Enterprise Resource Planning Modernization – Software Solution

REQUEST FOR PROPOSAL – VENDOR QUESTIONS & RESPONSES

Uploaded: March 11, 2025

Final Vendor RFP Responses Due: Friday, March 21, by 5:00 PM ET

Email responses to RFR@bphc.org with "ERP SW RFP Response" in subject.

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1. **Looks like you currently use ADP to outsource payroll, will you be considering taking the payroll process in house with a new system?**

   BPHC will assess how Vendors' solutions meet its payroll processing needs, either by integrating with a third-party (potentially its current ADP-based system and services) or by providing that functionality directly for BPHC to execute in tool, and the costs associated with those options. For the purposes of this RFP, Vendors should address each requirement - 5.5.12 and 5.5.13 in *RFP Section IV* – separately and directly to enable that assessment.

2. **What is estimated date for release of RFP for implementation of selected software?**

   Pending BPHC's selection of the software solution through this RFP, BPHC plans to release the software implementation RFP in mid to late Q2 CY 2025.

3. **Please provide estimated license/user counts for the finance ERP modules listed on page 28 – 35 in the RFP bid document.**

   BPHC has approximately 1,300 employees who it anticipates will access at least self-service capabilities within the solution. Based on user / license numbers for its current financial management tools, BPHC would expect licenses for approximately 35 core financial users and an additional 150-160 users across the BPHC organization with varying, ancillary responsibilities (e.g., making and approving requisitions, viewing and submitting budgets).

4. **Is BPHC open to "best-in-class" respondents (not "all-in-one") that propose to integrate with other applications as applicable?**

   As noted in the RFP, a key challenge has been maintaining the broad suite of systems that make up its current state. BPHC's preference is for a solution that minimizes the number of separate, third-party applications, preferring fewer, well-integrated modules within a single solution for heightened usability and user experience.

If Vendors can propose a complete, highly integrated solution using Best-of-Class components (i.e., other applications) that would meet all of the RFP requirements – including those high-level requirements noted on *RFP Section IV,* page 20 – BPHC would welcome that proposal.

The Vendor team must still respond fully to the RFP instructions, including all Vendors who will provide the components (separate systems, applications, etc.) necessary to fully meet BPHC's requirements in a single, submitted response and an authoritative (i.e., estimates from direct vendors or certified resellers) line-item breakdown of that solution's estimated cost by those components' modules, features, etc. The submission should also emphasize the following, which are aligned with the existing RFP instructions:

1.) How those components can be integrated for a single, fully integrated, and streamlined user experience
2.) How those components can be implemented effectively within BPHC's desired timeline
3.) How those components can be effectively maintained, scaled, and adapted over time
4.) Whether this solution approach has been done before for other, similar customers successfully

Vendor proposals that only address a subset of requirements leaving many requirements unmet (e.g., proposed solution only meets FIN requirements and no HCM requirements) will not be acceptable.

5. **We are requesting an increase to the "Solution Overview" page allowance, can you accommodate. Currently we're having a hard time meeting that requirement (6 pages), especially without the ability to include appendixes. 15 pages total, or 10 plus appendixes would allow us to respond properly.**

   Vendors can include appendices; BPHC has not prohibited their inclusion in proposals.

6. **Can you describe your current P2P process, including pain points and areas for improvement?**

   BPHC's current P2P processes (process components outlined at a high level in *RFP Section V*) are challenging, requiring manual steps across several disparate systems. BPHC does not want to replicate current processes. At this stage, BPHC is seeking to understand Vendor solutions' ability to meet the requirements outlined in the RFP with the latest functionality and based on common industry standards.

7. **What specific contract types do you manage (e.g., service agreements, purchase agreements, etc.)?**

   BPHC manages all types of agreement, goods, and services contracts, including vendor agreements, vehicle purchase agreements, leases, memoranda of understanding, etc. This is not a comprehensive list. BPHC would want to know if Vendor solutions are in any way limited in the type of contracts they can manage.

8. **What other systems need to integrate with the contract management, requisitioning, invoicing, and financial systems? Please provide details on these systems.**

   Refer to *RFP Section VI*, which includes all current systems, their use, and BPHC's anticipated disposition status for each system (i.e., likely replace, likely remain and requires integration, likely remain and an opportunistic integration).

9. **What is your volume of suppliers, contracts, requisitions, purchase orders, invoices, and payments?**

    There are currently 5,400+ active vendors supporting BPHC, including 550+ contingent workers (i.e., 1099 contractors). In FY2024, BPHC managed 1,133 contracts, 3,209 purchase requisitions, and 2,425 purchase orders, and processed and paid 14,400+ vendor invoices.

10. **How is your budget currently managed and what level of budget control do you require (e.g., at the line item level, overall budget, etc.)?**

    The preference is line-item control with higher level summaries. BPHC is open to Vendors' solution options and recommendations in their proposal responses.

11. **What actions should the system take when a budget check fails (e.g., warning, block transaction)?**

    Warnings or blocking transactions would both be likely functional needs, as well as automated workflow suggestions for users to choose to initiate an acceptable path forward (e.g., budget amendment process). BPHC is open to Vendors' solution options and recommendations in their proposal responses.

12. **Can you describe your current approval workflows for requisitions, POs, contracts, change orders, and invoices?**

    BPHC follows standard procurement processes (e.g., set up vendor, complete contract, set up purchase requisition, create and approve PO); see *RFP Section V* for the high-level process components. At this stage, BPHC is seeking to understand the solutions' options for defining and where possible automating such workflows. It will not provide more specific workflow design requirements through this RFP.

13. **What are your specific requirements for automated approval workflows, including dollar thresholds, organizational structures, and roles?**

    At this stage, BPHC is seeking to understand the solutions' options for defining and where possible automating such workflows. It will not provide more specific workflow design requirements through this RFP. Vendors should explain the options for workflow rules in a standard procurement process.

14. **How do you envision the different departmental workflows interacting with the BPHC FIN team's workflows? Can you provide examples of different departmental workflows?**

    BPHC will look to standardize and centralize its financial management processes through the implementation of the new ERP solution. This would enable the core Finance teams' ability to have more comprehensive, real-time monitoring of financial activities in BPHC Bureaus, Programs, etc., while accommodating those units' unique business process needs. Good examples are the Procure to Pay and Accounts Receivable use cases noted in *RFP Section V*.

15. What reporting capabilities are essential for managing and monitoring these workflows? What metrics are most important?

At this stage, BPHC is seeking to understand the solutions' options for reporting and monitoring capabilities. It will not provide more specific requirements through this RFP. Vendors should explain the options for reporting and monitoring in standard processes.

16. What is your current encumbrance process?

At this stage, BPHC is seeking to understand the solutions' options for defining and where possible automating such workflows. It will not provide more specific workflow design requirements through this RFP. Vendors should explain the options for encumbrance in standard processes.

17. What is your current process for managing vendor information, including setup, modification, deactivation, and archiving?

BPHC follows standard vendor management processes. At this stage, BPHC is seeking to understand the solutions' options for defining and where possible automating such workflows. It will not provide more specific workflow design requirements through this RFP. Vendors should explain the options for vendor management in standard processes.

18. How many vendors do you currently manage?

There are currently 5,400+ active vendors supporting BPHC, including 550+ contingent workers (i.e., 1099 contractors).

19. What documents are typically stored for each vendor (e.g., contracts, W-9s)?

BPHC currently stores vendor set-up and change forms and W-9s for each vendor. However, BPHC plans to reconsider what it stores with a new ERP solution, so it is more important for us to understand what options are available for storing documents on the vendor record.

20. What functionality do you require in a vendor self-service portal?

Refer to *RFP Section IV*, requirement 6.12.15.

21. What is your current process for receiving and routing vendor invoices?

BPHC follows standard vendor management processes. At this stage, BPHC is seeking to understand the solutions' options for defining and where possible automating such workflows. It will not provide more specific workflow design requirements through this RFP. Vendors should explain the options for vendor and purchasing management in standard processes.

22. What payment input methods do you currently use and what additional methods are you interested in (e.g., scanning, OCR, online, EDI, web, email)?

At this stage, BPHC is seeking to understand the solutions' options for defining and where possible automating such workflows. Vendors should explain the options for payment input methods in standard processes.

23. Can you describe your current RFP and RFI process?

Vendors can use the instructions within this RFP as an example of a typical RFP and RFI process.

24. What are your primary goals for implementing a new procurement system?

The goals for the procurement elements are the same as those stated in *RFP Section IV* for the overall ERP solution and the specific procurement requirements.

25. What are the "must-have" features versus "nice-to-have" features in a new procurement system?

At this stage, BPHC is seeking to understand the solutions' ability to meet all of the requirements included in *RFP Section IV.* Later in preparation for implementation BPHC will work with its selected SW vendor and implementation partners to refine the scope of the to-be-implemented solution.

26. What are the biggest challenges you face with your current procurement process?

See the answer to question 6.

27. Are there any mission-critical features or functionalities you must retain in the new system?

At this stage, BPHC is seeking to understand the solutions' ability to meet all of the requirements included in *RFP Section IV*. Later in preparation for implementation BPHC will work with its selected SW vendor and implementation partners to refine the scope of the to-be-implemented solution.

28. What are the key success metrics BPHC will use to measure the effectiveness of the new solution?

RFP Section IV includes BPHC's overall objectives for this new solution. BPHC anticipates defining more specific key success metrics once it has made decisions on implementation scope and early design requirements.

29. How many years of historical ERP and HCM data need to be migrated?

BPHC is currently refining its data migration needs to inform the subsequent system implementation RFP. Preliminary discussions have defined a scope of migrating HR/HCM data for employees who are a.) active or b.) inactive but have been active within one year of go live, and migrating FIN data for up-to-five prior FYs (depending on go-live timing, this could include current FY). Remaining historical data would be held in a to-be-determined data management system. These requirements are subject to change.

As noted in this RFP's instructions, BPHC seeks Vendor recommendations on the number of years of HR/HCM and FIN data to be converted along with the appropriate level of detail (e.g., summary or transactional) based on current customers' approaches. Additionally, BPHC seeks information about any data management systems the Vendor provides or recommends for storing data that will not be converted and ensure its effectively accessible by BPHC users

when needed. This could include integration with BPHC's existing data architecture, noted in *RFP Section II*.

30. Do you use Multiple Accounting Principles? Please describe them

BPHC currently uses Generally Accepted Accounting Principles (GAAP) set for financial accounting and reporting by the Governmental Accounting Standards Board (GASB).

31. Any specific reporting requirement is required?

See *RFP Section IV* for specific reporting requirements.

32. Are your plants setup to be centralized or Decentralized Plants?

See *RFP Section I* for how the BPHC organization is structured.

33. Do you follow Central procurement / purchasing?

Procurement and purchasing processes are currently decentralized at BPHC.

34. Does BPHC have an in-house team managing data migration, or is vendor-led migration expected?

This is currently under consideration, but BPHC anticipates including data migration in the later software implementation RFP.

35. Will BPHC require real-time or batch-based data synchronization between systems?

The preference will always be for real-time data synchronization when feasible, particularly between core HCM/HR and FIN modules. However, BPHC also understands that batch-based data synchronization may be necessary with external, third-party systems it will seek integrations with. BPHC anticipates this will be a focus during initial requirement and design sessions with the eventual system implementation partner.

36. Are there specific data residency or government cloud requirements for hosting?

Yes, there are specific data residency and government cloud requirements for hosting. BPHC data cannot be hosted outside of the United States under any circumstances. The solution must be deployed on a cloud-based architecture that is FedRAMP certified, specifically a "gov cloud" platform that complies with all relevant government security and regulatory standards. BPHC prefers solutions that can integrate with and leverage its existing technical infrastructure and investments as outlined in *RFP Section II*.

37. What compliance standards must the new cloud system adhere to (e.g., HIPAA, SOC 2, FedRAMP, GASB, GDPR)?

The solution must be deployed on a cloud-based architecture that is FedRAMP certified, specifically a "gov cloud" platform that complies with all relevant government security and regulatory standards. Further, we expect the software vendor to be SOC 2 certified and include a statement in their submission agreeing to have an independent audit (SOC 2 Type II) performed annually, upon which the Vendor will provide the report to BPHC. It does not expect to manage healthcare-related data within the new solution.

38. How does BPHC handle data encryption, retention policies, and audit logging today?

BPHC handles data encryption, retention policies, and audit logging in accordance with industry standards and legal requirements. BPHC abides by the Commonwealth of Massachusetts Public Records Law, including, but not limited to, M.G.L. c. 4, § 7(26) and 950 CMR 32.00, and the State and City of Boston public records request (PRR) policies and procedures which govern record retention and the sharing of public records with requesting individuals or entities. Current practices include implementing robust encryption for data at rest and in transit, maintaining comprehensive retention schedules aligned with statutory requirements, and employing detailed audit logging systems that track access, modifications, and other critical activities to ensure data integrity and support compliance verification.

39. What cybersecurity protocols or incident response plans does BPHC expect from a cloud-based vendor?

Based on NIST SP 800-61 standards, BPHC expects cloud-based vendors to implement comprehensive cybersecurity protocols including a formal incident response plan with defined roles and procedures for detection, analysis, containment, eradication, and recovery from security incidents. Vendors must maintain robust logging and monitoring capabilities to support rapid detection and analysis, implement strict access controls and encryption for data protection, and establish clear communication channels for incident reporting. The vendor should conduct regular security testing, maintain compliance with relevant regulations (HIPAA, FISMA, etc.), and provide detailed documentation of all security measures. Additionally, Vendors must support detailed reporting capabilities that allow for transparent sharing of security metrics, incident logs, and response activities with BPHC auditors and other government agencies as required.

40. What level of self-service functionality does BPHC expect for employees and managers?

We expect that employees will be able to view and update their personal information, emergency contacts, education and certifications, W-4, and direct deposit information.

We expect that managers will be able to view information on their employees and initiate or be prompted for actions, such as transfers, pay changes, and terminations.

BPHC is open to Vendors' solution options and recommendations in their proposal responses.

41. What is BPHC's expected budget range for ERP and HCM modernization?

BPHC has a dedicated budget for this software and its implementation but will not share that budget range during this procurement process.

42. Are there preferred pricing models (subscription-based, per-user, usage-based)?

BPHC would prefer per-user based subscription licensing. This model aligns with its organizational needs by providing predictable costs, simplified budgeting, and ensuring all authorized staff have appropriate access to the system.

43. What contract duration and renewal terms does BPHC anticipate for the new system?

BPHC's preference is for fixed pricing on the new solution for the first five years.

44. Does BPHC require flexible scalability options as user counts or system needs change?

Yes.

45. Would it be helpful to BPHC to obtain any information from potential services partners such as factors that BPHC should consider in selecting a solution and perspectives on potential solutions?

At this time, BPHC is requesting responses solely from ERP software solution providers meeting the qualifications outlined in the RFP.

46. How many users will require read/write access to build and manage the Commission's Operating budget?

BPHC has 25 users with read/write licenses that cover these budgeting areas in its current budget tool. BPHC expects these numbers to be similar for the new ERP solution's modules.

47. How many users will require read/write access for Capital budgeting?

BPHC anticipates this Capital budgeting user number being the same or less than the number of users for the operating budget functionality (i.e., 25 users, per response to question 46). It will of course review and, if necessary, revise that requirement once the functionality and workflows are designed.

48. Does the Commission have a need for a budget book builder tool?

BPHC will need to establish predefined and customizable templates for budget creation (see *RFP Section IV* requirement 6.6.07), with the overarching goal being to match the City of Boston's budget presentation. If the solution proposed can help BPHC meet that requirement effectively and efficiently, we are interested in learning about those available options. Please include what you feel is relevant and itemize cost for additional modules.

49. How many different grantor programs does BPHC offer?

The number varies year to year; at its peak BPHC had 75 grantees in one fiscal year.

50. If BPHC chooses a vendor who implements their own software, would you still plan to release an RFP for Implementation Services?

BPHC does currently plan to release an RFP for Implementation Services even if the chosen software solution Vendor can implement their own software.