INFORMATION TECHNOLOGY SERVICES
A GUIDE TO SUCCESSFUL SOFTWARE ACQUISITION

The ITS Project Office has prepared this set of guidelines to help staff and faculty navigate the HSU software acquisition process. The planning and research sections include the steps that we've found most valuable in identifying and acquiring software that will enable you to achieve your goals. The purchasing requirements outlined in section 3 are from the Office of Contracts & Procurement.

Bear in mind as you start working your way through this document that the most important part of the software acquisition process is to define the problem you're trying to solve and list the "must-have" requirements. This way, you're more likely to stay on track and not get diverted by what any particular vendor wants to sell you.

While the Project Office does not handle the actual purchase on your behalf, we're happy to walk you through the process and help you to answer any of the questions you're not sure how to answer. Feel free to contact us at x5080 any time to arrange a meeting.

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1.0   Planning and Requirements Gathering

a. **Obtain initial Executive support**
b. **Identify stakeholders.** These individuals will be the project team, responsible for helping to define the problem and then researching, selecting and assisting in the implementation. Include your IT folks as early as possible in any technology initiative.
c. **Define the problem.** What is the problem you're trying to solve? Define *your* problem and then compile a list of what is needed from a software product to resolve the problem. This will help you to stay focused on what YOU need and avoid being derailed by what a vendor *wants* you to need.

2.0   Research Solutions

a. **Talk to your peers.** User groups, your counterparts at other CSUs, colleagues at other colleges and universities are all great resources to learn more about how similar problems may have been solved. Remember to ask about process *and* software solutions and why they made the decisions that they did. This will help you to refine the requirements list to include needs you might not have considered.
b. **Talk to your campus IT resources.** ITS is here to help! Consulting your IT resources will help you to reach a better outcome; they can ask the more technical questions you may not have considered, and can help advise whether a project request will be necessary to move forward. In addition, it can often be the case that a solution to your problem already exists in a product currently in use on campus that can be adapted to meet your needs. This is another great reason to involve your IT folks early; they'll know whether a solution to your problem is already available. This is particularly true where PeopleSoft data is involved.
c. **Consider the campus impact.** Are there similar tools already in use on campus? If so, consider whether your goals may be achieved by adjusting your business processes or whether a new tool could replace those existing, similar tools.
d. **Use the Internet.** Search for products that might meet your needs using your key requirements.
e. **Create a product evaluation matrix.** Using your requirements list and any potential solutions you have found, create a matrix that will serve as a tool for comparing solutions equally against your needs. Appendix A provides an example matrix and includes questions ITS recommends should be part of every product evaluation.
f. **Be consistent!** When you start talking to vendors, you should ask the same questions of each company. Make sure the same stakeholder group attends each vendor conversation or demonstration. Having everyone hear the same thing will save time in the long run and help prevent the need to re-check information. You may also want to agree to a list of supplementary questions across the group.
g. **Conduct generic vendor demonstrations.** Identify a list of vendors to conduct generic demonstrations, for example something they would present at a conference, for your stakeholder audience. It is important that no vendor be given unfair advantage. Any demonstrations or conversations conducted prior to publishing a request for vendor response may not be specific to HSU or give any vendor information that another vendor would not have.

In accordance with CSU policy, the HSU software acquisition process must observe fair and open competition to the maximum extent possible. These generic demonstrations will help you to refine your business requirements, as they may bring to light functionality that had not previously been considered, help to refine the potential vendor list, and provide a ballpark estimate of the likely costs.

h. **Consider the data security requirements.** You'll also need to talk with the Information Security office if your project will involve Level 1 or Level 2 data (see http://www.humboldt.edu/its/security-dataclassificationstandards for definitions). The Information Security team will help determine the appropriate supplemental provisions to be included by the Office of Contracts and Procurement in any resulting agreement, which will ensure vendor compliance with the collection, sharing, accessing, transmitting, and storing of confidential HSU information.

i. **First Executive support check-point.** At this point, you should have a much more well-defined idea of what your solution will look like and a rough idea of costs. Use this information to check in on available budget and approval to move forward.

3.0   The Path to Purchase

The information below will help you to identify the path your software acquisition will take. Note that this information does *not* apply to the acquisition of IT Consulting Services if these are to be purchased separately from the software. This information also does not replace guidance from the HSU Office of Contracts & Procurement (see http://www.humboldt.edu/procurement/index.html) or compliance with the CSU Policy Manual for Contracting & Procurement, available online at http://www.calstate.edu/CSP/crl/policy/Policy.shtml .

In **every** case, you should use your needs list to define the required functionality, to evaluate proposed solutions, and to select your product.

3.1 Expenditure Limits

a. **Acquisitions valued at less than $50,000:** Can be made when the price is deemed to have met fair and reasonable standards. This may be determined by an established or verifiable catalog or market pricing medium published by a responsible supplier, by obtaining and documenting quotations within the past 6 months from other responsible suppliers, or by being able to demonstrate that other transactions occurring in the last 18 months showed similar pricing for similar acquisitions. Price quotes can be obtained via email. Source-Brand justification (see 3.2.d below) is not required for purchases of less than $50,000.

b. **Acquisitions valued at $50,000 to $500,000:** Can be made after an informal non-advertised solicitation process, based on a written project scope documenting the requirements and characteristics the software must possess. Written responses should be obtained from at least three vendors although, if documentation shows sufficient outreach and diligence, it is possible to award if there is less response. For purchases of less than $250,000, awards can be made based on two or more quotes if all responding vendors are California Certified

Small Businesses or if all responding vendors are Disabled Veteran Business Enterprises (DVBE); you can find these vendors at http://www.bidsync.com/DPXBisCASB. Contracts are awarded based on the most value-effective solution to the requirements; in certain cases, this may not be the lowest cost, but could be based on other merits, such as consolidating multiple pieces of software or improved user experience. Acquisitions over $500,000 require a feasibility study and consultation with the CSU Chief Financial Officer.

3.2 Types of Vendor Solicitation Documents

a. **Request for Information (RFI):** Used when you think you know what you want but need more information from the vendors. Must be followed by an RFQ or RFP in order to purchase the desired product. If the RFI yields a single seller of the desired product, you need only send the RFQ to that single provider for their price quote and their acceptance of the CSU General Provisions for Information Technology Acquisitions. If the RFI yields **multiple** resellers of the same product, you must submit an RFQ to all responding sellers of the desired product and award to the most value-effective provider.

b. **Request for Quote (RFQ):** Commonly used when you know what you want but need information on how vendors would meet your requirements and how much it will cost; you may also include the criteria against which each vendor's response will be evaluated. An RFQ can also be used when you have all details except the cost; in this case, the vendor selection would be based solely on price. All RFQs will include, or provide a link to, the (1) CSU General Provisions for Information Technology Acquisitions (with appropriate provisions regarding data security), (2) CSU Small Business preference and Certification Request and (3) Disabled Veteran Business Enterprise (DVBE) Participation Requirement; the DVBE Participant Requirement can be excluded only if the Director of Contracts & Procurement waives the requirement.

c. **Request for Proposal (RFP):** Used when you know you have a problem but don't know how you want to solve it. This is the most formal of the "Request for" processes and has strict procurement rules for content, timeline and vendor responses. If you have already solicited information using an RFI, you can re-use those questions and requirements in your RFP. All RFPs will include, or provide a link to, the (1) CSU General Provisions for Information Technology Acquisitions (with appropriate provisions regarding data security), (2) CSU Small Business preference and Certification Request and (3) Disabled Veteran Business Enterprise (DVBE) Participation Requirement; the DVBE Participant Requirement can be excluded only if the Director of Contracts & Procurement waives the requirement. See Appendix B for a sample of commonly used sections in the development of an RFP. See Appendix C for an example of the timeline requirements for an RFP.

d. **Sole Source Purchases:** Sole source purchases require completion of the campus Sole Source-Brand Justification form and approval by the Director of Contracts & Procurement. With approval of a sole source-brand purchase, you can move forward with the purchase process. Situations when a sole source-brand can be considered include:

   - The product is unique and essential to the CSU's requirements, thereby precluding consideration of a product manufactured by another company, or

- The product is required to match other similar product(s) already in place and the use of an alternate product would cause the CSU to incur substantial additional costs, or
- The sole source-brand product is required for the immediate preservation of the public health, welfare, or safety, or the protection of CSU property and programs.

3.3 Evaluating Vendor Proposals (except for awards based on price)

The Project Team must evaluate all responses equally against the requirements list; the Office of Contracts & Procurement requires that all evaluation team members sign a conflict of interest / confidentiality agreement before reviewing proposals.

Identify at least three providers that most closely meet your requirements and invite those vendors to conduct online or onsite "customized for HSU" demonstrations. These differ from the generic demonstrations in that they are specific to HSU and the defined requirements and are now permitted because the published Request for (Information / Quote / Proposal) has provided all responding vendors with the same details. Most importantly, a customized demonstration gives you the best insight into how each vendor will solve your problem, enabling you to find the best match.

Prepare a justification supporting the selection of vendors for the demonstration sessions; this may be more informal in the case of an RFQ or, in the case of an RFP, will involve a formal scoring process as outlined in the RFP. The Office of Contracts & Procurement will require the justifications and scoring before providers can be invited to demonstrate their proposed solution.

Second Executive support checkpoint. This is also the time to check in with your Executive Sponsor and discuss the results of your proposal evaluations, proposed costs and product comparisons as well as plans for vendor demonstrations, including the proposed audience.

With continued Executive support and Procurement's OK, issue invitations to the selected vendors to set up a demonstration, clearly outlining the requirements for the demonstrations, the agenda, and required vendor participants.

3.4 Conduct Customized Vendor Demonstrations

While online demonstrations are appropriate for smaller budget, short time-frame projects, you should aim for an on-campus demonstration from the vendor whenever possible. Larger budget and/or scope projects are best evaluated from high-level demonstrations and individual sessions with representatives from the impacted project areas. This provides not only a deeper understanding of the proposed solution but also an opportunity to build a relationship with the prospective vendor and their proposed project team. A sample agenda could include the product demonstration, followed by individual meetings with members of the project team in the following areas: functional, technical, project & implementation management, and training. It is advisable to also plan for a meeting with the Office of Contracts & Procurement to

determine whether the vendor may be looking to incorporate any exceptions to the CSU Terms & Conditions into the final contract.

Prepare a survey for demonstration participants so that you can obtain feedback on the product and the vendor. Request that at least one member from each individual work session provide feedback on their respective meeting(s). This will be important in your final selection and may also help define any expanded use of the product.

3.5 Check Vendor References

Identify the customer references that most closely match your situation and spend some time investigating their degree of satisfaction with both the product and the vendor's services. Include both new and longer term customers to gain a fuller perspective. Create a reference check worksheet to record your findings; this can also be emailed to any reference that prefers to provide a written response. See Appendix D for an example reference checklist. In larger scale projects and if welcomed by the reference site, a visit to that site will provide even greater insight into the benefits of the solution.

3.6 Select a Solution

Review the demonstration survey results and the feedback from the individual sessions. Review and update the justification document so that it accurately reflects the team's assessment of the vendors after the demonstration and provides support for your vendor selection. This information will be retained by the Office of Contracts & Procurement for reference in the event of questions or protests from other vendors.

Final Executive support checkpoint. Meet with your Executive Sponsor as a final check before requesting approval from the Office of Contracts & Procurement to begin the contract award process. Discuss the final results of demonstrations, reference checks and the reason this vendor was selected, and re-confirm Executive support for the project.

With Executive support and the appropriate approvals from the Office of Contracts & Procurement, you could now issue a Notice of Intent to Award the contract to the selected vendor and notice of non-selection to all other vendors that responded to your request. You can also begin contract and Statement of Work negotiations with the vendor and the Office of Contracts & Procurement; if your project involves Level 1 or 2 data and/or the data will be hosted offsite, the Information Security Office should also be part of the contract review. In the case of an RFP, at least calendar days must pass from the date of the Notice of Intent to Award before the contract can be issued. With a less formal RFI or RFQ, no Notice of Intent to Award is required and you can move straight to a Contract Award and issue the notices of non-selection. Once a signed contract and all requested documents have been received by the Office of Contracts & Procurement (for example, proof of insurance, if applicable), you're now ready to begin the implementation process!

Appendix A – Example of a Product Evaluation Matrix

The example below relates to the search for a tutor scheduling application; your questions will obviously be specifically related to your own proposed acquisition.

	PRODUCT 1	PRODUCT 2	PRODUCT 3
REQUIRED FUNCTIONALITY ("MUST-HAVES")			
PeopleSoft compatibility and with which version(s), e.g. HCM 9.0			
Search capabilities - by tutor, students, subject and specific courses			
Ability to maintain tutor profiles by subjects (skill set), hours available, max numbers available, hours not available, max number of clients per session.			
Ability to maintain tutee profiles with student name, ID #, home phone, cell phone, HSU email address, affiliation (sourced from PeopleSoft); course subject matter/specific affiliations			
Ability to build tutor schedules, matching tutee needs to available competent tutor			
Ability to view tutor's schedule to determine where they are booked, how many students and who the students are			
Ability to send automatic reminders to tutors and tutees			
Reports of real-time data and trend analysis for # of tutees served in any given period by subject (recognizing the data is as scheduled not as delivered)			
Web interface for entering confirmation of service delivery by both tutee and tutor.			
Tiered security based on login to distinguish Tutor Center Administrators, data entry, tutors, tutees.			
Ease of branding (using HSU graphic identity standards)			
PREFERRED FUNCTIONALITY ("NICE-TO-HAVES")			
Ability to record services delivered in the Tutor tracking system and push results to PeopleSoft			

Ability to interface with course schedule in PeopleSoft			
Mobile version of web interface for confirmation of services.			
Ability to request services online (interface to Adobe form? From within Tutor system?)			
Link from Student Center to Tutor tracking system for requesting or confirming services.			
INFORMATIONAL SPECIFICS			
Timeline & steps to Implementation			
Annual time required for maintenance			
Cost to purchase and implement. License costs should include any tiered or user volume licensing blocks.			
Annual cost to maintain			
Additional hardware costs			
If web-based, compatible with which versions of which browsers			
Compliance with CSU Accessibility Requirement & Section 508 standards			
Voluntary Product Accessibility Template (VPAT) availability			
Reference names and contact information for at least three higher education accounts using a solution similar to the proposed solution.			
TECHNICAL NOTES			
PeopleSoft modifications required?			
Will the product be installed on campus or hosted off-site?*			
Which of the following security protocols does the product support: Shibboleth, LDAP, CAS, PeopleSoft security roles and permission lists?*			
What type of data (Level 1, 2 and/or 3) will be involved?* (Level 1 or 2 require special contractual provisions for data security)			

*ITS recommends these questions are included in all product evaluations.

Appendix B – Outline of a Typical RFP

The following are sample commonly-used sections in the development of an RFP. These will of course vary, depending on the project.

Section 1 – Background and Project Overview includes:

- Humboldt State University Overview
- Project Overview & Scope

Section 2 – Response Instructions

- RFP Schedule
- Proposal Delivery
- Proposal Format
- Inquiries

Section 3 – Vendor Profile and Experience Requirements

- Profile
- Reference Accounts
- Forward Vision and Value Proposition

Section 4 – Scope of Services Required

Each of these sub-sections commonly includes a list of required deliverables.

- Solution Requirements
- Project Management
- Project Planning and Organization
- Fit Gap and Design
- Build / Implement
- Test
- Deploy
- Change Management

May include Visio diagrams of desired timelines, as necessary

Section 5 – Technical and Functional Requirements

This section may include various questionnaires to help answer specific questions or needs related to the desired system.

Section 6 – Demonstration Scenarios

If vendors invited to campus for demonstrations will be expected to demonstrate under the same conditions, this information gives them advance notice of that scenario.

Section 7 – Costs and Resources

Requires responders to provide details on various costing categories, such as software, hardware, training, consulting services, etc.

Section 8 – Award Criteria

- Selection of Finalists
- Proposal Analysis
- Supplemental Provisions

Section 9 – Vendor Checklist

For use in ensuring the vendors have included all appropriate responses and attachments.

Attachments or Referenced via Links

- CSU Terms and Conditions for Information Technology Acquisitions (http://www.calstate.edu/Csp/crl/GP/GP.shtml)

- CSU Small Business Preference and Certification Request

- Disabled Veteran Business Enterprise (DVBE) Participation Requirement

- Supplemental Provisions for CSU General Provisions for Information Technology Acquisitions

- CSU Accessibility Requirement and conformance with Section 508 standards:

  o VPAT Form: http://www.calstate.edu/Accessibility/EIT_Procurement/VPAT_Guide.html#15

  o VPAT Instructions: http://www.calstate.edu/Accessibility/EIT_Procurement/

Appendix C – Timeline Requirements for an RFQ/P

The Request will include a number of deadlines; some will be optional, most will come with requirements for a certain number of elapsed calendar days between deadlines. The dates shown in the sample below are for illustrative purposes only; your Request may differ significantly, depending on the required deliverables at each checkpoint.

RFQ/P Release Date   **September 21, 2015 (*required date*)**

This is the date on which Procurement has authorized the release of the RFQ/P; at this time, copies of the RFQ/P can be emailed directly to desired or requesting vendors. Procurement will post the RFQ/P on the HSU and State of California BidSync websites at this time.

Pre-Proposal Vendor Conference   **October 5 – October 6, 2015 (*optional date*)**

This is optional based on whether a vendor conference is necessary. This can also be stated as "at the discretion of HSU, please hold these dates", and referenced as such elsewhere in the document. Vendor conferences in advance of the Proposal Due Date can assist in ensuring that vendors fully understand the RFQ/P.

Last Day for Questions   **October 12, 2015 by 10:00 AM PST (*required date*)**

Vendors will submit questions or requests for clarification of details of the RFQ/P through Procurement. Procurement will typically forward these to the appropriate contact as they are received, so they may be compiled with answers in preparation for posting once the Last Day for Questions has been reached. All questions, including questions resulting from any Pre-Proposal Vendor Conferences, must be compiled with responses, removing any reference to who asked the question, and made available in an addendum, issued by Procurement, to ALL vendors known to have a copy of the RFQ/P as well as posted on the HSU and State of California BidSync websites.

Be sure to allow enough time to compile and post responses via an addendum and still allow for no fewer than five calendar days before the Proposal Due Date. This applies to ANY addendum issued. For example, if a subsequent addendum is necessary, it will be likely that the schedule has not allowed that much time between the "Last Day for Questions" and the "Proposal Due Date". In that event, the addendum to the RFQ/P will need to include an extension of the Proposal Due Date to allow for the passage of five calendar days from the posting of the Addendum.

Proposal Due Date and Time   **October 24, 2015 by 4:00 PM PST (*required date*)**

Any proposals received in Procurement after this date/time, as stipulated in the RFQ/P, will be marked "LATE" and returned to the vendors. At this time, responses can be retrieved from Procurement and the review process can commence.

Vendor Conference   **November 7 – 9, 2015 (*optional date)***

This is optional, based on whether a vendor conference is necessary. This can also be stated as "at the discretion of HSU, please hold these dates", and referenced as such elsewhere in the document. Vendor conferences following receipt and review of proposals may be necessary where system demonstrations may assist a decision or where two or more vendors have been scored very closely and a face-to-face presentation, accompanied by a request for each vendor's "Best and Final Offer", will assist in making the final decision. Be sure to allow enough time between the Proposal Due Date and the Vendor Conference for a review of responses. If an unexpectedly large volume of responses is received, or more time is needed, responding vendors can be notified that the conference date is being postponed; you should also provide an estimated timeframe for their scheduling purposes.

Notice of Intent to Award Contract   **November 14, 2015 (estimated) (*required date)***

Use of the word "estimated" allows flexibility in the event that additional time is needed for evaluation of the proposals. After a complete and thorough evaluation process, the selected vendor will receive a "Notice of Intent to Award" letter and all non-selected vendors will receive notice that the award has been made to another vendor. Non-selected vendors can contact Procurement for information on the contract awardee and successful bid price. Non-selected vendors can also file with Procurement any protests they may have with the Notice of Intent to Award.

Contract Award   **November 21, 2015 (estimated) (*required date)***

A minimum of five calendar days must elapse between the Notice of Intent to Award date and the actual Contract Award date. This is the minimum required number of days during which a non-selected vendor can dispute a selection. Contract negotiations can take place during this waiting period, and may extend beyond this deadline based on use of the word "estimated". Part of the contract negotiations is settling on a Statement of Work which should closely relate to the vendor's original proposal and include all expected work to result from the engagement. On conclusion of contract negotiations, Procurement will compile the contract and all appropriate attachments and route documents for signatures.

Appendix D – Example of a Vendor Reference Check Worksheet

Thank you for participating in our reference check. You were listed as a reference by the below- noted vendor in their response to our recent [Project Name] Request for Quote (RFQ). Your feedback is very important to us and we truly appreciate any time you can spare to complete this questionnaire either electronically or over the telephone.

VENDOR NAME:

REFERENCE CAMPUS:

REFERENCE CONTACT:

REFERENCE BACKGROUND:

QUESTIONS:

1. How long have you worked with this vendor / product?

2. What functionality are you using? Can you provide some examples of where and how these have been deployed in your organization?
   a. Functionality 1 (e.g. Document scanning):
   b. Functionality 2 (e.g. Automated Workflow):
   c. Functionality 3 (e.g. Records & Retention Tracking):
   d. Integration with Enterprise Resource Planning (i.e. PeopleSoft) systems? If so, which system(s)?

3. What was your experience with the initial implementation?

   a. General experience:

   b. Campus-led or vendor-led?

   c. If vendor-led, degree of campus involvement (versus what was outsourced to the vendor)?

   d. On schedule?

   e. On/under budget?

4. Do you feel the vendor met (or exceeded) their deliverable requirements *during* implementation? If not, why?

5. What is your level of satisfaction with this vendor/product and their support *after* implementation?

6. What are the internal *technical* support requirements to implement and maintain the system (skill sets required and degree of involvement) across all its uses on your campus? Can *functional* users do such things as X, Y & Z (examples: build work flows, create document repositories, and implement processes?)

7. How have you experienced savings of time and/or money since implementing this product?

8. On a monthly basis, how much time do you spend maintaining this product, from both the technical and functional perspective?

9. If you had it to do over again, would you select this vendor/product? If not, why?

10. Any other comments?

Thank you for your help.

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