publisher releases an option, future software product or other release that has substantially the same functionality as the software products provided under this Contract, and software publisher and/or the Contractor ceases to provide maintenance for the older software product, then the Contractor shall offer the Commonwealth the option to exchange licenses for such replacement software product or function at no additional charge.



E. SITE, DELIVERY, AND INSTALLATION PROVISIONS

1. **DELIVERY AND INSTALLATION:** Delivery of all products and services shall be in accordance with the requirements of this solicitation and according to a negotiated schedule acceptable to the Commonwealth. All items must be implemented by Contractor, ready for use.
2. **WORK SITE DAMAGES:** Any damage from work performed by the Contractor or any subcontractors under this Contract shall be repaired to original condition and to the Commonwealth's satisfaction at the Contractor's expense.
3. **CONTRACTOR PROPERTY DAMAGE:** The Contractor shall be entirely responsible for any loss or damage to his/her own materials, supplies, and equipment, and to the personal property of his/her employees while they are maintained on the work site.
4. **DELIVERY DATE:** Unless otherwise agreed to by DMV in writing, the Contractor shall deliver the System/Products, ready for testing, in accordance with the delivery dates specified at the conclusion of the detailed design forum, or by the required delivery date specified on any future order by DMV referencing this Contract.



X. METHOD OF PAYMENT

A. INVOICES

Invoices shall be rendered promptly after all products and services covered by the invoice have achieved final acceptance. No invoice may include any costs other than those identified in the pricing schedule or an executed change order by DMV referencing this Contract. Invoices shall provide at a minimum:

- Type and description of the product or service;
- Serial number, if any;
- Charge for each item;
- This Contract number or order number; and
- Contractor's Federal Identification Number (FIN).

B. PAYMENT

Payment will be based on the deliverables of the Contract as shown in the Offeror's cost proposal or as subsequently negotiated and agreed upon by DMV in writing by the Contracts and Procurement Office. Payment will be made within 30 days of receipt of a proper invoice for each CSI component achieving final acceptance.

C. PURCHASE ORDERS

It is anticipated that the Contract will result in 1 purchase order representing the detailed design forum effort and approximately 8 purchase orders which will be based upon each deliverable resulting from the design forum. An eVA transaction fee will be assessed for each order, capped at \$1,500 per order, unless subsequently modified by the eVA Business Plan. See Special Term and Condition, eVA Business-To-Government Contracts and Orders.



XI. PRICING SCHEDULE

A. COST PROPOSAL

The Offeror should submit a cost proposal which includes the format shown in Cost Matrices 1, 2, and 3 with their proposal.

The Offeror should complete each cost matrix based on their specific proposal including detailed breakdowns of each item, detailed descriptions, and detailed cost breakdowns.

The Offeror should use each matrix as a guide only and must add additional details and items based on their proposal.

1. Cost Matrix 1

Use Cost Matrix 1 for proposing base solution costs. The Offeror must submit a base solution cost proposal based on their total solution including the detailed design forum and all resulting products, software, development, customization, personnel, installation, maintenance, training, services, supplies, and requirements defined in this Request for Proposals. Total solution components must be broken down and identified in detail in Cost Matrix 1.

2. Cost Matrix 2

Use Cost Matrix 2 for proposing costs related to optional and desirable features. The Offeror must submit their costs for any additional optional and/or desirable features proposed (i.e. optional post implementation support).

3. Cost Matrix 3

Use Cost Matrix 3 for proposing costs related to additional purchases, routine maintenance tasks, and human resource hourly rates. DMV reserves the right to purchase additional products, software, enhancements, installation, maintenance, services, supplies, etc. at any time during the term of the contract.

The Offeror must provide cost quotes for any routine maintenance tasks. The costs quoted must be "not to exceed" costs.

The Offeror must identify all the various hourly rates for the various personnel that will be assigned to perform the duties related to this contract. Should it be later determined by DMV, at any time during the term of the contract, that some additional work or service is required by the Contractor which was omitted from the broad intentions outlined within this RFP, the hourly rates identified in response to this paragraph will be the basis on which DMV will be charged for such work, if determined necessary, unless otherwise quoted separately within the cost proposal.

COST MATRIX 1 - Base Solution Costs			
Description	Qty	Unit Cost	Total Cost
TOTAL COST			



COST MATRIX 2 – Optional and Desirable Features		
Description	Qty	Unit Cost



COST MATRIX 3 – Additional Purchases and Human Resource Hourly Rates			
Description	Qty	Unit Cost	Total Cost
ADDITIONAL PURCHASES			
HUMAN RESOURCE HOURLY RATES			



ANTICIPATED SYSTEM REPLACEMENTS

DMV anticipates that the CSI Systems Redesign effort will replace many disparate systems that currently run independently and on multiple and diverse platforms. The systems that could be replaced by the CSI effort include, but are not limited to:

- Access Databases
- ACH (Automated Clearing House)
- ARB (Accounts Receivable Billing)
- AVH (Abandoned Vehicles)
- Citation Tracking System
- CSCnet
- CSS Driver
- CSS Electronic Forms
- CSS Fiscal
- CSS Vehicle
- Dealer/Salesman Licensing
- Dyed Fuel System
- Fuels Tax (including Motor Fuel Tracking System)
- Fuels Tax Refund System
- Grants Management
- IFTA Transmittal Tracking System
- Intrastate Operating Authority (including Unified Carrier Registration System)
- KIES (Key Indicators Evaluation System)
- LAP (License Agent Payments)
- MCSC Truck Weigh System
- Rental Tax
- Revenue Refunds (Revenue/Fuel Tax Refunds)
- RTC (Returned Checks)
- VISTA/RS (IRP)
- VISTA/TS (IFTA)



	FY 2004	FY 2005	FY 2006
<u>Revenues</u>			
Gross Revenues Collected	\$2,121,145,127	\$2,165,233,772	\$2,193,544,847
Net Revenues Collected (1)	\$1,970,671,581	\$1,994,846,650	\$2,014,333,484
<u>Customer Base</u>			
Number of Licensed Drivers (2)	5,112,523	5,178,156	5,210,685
Number of Registered Vehicles (3)	6,969,547	7,174,480	7,354,247
Total Driver and Vehicle	12,082,070	12,352,636	12,564,932
<u>Expenditures</u>			
DMV's Operating Budget (4)	\$165,274,594	\$165,271,505	\$183,215,730
Cost per Client Served (5)	\$3.81	\$3.66	\$3.85
<u>Operations</u>			
FTE's (Full-Time Employees)	1,853	1,852	1,862
Customer Service Centers (CSCs)	73	73	73
DMV Selects	34	35	40
Satellite Offices	1	1	1
Weigh Station: Fixed	13	13	13
Weigh Station: Mobile	12	12	12
IRIS (Infrared Inspection Systems)	4	4	4
<u>Annual Transaction Processing Volumes</u>			
<u>Driver Licensing</u>			
Total Driver Licensing Transactions (6)	2,117,343	2,123,065	2,112,292
Commercial Drivers Licenses	65,165	67,931	68,762
VASAP Program Clients	17,276	17,268	17,207
Reinstatements	215,756	232,256	231,302
Uninsured Motorist Transactions	34,515	39,899	41,330
<u>Vehicle Registrations and Titling</u>			
Base Registrations	6,254,631	6,204,102	6,342,101
Two-Year Vehicle Registrations	955,629	966,819	1,062,282
Single-Year Vehicle Registrations	5,299,002	5,237,283	5,279,819
Registration Transfers	528,528	518,369	488,804
Total Vehicle Registration Transactions	6,783,159	6,722,471	6,830,905
Vehicle Title Transactions	2,638,512	2,639,469	2,609,679
<u>Vehicle Renewals</u>			
Total Renewals	4,521,500	4,548,576	4,685,339
CSC Renewals	1,663,012	1,635,689	1,628,955
Alternative Services	2,858,488	2,912,887	3,056,384
% of customers renewing by mail	43.1%	40.7%	40.4%
% of customers renewing by Internet	13.1%	16.3%	17.8%
% of customers renewing by DMV Select	3.9%	4.0%	4.4%
% of customers renewing by touch-tone	2.5%	2.4%	2.2%

Motor Carrier



IFTA Tax Credential Transactions	8,080	10,355	10,364
IRP Vehicle Registration Transactions	40,218	43,404	44,932
Liquidated Damages Citations Established	56,789	58,361	57,191
Liquidated Damages Revenues Collected	9,442,971	10,692,099	9,750,924
Number of Trucks Weighed	16,241,977	17,790,563	17,862,857

Dealer Activity

Dealer Licenses	5,190	4,805	4,964
Salesperson Licenses	23,850	24,281	24,202

License Plate Activity

Reserved Plates	821,513	806,755	824,771
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- (1) This is a "proforma" number for statistical purposes and is not subject to accounting treatment.
(2) Excludes driver licenses with stops and licenses that expired during the fiscal year.
(3) Source: CR1120PA Vehicle Registration by Jurisdiction Report.
(4) Excludes all financial assistance to localities.
(5) Inflation-adjusted costs, using base year of 1975; for the latest fiscal year.
(6) Includes Limited Duration Licenses.



CUSTOMER REFERENCE FORM

Offeror Information

Name of Firm:

SubContractors Used:

Client Information

Name of Firm:

Address:

Website:

Contract Information

☐ Existing Contract/Project

Date Awarded:

☐ Completed Contract/Project

Date Awarded:

Date Completed:

☐ Terminated Contract/Project

Date Awarded:

Date Terminated:

Amount of Contract Award:

Final/current Contract Amount:

Length of Project (start/end dates):

Cost Per Card:

Annual Volume of Enrollment:

Annual Volume of Card Production:

Client Contacts:

Client Project Manager:

Email:

Phone Number:

Client Technical Contact Person:

Email:

Phone Number:

Project Information:

Description of Project and Problem Solved:

Products Proposed and Services Performed:



Small Business Subcontracting Plan

Definitions

Small Business: "Small business " means an independently owned and operated business which, together with affiliates, has 250 or fewer employees, or average annual gross receipts of \$10 million or less averaged over the previous three years. Note: This shall not exclude DMBE-certified women- and minority-owned businesses when they have received DMBE small business certification.

Women-Owned Business: Women-owned business means a business concern that is at least 51% owned by one or more women who are citizens of the United States or non-citizens who are in full compliance with United States immigration law, or in the case of a corporation, partnership or limited liability company or other entity, at least 51% of the equity ownership interest is owned by one or more women who are citizens of the United States or non-citizens who are in full compliance with United States immigration law, and both the management and daily business operations are controlled by one or more women who are citizens of the United States or non-citizens who are in full compliance with the United States immigration law.

Minority-Owned Business: Minority-owned business means a business concern that is at least 51% owned by one or more minority individuals or in the case of a corporation, partnership or limited liability company or other entity, at least 51% of the equity ownership interest in the corporation, partnership, or limited liability company or other entity is owned by one or more minority individuals and both the management and daily business operations are controlled by one or more minority individuals.

All small businesses must be certified by the Commonwealth of Virginia, Department of Minority Business Enterprise (DMBE) by the due date of the solicitation to participate in the SWAM program. Certification applications are available through DMBE online at www.dmbv.virginia.gov (Customer Service).

Offeror Name: _____

Preparer Name: _____ Date: _____

Instructions

- A. If you are certified by the Department of Minority Business Enterprise (DMBE) as a small business, complete only Section A of this form. This shall not exclude DMBE-certified women-owned and minority-owned businesses when they have received DMBE small business certification.
- B. If you are not a DMBE-certified small business, complete Section B of this form. For the Offeror to receive credit for the small business subcontracting plan evaluation criteria, the Offeror shall identify the portions of the contract that will be subcontracted to DMBE-certified small business in this section. Points will be assigned based on each Offeror's proposed subcontracting expenditures with DMBE certified small businesses for the initial contract period as indicated in Section B in relation to the Offeror's total price.



Section A

If your firm is certified by the Department of Minority Business Enterprise (DMBE), are you certified as a (**check only one below**):

_____ Small Business

_____ Small and Women-owned Business

_____ Small and Minority-owned Business

Certification Number: _____

Certification Date: _____



Section B

Populate the table below to show your firm's plans for utilization of DMBE-certified small businesses in the performance of this contract. This shall not exclude DMBE-certified women-owned and minority-owned businesses when they have received the DMBE small business certification. Include plans to utilize small businesses as part of joint ventures, partnerships, subcontractors, suppliers, etc.

Plans for Utilization of DMBE-Certified Small Businesses for this Procurement

Small Business Name & Address DMBE Certificate #	Status if Small Business is also: Women (W), Minority (M)	Contact Person, Telephone & Email	Type of Goods and/or Services	Planned Involvement During Initial Period of the Contract	Planned Contract Dollars During Initial Period of the Contract
Totals \$					