

Texas Municipal Retirement System



Request for Proposal

For an integrated Employer Reporting
System for Pension Administration

RFP Release Date
10/10/2017

Proposal Due Date
11/6/17 – 4p.m. CST.

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PART A GENERAL AND PROCUREMENT INFORMATION

A.1 GENERAL INFORMATION

A.1.1 PURPOSE AND SCOPE

The Texas Municipal Retirement System (TMRS) is soliciting proposals from pension administration solution vendors for an integrated Employer Reporting solution. Specifically, Respondents (also referred to herein as Vendors) are to propose a solution consisting of the implementation of a best-practices-based Employer Reporting System and any necessary customizations to that system to meet the mandatory requirements of TMRS. The proposed solution must integrate with the existing systems at TMRS. The contract to be awarded, as a result of this solicitation, will be for the following: Employer Reporting System software, documentation, testing, implementation, integration, training, warranty, and post-implementation support. TMRS reserves the right not to award a contract as a result of this solicitation.

In summary, TMRS is looking to replace their current Oracle Forms solution with a browser-based solution that allows the cities the ability to enter their wage and contribution data for each member or upload a file representing the data. This portal will provide real-time feedback on the data provided and require the reporting city to remedy any errors prior to posting the monthly report. The solution will also provide a payment portal, where each city can pay their remittances due via ACH. In the sections below there are additional non-functional requirements that must be represented in the desired solution. A list of the solution requirements is provided in **Attachment F.1 – Requirements Matrix** of this RFP.

TMRS expects that the project will need to be delivered in phases, with the first phase of software put into production use within calendar year 2018. For example, a phase may be the base Employer Portal that enables small cities to submit employer reports electronically. Similarly, for large city filers to perform a secure file upload with validations. TMRS understands that subsequent project phases may be necessary to deliver the entire scope of the RFP and this approach positions TMRS with capabilities and technology to meet its needs now as well as into the future.

A.2 OBJECTIVE

The objective of this RFP is to elicit a response from Respondents for the provision and implementation of the new solution. This RFP and the Attachments contain the functional, technical, and other requirements and expectations of TMRS in the new integrated Employer Reporting solution. The RFP also specifies the common format of a Respondent's responses and the period to enable TMRS to compare the Respondent's solutions and to make its choice.

A.2.1.1 Project Vision

The goal for TMRS is to replace the current Employer Reporting process with an automated solution that can serve TMRS employers and stakeholders with the ability for TMRS to progressively add new Employer Reporting functionality as technology evolves and the needs of TMRS change.

While this RFP is only asking for an Employer Reporting solution, TMRS may look to contract with a vendor who has implemented successful Employer Reporting and pension administration solutions to provide TMRS with future alternatives as current systems age.

A.2.1.2 Project Mission

TMRS' current pension administration system has allowed TMRS the ability to centralize member data and automate calculations. TMRS would like to build upon this success and use this Employer

Reporting project to improve business processes, automating and integrating manual tasks for Employers and TMRS staff.

Extensive information about the existing business processes as well as an example of the anticipated future business process can be found in the Attachments to the RFP.

A.2.2 ABOUT TMRS

The Texas Municipal Retirement System (TMRS) administers a retirement program for 883 Texas cities. TMRS was established in 1947 and is administered in accordance with the Texas Municipal Retirement System Act (Texas Government Code, Title 8, Subtitle G). TMRS is a qualified retirement plan under Section 401(a) of the Internal Revenue Code. Note: TMRS is a Cash Balance/Hybrid Plan - each employer can customize their plan based on a predefined list of options: Employee Contribution Rate, Matching Ratio, Vesting Requirement, Retirement Eligibility Requirement, Special Service Credits, Updated Service Credit, Service Re-Purchase, etc.

In Table 1 - TMRS Approximate Membership and Staff Statistics, totals by membership type and employees are displayed.

Table 1 - TMRS Approximate Membership and Staff Statistics

POPULATION (AT TIME OF RFI)	
Number of Users/Employees	30 Users (Member Services/Finance)
Number of Employers	883
Number of Active Members (Contributing)	108,735
Number of Annuitants	59,611

A.2.3 MINIMUM QUALIFICATIONS

A Proposer must meet all of the qualifications outlined below. A statement that the Proposer’s firm meets the qualifications must be included in the Respondent’s Cover Letter accompanying the proposal.

A.2.3.1 Proposer Minimum Qualifications

To qualify as a proposer, the Respondent must be able to cite three or more public sector pension clients with similar scope as required by TMRS. At least two of those referenced clients must have a project which is complete, i.e., in the warranty period or later. A referenced client should also have at least 100 Employers, and a total membership of greater than 50,000.

The Respondent must include the project(s) it is using to satisfy the minimum requirements described above as part of its Technical Proposal. For each project listed, there should be a corresponding Respondent Client Reference Form included in in the response.

A.2.3.2 Project Manager Minimum Qualifications

The proposer’s intended Project Manager must be an employee (not a sub-contractor) of the proposer and have a minimum of three years of experience in project management within the past five years. That experience must include two years of work similar in scope as that outlined in Part B of this RFP with a public retirement system.

As part of the Technical Proposal, the Respondent must include not only an employee reference form, provided in Section E.1.1 of the RFP, but must also complete a project reference form for any project that is being used to meet the project manager's minimum requirements (i.e. a project where the proposed project manager served as project manager in the last five years.).

A.2.4 RFP ORGANIZATION

This RFP is organized as described below.

PART A – PROCUREMENT INFORMATION AND TERMS AND CONDITION

This part of the RFP contains general information about the project and the procurement information important to the Respondent.

PART B – TMRS BACKGROUND

This part of the RFP describes TMRS' current environment and thereby provides the background for the issuance of this procurement.

PART C – PROJECT SCOPE AND SPECIFICATION OF REQUESTED SERVICES

This part of the RFP defines in detail the scope of the project. It addresses the business requirements to be satisfied, the project's technical requirements (including standards to be observed, hardware and software to be provided, and interfaces to be accommodated), and other required services and deliverables, including project management services, data-related services, staffing, training, testing, disaster recovery planning, and warranty, maintenance, and support requirements. Optional requirements to be proposed are also identified.

PART D– MINIMUM TERMS AND CONDITIONS AND THE MASTER SERVICES AGREEMENT

This part of the RFP sets forth minimum terms of the services. This section, and **Attachment F4 – TMRS Master Services Agreement Terms and Conditions**, provides the form Master Services Agreement (MSA) between the selected Respondent and TMRS.

PART E– RESPONDENT PROPOSALS

This part of the RFP provides detailed instructions for the preparation and format of the technical and cost proposals, as the criteria TMRS will use in evaluating the proposals.

PART F– ATTACHMENTS

This part of the RFP includes Attachments that are part of the RFP to provide detail or reference information for Respondents. A complete listing of the RFP Attachments is contained in the Table of Contents. Some of the Attachments are also available to download from the TMRS website.

A.3 PROCUREMENT INFORMATION

The following sections provide general administrative information about the procurement.

A.3.1 PROCUREMENT SCHEDULE AND MILESTONES

The dates provided in Table 2 - Procurement Schedule below are approximate and for the period up to the project start date following contract award.

TMRS reserves the right to change the calendar of events or issue Addenda to the RFP at any time. TMRS also reserves the right to cancel, amend, or reissue the RFP at any time. Respondents should check the TMRS Website from time to time as any amendments or other RFP related materials will be posted there.

Table 2 - Procurement Schedule

Date	Activity
10/20/17	Due date for Pre Bid Questions
10/27/17	TMRS Response to Pre-Bid Questions
11/6/17	Deadline for receipt of proposals
11/28/17 – 11/30/17	Hold scripted product demonstrations / presentations
12/8/2017	TMRS selection presented to Board and contract executed
1/23/2018	Anticipated Project starting date

A.3.2 PROCUREMENT POINT OF CONTACT

From the issue date of this RFP until a successful Respondent is selected and the selection is announced, or until such time as TMRS determines that there is not a successful Respondent, Respondents are not allowed to communicate, for any reason, with TMRS staff or trustees regarding this **particular procurement**, except through the representative named herein. TMRS shall reserve the right to reject the proposal for violation of this provision.

The point of contact for questions to the RFP is addressed in Section A.3.5 below. And, the point of contact for all other matters relating to this RFP is Jesse Pittman, jpittman@tmrs.com.

A.3.3 PROPOSAL INSTRUCTIONS

Respondents are to submit a total of five (5) hard copy Proposals. Pages should be numbered sequentially with the name of the Firm printed on each page. Supplemental information (such as general Firm information), if any, should be restricted to appendices following the responses. Please do not submit Firm brochures in place of narrative responses in the format requested. Respondents are strongly encouraged to be as accurate and brief as possible in their responses. Proposals should be narrowly focused on competency, qualifications, and experience of Firm and service features, including, but not limited to, substantially similar services for similar clients.

The Officer's Certification and Representations in Appendix B, must be signed by an officer of the Respondent with authority to execute agreements for the Respondent. Each Proposal should be on standard white 8-1/2" x 11" paper in 12-point type, and should be as brief but responsive as possible. Following all formatting requirements is strongly recommended; however, as long as there

is substantial compliance in the judgment of TMRS, minor deviations will not disqualify the Respondent from consideration.

Required Materials

Proposals should be in the following two formats:

- Hard Copy - Submit five (5) hard copy Proposals. Label one “Original”. Submit these in separate loose-leaf binders on single-sided 8 ½” x 11” paper in 12- point font with tab indexes corresponding to appropriate sections.
- Electronic - Submit three (3) electronic Proposals, each in CD/DVD format in Microsoft Word, labeled as indicated below:
 - One containing all information, labeled “[TMRS [Firm Name] RFP – Complete”
 - One containing only information you consider confidential and proprietary, labeled “TMRS [Firm Name] RFP – Confidential Information”
 - One containing only information you consider not to be confidential and proprietary, labeled “TMRS [Firm Name] RFP – Publicly Available Information”

All Proposals must address all of the requirements of this RFP. TMRS is not responsible for receipt of any Proposal that is not labeled, packaged or delivered properly. All RFP materials shall include complete, properly executed, and detailed supporting documentation as required. Respondent shall mail or deliver its sealed Proposal to TMRS at the address set forth above so that it is received by TMRS by the submission deadline. Respondent agrees that it shall not discuss any aspect of its Proposal with any other Firm that may also be responding to this RFP.

Respondent’s proposals are to be delivered by electronic copy via the confirmed email to the attention of Jesse Pittman:

jpittman@tmrs.com

By submitting a proposal, the Respondent acknowledges that they have read this RFP, understands it, and agrees to be bound by its terms and requirements.

A.3.4 RFP AMENDMENTS

TMRS reserves the right to amend the RFP at any time. If, for any reason, TMRS and the selected vendor are unable to agree on and execute a written contract, TMRS shall not be required to negotiate with any other Respondents based on the proposals as submitted or scored and may instead, among other things, amend this RFP and require additional and/or amended submittals from the Respondents before selecting another vendor. Amendments will be posted to the TMRS website at the following address: www.TMRS.com. TMRS reserves the right to reject any and all bids and to waive any and all technicalities or formalities.

A.3.5 RESPONDENT QUESTIONS ABOUT RFP AND PROCUREMENT

All questions regarding this RFP and/or TMRS should be submitted via email. All questions must be submitted to: **TMRSPRO_Payroll-RFP@TMRS.COM**. Failure to observe this restriction may result in disqualification of a Respondent from consideration.

Questions are to be submitted as a Word document using the format specified in Table 3 - Format for Submission of Respondent Questions below.

Table 3 - Format for Submission of Respondent Questions

No.	RFP Section	RFP Page	Respondent Question	TMRS Response
Q1				
Q2				
Q3				

Email is the required method of communication. All written questions must include the name of the firm and the person submitting the questions. A compilation of all questions and answers, along with any RFP addenda, is *anticipated* to be posted to the TMRS website in accordance with **Table 2 – Procurement Schedule**.

A.3.6 PRESENTATIONS, PRODUCT DEMONSTRATIONS, AND VENDOR DISCOVERY

At TMRS’s discretion, after the initial review of the proposals, some or all Respondents may also be required to provide presentations and/or product demonstrations at TMRS’ offices. In **Attachment F.6 – Example Product Demonstration Agenda**, Respondents are provided with an example scripted product demonstration scenarios on which to base their product demonstrations in order to assure an objective comparison among Respondents’ proposed solutions. TMRS’ expects the vendor demos will be completed on site at TMRS within three hours. In addition to seeing a demo of the Respondent’s solution, TMRS will provide an overview of their existing solution, their current CityPortal, along with an overview of the technical architecture. Since a large component of this project will involve integrating with TMRS existing systems TMRS feels that it is important to give each vendor an opportunity to ask questions in this setting that may be unique to their own capabilities and architecture of their own solution.

TMRS requires that the proposed Project Manager and other key assigned project staff conduct the demonstration. TMRS’ objective is to discern the Respondent’s intended project staffs’ familiarity with the solution and their ability to explain, communicate, converse, and interact with TMRS staff. While respecting the role of sales and marketing staff in the sales process, TMRS expects to interact with key project members during the presentation and demonstration process.

In addition, at TMRS discretion, TMRS may conduct visits to Respondent’s existing customer sites where the proposed solution is being implemented or is in production.

A.3.7 REQUESTS FOR CLARIFICATION

Upon review of proposals submitted by Respondents, TMRS may, at its discretion, submit to Respondents written questions and requests for clarification relating to technical and/or cost proposals. Respondents will be provided a reasonable period of time in which to submit written responses to TMRS’ questions and requests for clarification. Such question-and-answer exchanges may be repeated until TMRS is satisfied that all information necessary to enable a complete evaluation of proposals has been obtained.

All such written exchanges between TMRS and the successful Respondent will be incorporated by reference into the contract to be executed by the two parties.

A.3.8 PROPOSAL WITHDRAWAL

A proposal may be withdrawn any time by submitting written notification, received no later than the deadline and signed by an authorized agent of the Firm. The withdrawn proposal may be resubmitted with any modifications, but not after the response deadline. Modifications offered in any other manner will not be considered.

A.3.9 BEST AND FINAL OFFERS

At TMRS' discretion, Best and Final Offers (BAFO) may be solicited from Respondents after the initial review of proposals and product demonstrations and site visits (if demonstrations and site visits are conducted).

BAFOs may include but are not limited to cost, scope changes, product demonstration clarifications, staffing changes, changes to approach – both those solicited by TMRS and those offered by proposer.

TMRS also reserves the right not to solicit BAFOs so encourages Respondents to offer the best terms and pricing in the initial proposal.

A.3.10 COST FOR PREPARING PROPOSALS

The costs for preparation and delivery of the proposal, as well as any other costs incurred in the pursuit of contract award (e.g., preparation and presentation of product demonstrations), are the sole responsibility of the Respondent. TMRS will not provide reimbursement or otherwise be held responsible for such costs.

A.3.11 FACILITIES AND HUMAN RESOURCES TO BE PROVIDED BY TMRS DURING IMPLEMENTATION

TMRS has a large conference room, and additional conference rooms where project staff can work and hold meetings when onsite and where access to audio/visual equipment is available. Access to TMRS' current processing environment and copying facilities will be provided along with workspace for up to four Respondent staff members. Respondents must provide laptops and cell phones for their project staff. TMRS will provide appropriate connectivity to its network as well as a wireless Internet connection. The Respondent must abide by TMRS' security and other system use policies when connected to the TMRS network. All Respondent's equipment must be updated regularly with security patches and must include an up-to-date anti-virus software subscription.

The TMRS Project Manager Jesse Pittman will serve as the Project Manager and will be responsible for the day to day project activities along with providing other subject matter expertise support. The following should be considered by the Respondent for human resource planning:

- In total, TMRS estimates that up to 2 FTE's can be available for subject matter expertise and 1 FTE for technical and project management support over the course of the project.

A.3.12 CLARIFICATION OF TERMINOLOGY

All references in this RFP to features, functions, or deliverables that “should”, “must”, “will”, “has ability to”, etc. be provided by the Respondent are to be construed as mandatory. Similarly, all references in this RFP to information that “should”, “must”, “will”, “has ability to”, etc. be provided in the Respondent's proposal are to be construed as mandatory.

In reviewing Respondents' technical proposals, TMRS will assume that all features and functionality described therein will be delivered for the quoted not-to-exceed cost presented in the Respondents' cost proposals. Statements such as “... [Functionality n] can be provided ...” or “... [Functionality n]

may be provided ...” or other similar sentence constructions will be interpreted to mean that functionality will be provided at no additional cost. If Respondents wish to discuss functionality that is feasible but not included in their cost bid, they must explicitly state as much in every applicable case.

References to days are to calendar days unless otherwise explicitly stated.

Reference is made throughout the RFP to project phases. The phases we require are based on best practices in project management, particularly as defined in the Project Management Institute’s Project Management Book of Knowledge (PMI’s PMBOK). In addition, we use the term “sub-phase” or “functional roll-out” to refer to the major functional rollouts (e.g., core pension, new functionality) that encompass the new pension solution implementation phase.

Despite the references throughout this RFP to the award of a contract and/or the selection of a vendor for this project, TMRS reserves to itself the right to reject all proposals and to make no award whatsoever.

The Terms “User(s)” refers to users of the current and proposed systems. These may be internal TMRS staff users, or external users such as Employer staff users.

The Term “Employers” and “Cities” refers to the TMRS customer base of cities using the current legacy TMRS systems as well as the future systems provided by the selected vendor of this RFP.

The Terms “Vendor”, “Respondent” and “Contractor” and “Bidder” refer to the firms who bid and may ultimately be awarded the scope of services and responsibilities described throughout this RFP.

PART B TMRS BACKGROUND

B.1 OVERVIEW OF ORGANIZATION AND FUNCTIONS

B.1.1 ORGANIZATION AND STAFF

As part of this project TMRS staff and contractors will be leveraged across the organization to provide resources and subject matter expertise to the project. The TMRS organizational structure is described here:

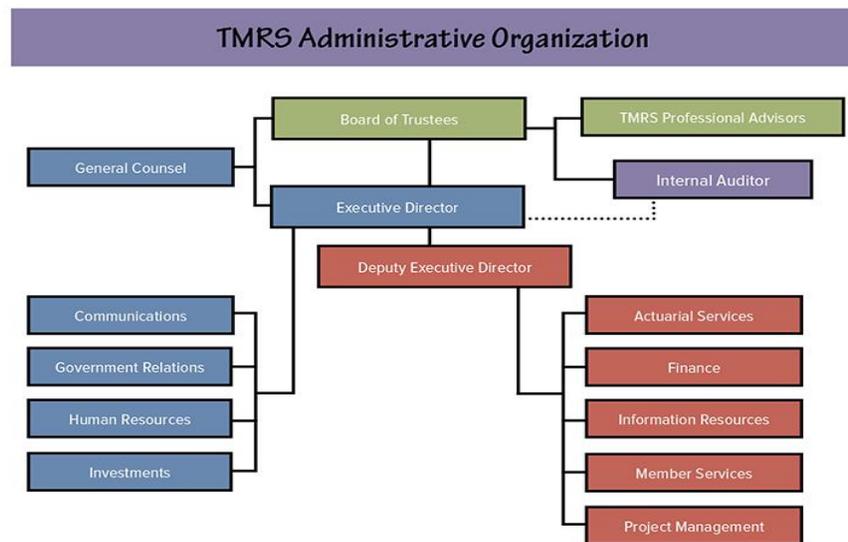
ORGANIZATIONAL DEPARTMENTS

The TMRS Board of Trustees selects an Executive Director to plan and direct all activities of the System and to carry out the policies of the Board in an efficient and responsive manner.

The Deputy Executive Director coordinates the System’s administrative and operational departments to ensure strategic plan and policy implementation and membership satisfaction. The Deputy Executive Director serves as the System’s Chief Operating Officer and directs the operations of the Member Services, Information Resources, Finance, Actuarial Services and Project Management Departments.

The organization is divided into various departments, as noted in the organization chart below:

Figure 1 - Organizational Chart



COMMUNICATIONS

This department, led by the Director of Communications, ensures the delivery of efficient and effective communication and education strategies. This TMRS department includes an editor, communications specialist and the travel team representatives. This team of individuals manages communications across all media, provides educational services to members, cities and retirees, ensures the System’s message is consistent, researches news and issues, and promotes internal communications.

FINANCE

The Finance Department (also referenced as the Accounting Department) is led by the Director of Finance, who is responsible for internal and external financial reporting, as well as managing the investment accounting function, which includes daily communication with and support to the TMRS Investment Department. The Finance Department prepares and presents budgets, forecasts revenues and expenditures, presents strategic plans, researches current pension and financial accounting issues, coordinates activities with internal departments and outside agencies and officials, and provides financial reports, prepared in accordance with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB), to TMRS management and the Board. Finance personnel also participate in special projects, work with outside actuaries, and assist cities and outside parties with information.

INFORMATION RESOURCES

TMRS has an extensive Information Resources (IR) Department, led by a Director, and assisted by a Records Supervisor, an Information Systems Manager and a Network Operations Manager. This department supports all other TMRS departments and is tasked with the implementation of technology and records management initiatives, maintenance of current applications, as well as database administration. TMRS' IR Department develops, coordinates and oversees the strategic long-term planning of the department and the organization regarding information technology matters, and provides customer support to internal users, members, member cities and annuitants. This department also coordinates the System's records management function and the disaster recovery and business continuity operations.

INTERNAL AUDIT

TMRS' Internal Auditor reports directly to the Audit Committee of the Board and administratively to the TMRS Executive Director, implementing the internal audit function for the System, including planning and conducting internal fiscal, operations and other audits of TMRS.

LEGAL / GENERAL COUNSEL

The TMRS General Counsel (GC) serves as legal advisor to the System, including the Board of Trustees and all departments of the System and reports to the Board of Trustees and the Executive Director. The General Counsel is responsible for coordinating all legal services for the System, including the selection, supervision, retention and evaluation of outside law firms. The GC also has a legal assistant and four additional attorneys on staff to review, draft and negotiate contracts, draft legal opinions, provide legal advice, monitor legislation and legal issues, draft bills and administrative rules, draft or review communications, participate in strategic planning activities, and represent TMRS in legal or administrative proceedings.

MEMBER SERVICES

The largest TMRS department is directed and managed by the Member Services Director and three Member Services managers, tasked with processing member and retiree benefits and administering city plan provisions. The team also processes current Employer files and paper reports. This team of analysts provides account management and benefits counseling to participating cities, members, retirees, annuitants, beneficiaries and officials; creates and maintains member/retiree accounts; answers incoming calls; composes correspondence; and processes payments.

B.1.2 KEY PLAN PROVISIONS

Each participating TMRS city has its own retirement benefit structure within the general framework of the TMRS Act. Provisions may vary from city to city, depending upon the options selected by each city. The governing ordinance can be found online at: https://tmrs.org/public_information.php

B.1.3 KEY PROCESSING STATISTICS

General statistics about the current pension administration system are included in Table 4 - TMRS Pension Administration Statistics below:

Table 4 - TMRS Pension Administration Statistics

ITEM	QUANTITY
Number of active members	108,735
Number of inactive members	34,925
Number of annuitants (retirees and beneficiaries) receiving monthly payments (as of 12/31/2016)	59,611
Number of contributing employers (as of 09/08/2017)	870
Net assets (as of 12/31/16)	\$25.8 billion
Number of full-time, TMRS employees	109
Annual Number of Retirements (CY 2016)	3446
Annual Number of Refunds (CY 2016)	6975

B.1.4 CURRENT BUSINESS PROCESSES – EMPLOYER REPORTING PROCESS

TMRS Employers, which are all municipalities and may or may not include public safety members, submit data fields, per member on a monthly basis, including:

Required fields:

- City Name
- Name
- SSN
- Wages
- Contributions

Additional City Information:

- City Number
- Report for the month/year

Cities submit payroll reports electronically as an FTP file delivered via a secured connection through a TMRS employer portal or in paper form by mail. The required contributions are sent via ACH payment or by paper check. The employer signs and certifies the payroll data using a TMRS-3 form that is then faxed or uploaded to TMRS.

TMRS has accommodated employers by supporting multiple file formats and layouts (due to the low volume of fields present in the filing). In the case of data provided on paper, TMRS Member Services staff manually enters the data. (Note: There are cities that submit separate payrolls, by department or some similar division, rather than submitting one complete payroll. Furthermore, one city submits a payroll with multiple employee contribution rates).

Receipt of the payment initiates the processing of the payroll report by TMRS staff. The actual contribution received is entered in the NextGen database by the Accounting Department, which creates an electronic summary, allocating the cash receipt to the appropriate city. The Accounting Department forwards the payroll reports to Member Services.

Member Services then imports the electronically uploaded employee detail report or manually enters the information from paper reports. The Member Services department performs a pre-post audit and manually makes corrections (e.g. regular, adjustments, or supplemental payrolls) to the data in Oracle Forms, where applicable, to ensure the contributions reconcile with the wages, and to the actual payment that is submitted. If there are discrepancies these are reported back to the reporting city, to provide supporting documentation before posting. Posting the payroll report disperses all deposits to the individual employee accounts and the appropriate general ledger accounts. This information is then integrated into Great Plains (TMRS' general ledger database).

B.2 CURRENT TECHNICAL ENVIRONMENT

TMRS currently utilizes a custom built pension administration system (referred to as NextGen) which is managed and supported in-house. All servers and databases are also maintained onsite at the TMRS office. NextGen is the primary administrative solution which houses all member's employment and work history, as well as benefit calculations and payments. There is currently an outward facing employer portal (called CityPortal) that provides cities with access to their employee's work history, as well as the ability for them to enroll a new member through an online wizard and form. This portal does not include the ability to enter wage and contribution data or upload and validate the data.

B.2.1 DESCRIPTION OF COMPUTING ENVIRONMENT

TMRS' data center is located in its headquarters in Austin, Texas. It provides telecommunications, server, and desktop resources for all of TMRS' operations. The data center server environment employs Dell PowerEdge servers, an HPE Nimble Storage SAN (Storage Area Network), and HP ProCurve switches to support its virtual servers and desktops. TMRS' servers, personal computers, and laptops run Microsoft Windows. All servers and user desktops are virtual running on VMware vSphere. Microsoft Active Directory is used for internal user authentication and management.

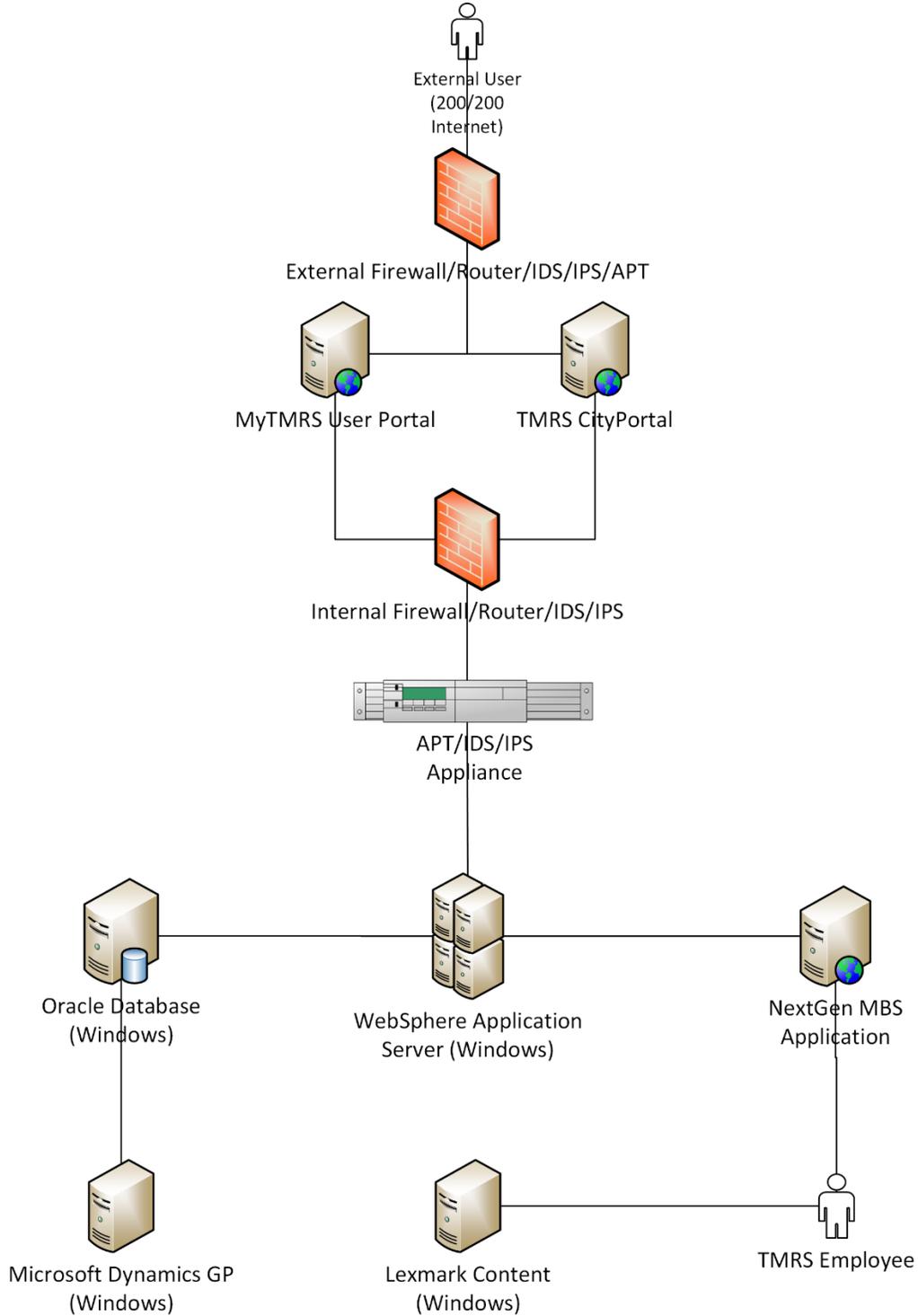
TMRS' expectation for the new solution is to leverage the current infrastructure and VMware environment, and hardware for this purchase will be established based on the successful bidder's specifications.

B.2.2 TMRS ENVIRONMENT DIAGRAM

The TMRS environment is summarized in Figure 2 - TMRS Relevant Technical Environment on the following page.

Figure 2 - TMRS Relevant Technical Environment

TMRS System Diagram



B.2.3 DISASTER RECOVERY

TMRS employs disaster recovery as a service (DRaaS) to backup and replicate its IT infrastructure. TMRS’ pension administration system, member portal, and employer portal are all supported through DRaaS. Replicated servers can be configured and in use within four hours. Recovery Point (RPO) and Recovery Time Objectives (RTO) for these applications are as follows:

Table 5 - TMRS Recovery Time Objectives

Application	Recovery Point Objective	Recovery Time Objective
Pension Administration System	24 hours	4 hours
Member Portal	24 hours	4 hours
Employer Portal	48 hours	4 hours

TMRS employs an online backup service provider to encrypt and backup its data. Backups are completed each weekday. Database transaction logs are backed up hourly during business hours, seven days a week. Data is compressed and encrypted to a local backup appliance. A copy of the encrypted backup is also securely transmitted to the offsite service provider immediately after completion. The success or failure of a backup is reported by the backup application via email to Network Operations Personnel and reviewed daily. Any errors or failures are investigated and resolved.

B.3 CURRENT APPLICATIONS RELATED TO EMPLOYER REPORTING

Major applications supporting the current retirement administration operations of TMRS are presented in the Table 6 - TMRS Current Major Applications below.

Table 6 - TMRS Current Major Applications

APPLICATION	FRAMEWORK/DATABASE	PURPOSE
NextGen	WebSphere Application Server (Java6-migrating to Java8 by year end) and Oracle version 12c (R1)	Pension Administration System (PAS)
Perceptive ImageNow (Lexmark)	Microsoft SQL Server 2012	Enterprise Content Management System and workflow
Microsoft Dynamics GP 2015 R2	Microsoft SQL Server 2012	Financial Management System (FMS)/General Ledger
Microsoft Office 365/Exchange 2016	Cloud Provider	Enterprise Mail Server
City Payroll (internally developed application)	Oracle Forms v6 / Oracle DB 12c (R1)	Data entry/upload and validation of monthly wage and contribution from all cities. (internal use only)
MyTMRS® (TMRSDirect®)	WebSphere Application Server (Java6-migrating to Java8 by April 2018) and Oracle version 12c (R1)	<p>Provides members secure access to:</p> <p>Account and Service Balances</p> <ul style="list-style-type: none"> • Vesting and Retirement Eligibility status and forecasts • Customized Pension Estimates • Beneficiary Updates • Deposits, Interest and Payment History • Withholding Elections • Contact Information Updates <p>Currently being expanded to include</p> <ul style="list-style-type: none"> • Direct Deposit Updates • Withdrawal (Refund) Applications

APPLICATION	FRAMEWORK/DATABASE	PURPOSE
CityPortal (TMRSDirect®)	WebSphere Application Server (Java6-migrating to Java8 by April 2018) and Oracle version 12c (R1)	Provides employers secure access to document upload, financial reports, new member enrollments, and other features.

B.3.1.1 Pension Administration System

NextGen MBS is a fully hosted custom-built pension administration solution, written in Java, served by IBM WebSphere Application Server V9, running on Microsoft Windows Server 2016, with an Oracle 12c database administration system. This solution is used by TMRS staff to manage, track, and administer member benefits. User authentication and authorization is managed in Active Directory.

NextGen MBS supports four main functions:

- Creation and maintenance of city retirement plan options and required contribution rates;
- Creation and maintenance of member and annuitant data;
- Creation and maintenance of payment processing (refunds, annuities, partial lump sum distributions, and supplemental death benefits);
- Application of annual interest, updated service credit, and cost of living adjustments.

Inbound feeds into NextGen MBS include member contributions data from employers (via text files manually imported into the Oracle Forms from files posted to a secure FTP site), and check clearing information received from bank.

Principal outbound feeds include user and operator generated reports, electronic journal entries to Microsoft Dynamics GP (including payments issued, city payroll contributions, interest applied, retirement transfers, and all other electronic journal entries), check data manually uploaded to ADP's check printing service, documents/images (such as pension estimates, retirement calculations, eligibility letters, and vesting letters) into Perceptive Content, and positive pay check information manually loaded into JPMorgan-Chase's Positive Pay System.

B.3.1.2 Employer Portal (CityPortal)

The TMRS CityPortal is a fully hosted custom-built application, written in Java, served by IBM WebSphere Application Server V9, running on Microsoft Windows Server 2006, and sharing an Oracle 12c database administration system with NextGen MBS. User authentication and authorization functions are managed by a custom solution implemented within the application. Each employer is required to have one designated CityPortal Administrator that is responsible for administering user permissions.

A high-level site map and list of current functionality is as follows:

- Home Page
 - View listing of City Portal users for your city.
 - View Regional Managers for your city.
 - View recent activity of all users on the CityPortal (audit feature).
- Member Center
 - Query member by Tax Identification Number to view the following:

Name	Birth Date	Vesting Status/Forecast
Address	Death Date	Retirement Eligibility/Forecast
Phone	Participation Date	Service Credit Balances
Gender	Termination Date	Account Balance
Fire/Police	Last Deposit Date	Deposit History
Account Status		

- Generate pension estimates for a member specifying desired retirement date.
 - View previous pension estimates generated in the past 60 days.
 - File Upload
 - Upload PDF or TIF documents to be routed to Member or City Services Departments for processing.
 - Enrollment
 - Enroll new members in the pension plan. This is a straight through process.
 - Reports
 - Retirement eligibility status or forecasted eligibility date for current employees (CSV or PDF).
 - Vesting status or forecasted vesting date for current employees (CSV or PDF).
 - Service credit summary for each current employee (CSV or PDF).
 - Service credit summary for each retired employee (CSV or PDF).
 - Annuitant address listing (CSV or PDF).
 - Vested members needing to update beneficiary declaration (CSV or PDF).
 - Valuation census data (XLS).
 - SOC-1 Type 2 Report (PDF).
 - Employee Contribution File Upload
 - Upload fixed format, txt or XLS file of employee contributions for a given month.
 - User Management
 - Each city has a privileged user (Administrator) that can grant access to functions within the system to certified TMRS contacts defined in the Pension Administration System.
 - Planned Future Functionality
- TMRS has designed a number of processes and functions that are in process on the CityPortal but are not currently in production use. These items are listed below:
- Certification Workflows
 - Provide a method for employers to be notified when a certification is requested/needed for a member event.

- Provide a method for cities to certify a member's future or past termination of employment when a retirement or refund application is submitted.
- Provide a method for cities to certify a member's Public Safety Officer designation.
- Employer Contact Management
 - Provide an interface for designated city employees to manage authorized contacts within their city.
 - Manage contact information (name, physical address, mailing address, emails, and phone numbers).
 - Specify the types of authorizations that a contact has (signing authority, request information, provide information etc.).
 - Specify the permissions the contact will have in online services.

B.3.1.3 Member Portal

MyTMRS® is a fully hosted custom-built application, written in Java, served by IBM WebSphere Application Server V9, running on Microsoft Windows Server 2016, and sharing an Oracle 12c database administration system with NextGen MBS. User authentication is managed by a custom solution implemented within the application. Users are able to self-register their accounts to gain access through the portal.

MyTMRS provides TMRS members and retirees the ability to:

- View their account balance, beneficiary and contact information;
- View contribution, interest, special purchase, and payment history;
- Check their refund application status;
- Update their designated beneficiary;
- Change their address, phone number, and email addresses;
- Update tax withholding elections;
- Run retirement pension estimates;
- Update communication preferences for newsletters;
- View annual statements and tax documents.

In late 2017, members will also be able to update their direct deposit routing information. Future releases will provide the ability for a member to apply for a refund of accumulated contributions or apply for a retirement benefit.

B.3.1.4 Accounting System

Microsoft Dynamics GP is the primary accounting system used to manage account payables and receivables, track member and employer contributions and disbursements at the employer level, and print vendor A/P checks. Dynamics GP 2015 is hosted internally on Windows Server 2012 R2 with a Microsoft SQL Server database.

The modules currently in use include:

- General Ledger – tracks all types of GL entries and reporting periods.

- Payables Management – manages purchases made on account, tracks vendors, manages vouchers, processes payments, and analyzes vendor performance.
- Bank Reconciliation – integrates all cash and check transactions, tracking bank account balances and automating the monthly process of reconciling these accounts.
- Fixed Asset Management – used to record, track, depreciate, and analyze TMRS' fixed assets.

B.3.1.5 Document Management System

TMRS utilizes Perceptive Content 7 as its enterprise content management (ECM) and business process management (BPM) solution. This repository and workflow solution is used to manage scanned and electronically generated images of city ordinance, city communications, member forms and correspondence, annual statements and tax documents, city payroll reports, and accounts payable documents. There are multiple routes by which data and images are routed into Lexmark Content, including:

- High volume scanning. This process involves a variety of TMRS forms that are part of established workflow processes. These items are received in each morning's mail and are scanned and indexed upon receipt. They are then forwarded to Member Services for processing. Key workflows currently include: new member set-up, beneficiary changes, address changes, withholding changes, direct deposit changes, restricted service credit processing, fax documents received, and refund applications.
- Backlog scanning. This process involves a variety of records that are not associated with established workflows, including city payroll reports, retirement applications, and death benefit applications. Such records are forwarded directly to Member Services for handling and are then scanned.
- Application feeds - Interfaces have been created from NextGen MBS, CityPortal and MyTMRS to support the direct storage of data and images into Perceptive Content without user intervention. For example, when a user creates a retirement estimate from one of the pension applications, a PDF rendering of the estimate is automatically archived into the Perceptive Content repository. Tax Documents and Annual Statements and other bulk communications are also imported directly into Perceptive Content.

Microsoft Word feeds - When viewing documents that are associated with an established workflow, NextGen MBS users may create a new Word document to be imported into the Perceptive Content repository via a macro which places it in a specified directory for capture by Perceptive Content.

PART C PROJECT SCOPE

C.1 NATURE OF DESIRED SOLUTION

In summary, TMRS is looking to replace their current Oracle Forms solution with a browser-based solution that enables Employers (Cities) to enter their reporting data for each member electronically, or upload a file representing the data. The proposed solution must deliver an employer reporting portal meeting the requirements set forth in this RFP, and position TMRS to easily expand capabilities in the future.

This portal will provide real-time feedback on the data provided and require the reporting City to remedy any errors prior to posting the monthly report. The solution will also provide a payment portal, where each City can pay their remittances due via ACH which is transmitted to the bank, or if via check print a voucher. In the sections below there are additional requirements that must be represented in the desired solution. Additionally, the list of functional requirements has been provided in **Attachment F1 – Requirements Matrix** of this RFP.

Additional objectives to be served by this procurement include:

- Improved service levels and convenience for Employers.
- Improved, centralized management of information.
- Increased work efficiency, integrating checklists and steps that are now manual.
- Web-based, self-service functions to Employers.
- Improved accuracy of all information collected, maintained, and provided by TMRS.
- Improved timeliness and accuracy of responses.
- Improved system audit and control capabilities.
- Ad-hoc and custom reporting capabilities.
- Inclusion of any proven new technologies that can provide cost-effective benefits to TMRS, Employers, and its membership.
- A secure environment for the receipt and transmittal of information related to members and the Employers.

TMRS understands there are software modules in the market place which are used to perform these processes, and desires to accomplish these goals with as much standard “off-the-shelf” technology and software as possible to optimize both efficiencies and effectiveness in its retirement services delivery offerings. Respondents are encouraged to present solutions that embrace enabling technologies. The solution proposed to TMRS should reflect the capabilities available to the most technologically enabled public retirement systems. TMRS desires proposals for modern solutions, i.e., open solutions, modern database management capabilities, and user-friendly interfaces. However, TMRS does not wish to be a test or “beta” test site for such technologies and solutions.

C.2 REQUIRED DELIVERABLES AND DEADLINES

Respondents must provide a detailed listing of deliverables that will be produced by the Respondent for the project with estimated completion dates. This section consists of a list of the minimum set of high-level deliverables required for the project. Table 7 - Delivery Due Dates for Project Management Deliverables below lists those deliverables with predicated delivery dates on the contract start date or start of a phase or work unit. These deliverables, as well as all the others listed in this section, must appear in the Respondent’s Detailed Project Work Plan. Some (e.g., 11 – Completion of Roll-Out Plan) may appear multiple times since they are Implementation Phase-related.

Table 7 - Delivery Due Dates for Project Management Deliverables

Nbr	Deliverable	Days Post Contract Start	Days Prior to Start of Phase or Work Unit
1	Detailed Project Work Plan, Resource Contact list and Schedule (Microsoft Project)	2 weeks	
2	Risk Management Deliverable	30 days	
3	Statements of Work		2 weeks
4	Updated Requirements Traceability Matrix (RTM)	2 weeks	
5	Detailed System Design Specification	90 days	
6	Data Integration and Migration Plans		90
7	Testing Strategy and Problem Incident Reporting Methodology		30
8	Change Control Plan	60	
9	Weekly Project Status Report	2 weeks	

The following section further identifies the minimum set of high-level deliverables required of the project. The list includes deliverables identified above (i.e., those with dates predicated on project start date or task or work unit start date) as well as other deliverables that will be due based on a schedule dictated by the project plan developed by the Respondent:

1. DETAILED PROJECT WORK PLAN

The Respondent must provide a complete, realistic, and detailed plan of all activities required to meet the project requirements including: system design; development (to meet custom requirements); training testing; conversion; and post-installation warranty. Respondents should take into consideration the limited staff size of TMRS as well as the advantages of a co-located team. In addition, TMRS understands there will be a balance for working remotely at times and sees this as a viable tactic for managing costs. Building on the initial plan provided with the proposal and updated with the signing of the contract, the plan must include all project deliverables, all detailed tasks with start dates, completion dates, hours to complete, dependencies, Respondent and TMRS resources assigned and project milestones. The Project Work Plan must reflect the phasing of the project as described in Section C.5.1.7. This plan must be established and maintained by the Respondent throughout the life of the project. It will be reviewed at bi-weekly meetings between TMRS and the Respondent. The detailed plan must be presented to TMRS within the time period indicated in Table

7 - Delivery Due Dates for Project Management Deliverables; to be updated whenever any changes are made to the plan, but no less frequently than every ten business days.

2. RISK MANAGEMENT DELIVERABLE

The Vendor must deliver a detailed Risk Management Report outlining the key risks and mitigation actions for the project. Furthermore, the Vendor will actively participate in the ongoing monthly Risk Management processes throughout the project for reporting and managing risks.

3. STATEMENTS OF WORK (SOWs)

All work to be done under the contract to be awarded will be covered by written Statements of Work (SOW) authorized by TMRS, which define reasonably sized components of work. Refer to Section C.5.2.3 for additional requirements relating to SOWs. As indicated in Table 7 - Delivery Due Dates for Project Management Deliverables, a SOW must be submitted prior to the start of the tasks or activities identified in the SOW. The Respondent acknowledges and agrees that in no way shall SOWs diminish responses to the requirements as articulated in the RFP submission. The first Statement of Work should be provided at the time of contract signing.

4. UPDATED REQUIREMENTS TRACEABILITY MATRIX (RTM)

TMRS will develop and provide to the Respondent the Requirements Traceability Matrix within the time period indicated in the table above. The Respondent must then update and return it to TMRS within the time period indicated in Table 7 - Delivery Due Dates for Project Management Deliverables. Refer to **Attachment F1 – Requirements Matrix** and other requirements described in this RFP as the basis for the Requirements Traceability Matrix for additional information.

5. COMPLETION OF DETAILED SYSTEM DESIGN SPECIFICATIONS

The Detailed System Design Specifications must include all components of the system. It should include use cases, use case models, site map(s), interface design models, process flowcharts where appropriate, and supplementary specification documents. The method of implementing security in each application element must also be defined in this specification. The Respondent must conduct walkthroughs of the Detailed System Design with appropriate members of TMRS' project team and provide demonstrations to enhance TMRS' understanding and to facilitate review and approval by TMRS.

6. COMPLETION OF DATA INTEGRATION AND MIGRATION PLAN(S)

A Data Integration and Migration Plan must be provided for the project as discussed in the project scope. The plan will include a detailed description of the integration and migration process, and a description of the quality assurance process to assure that all records have been accounted for correctly and fully when integrated between the vendor's solution and NextGen and other applicable applications.

7. TESTING STRATEGY AND PROBLEM INCIDENT (DEFECT) REPORTING METHODOLOGY

Thirty days prior to the beginning of any Respondent testing, the Respondent must deliver a detailed strategy document outlining the phases of testing and the responsibilities of each party. The Strategy should include the defect or Problem Incident Reporting Methodology for use throughout the project in reporting production problems as well as problems identified during testing activities.

8. COMPLETION OF CHANGE CONTROL METHODOLOGY AND PLAN

Within the time period indicated in Table 7 - Delivery Due Dates for Project Management Deliverables, the Respondent must deliver a detailed Change Control Methodology and Plan for use throughout the project. See Section C.5.1.5 for details.

9. COMPLETION OF TEST PLANS/SCRIPTS

The Respondent will be responsible for the development of all test plans for the entire system to be implemented at TMRS as described in this RFP, not just for the customizations implemented specifically for TMRS. This includes all unit tests, system tests, and User Acceptance Tests (UAT). The Respondent will design and develop test scenarios, test variants, test cases, test data, and expected test results for each phase of the rollout. Test plans and related activities will be repeated for all phases.

10. COMPLETION OF ROLLOUT PLAN(S)

A detailed rollout plan for each functional cutover phase must be provided for review and approval by TMRS 30 days prior to each rollout. The plan must detail tasks, responsibility, duration, deliverables, and “ownership” among all project stakeholders (i.e., TMRS, the Respondent, and all involved third parties). The plan must detail week-by-week, day-by-day, and in some cases hour-by-hour activities.

11. COMPLETION OF TRAINING PLAN AND DOCUMENTATION

A detailed training plan must be delivered, specifying who will be trained, what subjects will be covered, and a schedule for all training sessions. In addition, training materials must be developed and delivered to TMRS for review prior to the start of actual training activities. This deliverable must include, not only training in the use of screens and windows, pull-down menus, radio buttons, data entry, and the like, but also training in all of the functions, processes, and sub-processes that users will use need to accomplish their role-specific work duties. Training must address TMRS users as well as Employers; in addition, within TMRS.

12. SYSTEM READY FOR ACCEPTANCE TESTING

Modifications to the Employer Reporting Module or Base Application software to satisfy the specific functional requirements of TMRS must be implemented and tested by the Vendor prior to release to TMRS for testing. For the system to be ready the UAT Entrance Criteria, defined in C.5.7.1 must be met and confirmed by the Respondent and TMRS Project Managers.

13. COMPLETION OF TRAINING

The Respondent must provide phased training for users as described in Section C.5.6.

14. SYSTEM READY FOR PRODUCTION (PER PHASE)

After successful completion of the UAT and meeting all cutover criteria as described in Section C.5.7.3, the system will be turned over to the users for production use.

15. COMPLETION OF THE CONVERSION PROCESS

Completion and verification of the conversion of the appropriate retirement system data in accordance with the Data Conversion Plan referenced in #6 above. This process is documented as complete when the delivery of all conversion reconciliation reports have been reviewed and accepted by TMRS.

16. WEEKLY STATUS REPORTS AND MEETINGS

The Respondent must deliver weekly written project status reports and facilitate weekly status meetings throughout the life of the project. The reporting requirements are detailed in C.5.2.4.

17. SOFTWARE LICENSE

The Respondent will be required to deliver to TMRS a license for the use of the proposed solution including the application software and all requisite third party software necessary to use and maintain the application.

18. WARRANTY

The Respondent must provide a warranty for the application. TMRS requests a minimum warranty effective from the time of the first rollout through **6 months** after final acceptance by TMRS of the last rollout as described in Section C.6.1.

Depending on the options and phasing selected and authorized by TMRS, additional warranty coverage may be required.

Respondents are encouraged to identify additional project deliverables, as applicable to the requirements, beyond the minimum set identified above.

Respondents are advised that the project deliverables discussed above are **not** related to individual payment points, however 1 or more may map to a single payment point. Deliverables – termed herein “contractual deliverables” – that, upon their written acceptance by TMRS, will trigger payments that have been established by TMRS.

C.3 FUNCTIONAL REQUIREMENTS

As noted throughout the RFP, there are many detailed business function capabilities and business rules for which the proposed solution must deliver. And, **Attachment F3 – Example To-Be Business Process** describes a representative process flow for the future environment. TMRS has labeled this an example because TMRS understands that to some extent the future business process will be based ultimately on the solution the Vendor will provide.

In **Attachment F1 – Requirement Matrix**, TMRS has provided a Requirements Matrix that details the requirements that the solution must provide. TMRS believes that the table-oriented approach for presentation of functional requirements is an appropriate method for succinct description of the requirements and for the Respondent's response. However, the approach does not provide TMRS with a "feel" for how the functionality is provided. Therefore, the Respondent must (in addition to completing the matrix in **Attachment F1 – Requirement Matrix**) provide a narrative description of the functionality provided. The categories of functional requirements in the matrix are defined in the sub-sections below.

C.3.1 EMPLOYER REPORTING PROCESSING

The majority of requirements in **Attachment F1 – Requirement Matrix** fall under the Employer Reporting category. A portion of the requirements address the need to collect additional data from the Employers. TMRS has already built a preliminary list of data and validations that should be collected in the new solution. These data elements are addressed in **Attachment F2 – Example Employer Report File Layout** of this RFP. This is labeled as an example, but TMRS has vetted these fields and expects that this new layout will meet the future needs of TMRS. As the file demonstrates, TMRS does not need to obtain the same extensive level of data that some retirement systems require because of the nature of the cash balance plans that it administers. TMRS expects the Respondent will evaluate the contents of the file layout and propose changes that will make the reporting process more efficient and effective where needed. TMRS also expects the Respondent to hold design sessions that consider future capabilities with TMRS to finalize this file layout where needed.

C.3.2 ENROLLMENT (TMRS NEW MEMBER SETUP)

Employers submit new employees/members regularly. The current CityPortal has a form based entry wizard, but provides no bulk upload capabilities. An end-user should also have the ability to either create a new member through manual data entry with a security process to ensure checks and balances or to upload a file in bulk. Furthermore, if a non-existing member is recognized on a payroll file the Enrollment process should be triggered.

C.3.3 SUPPORTING FUNCTIONALITY

The specific business functional requirements in this section are general in nature, being applicable across more than one of the business areas for which business requirements are defined in the previous section. The requirements for the supporting functionality are divided into categories corresponding to the RFP sub-sections which follow. They are:

- Audit and Security
- Correspondence, Forms, and General System Requirements
- Reporting and Management Reports

The detailed requirements for each of the sections below are included in the requirements matrix, **Attachment F1 – Requirement Matrix** along with the other functional requirements as described in Section C.3. The instructions for completing the matrix are also discussed in Section C.3.

C.3.3.1 Audit and Security

Administering security, maintaining an audit trail, and reporting on both are an important factor in proposed solutions. The related requirements are categorized as “Audit and Security” in the requirements matrix. This group of requirements addresses the underlying audit (e.g. tracking of data updates, implementing a segregation of duties, flagging and identifying audited records) and security (e.g. passwords, encryption, screen level, field level) functions of the entire application. Typical reviewers of these requirements are TMRS management, the internal auditor, and those responsible for security.

C.3.3.2 Correspondence, Forms, and General System Requirements

TMRS requires that member correspondence be produced from the Respondent’s solution and pre-populated with the appropriate Employer data. TMRS requests that Respondents prepare to provide the predefined forms, correspondences, and reports totals described in **Attachment 1 – Requirements Matrix**, TMRS staff would require the ability to modify these letters over time. In addition to the pre-defined letters, TMRS also requires that the solution have multiple blank templates that are prefilled with Employer mailing information. These, blank prefilled templates can then be edited by staff in an ad-hoc manner to include the appropriate text. Additionally, TMRS forms that are pre-populated with employer data should be generated from the solution. The form should include the necessary barcodes for interfacing with the proposed imaging solution.

C.3.3.3 Report Writing and Management Reports

This category in the matrix includes both general reporting requirements and requirements for reports.

C.4 TECHNICAL REQUIREMENTS

The project's technical requirements are included here as well as in **Attachment F1 – Requirements Matrix**. The technical requirements also include:

- The system must be browser based.
- The system must integrate into TMRS' existing technical infrastructure.
- A detailed security plan should be provided and implemented.
- The system must establish the appropriate security level and access permissions / restrictions for each user on the system based on information obtained from TMRS staff.
- Security for user log in, audit tracking, and transmitting data to ensure compliance with any applicable regulations. At the organization, person, and document level security levels should include create, capture, update, view, inactive, and/or purge.
- The system must be compliant with the Americans with Disabilities Act. <http://www.ada.gov>.
- The system must accept, at minimum, 2 forms of file submission (FTPS or browser upload) containing member data submitted by cities.
- Browser-based access for users to a TMRS hosted environment, including the necessary disaster recovery components
- Conversion and transformation of TMRS data as necessary
- Enablement of all required interfaces with other entities, including but not limited to TMRS' bank, current NextGen application (Oracle database), Perceptive ImageNow (Imaging and Workflow), Microsoft Dynamics, Employers, and other 3rd Party Payroll Reporting Firms

C.4.1 BROWSER-BASED SOLUTION

TMRS desires an Employer Reporting solution that resides in the current TMRS internally hosted environment.

TMRS has no control over the browser platform Employers select for use on their own computers, it is essential that the portion of the solution exposed to TMRS external stakeholders (i.e., members, retirees, Employers, etc.) via the web be able to support the current release, and at least the two immediately prior two versions of each of the following: Microsoft Internet Explorer, Mozilla Firefox, Safari, and Google Chrome. The design should be responsive with the ability to use it on various devices such as tablets and smartphones.

Respondent should confirm an understanding of this requirement and a commitment to meet this requirement.

Examples / samples demonstrating adherence to these standards should be included in the Respondent's proposal.

C.4.2 MOBILE BROWSER COMPATIBILITY

TMRS desires (but does not require) that the Employer Reporting system to be accessible on mobile Microsoft, Android, and Apple IOS browsers (not a TMRS specific Application) where possible. End-users should have the ability to determine if they want to view the full-site or a mobile device view.

Within its response to this Section, TMRS requires that the Respondent describe where in the development life cycle this functionality exists for your proposed solution (i.e. infancy, in development, being tested, or in production). If a mobile site is in production or being tested by a client, please provide the client as reference.

C.4.3 ONSITE INSTALLATION

TMRS expects to host the proposed system internally. TMRS expects that there will need to be separate instances of the application installed and maintained by the vendor:

- Development Instance
- Quality Assurance / Testing Instance
- Production Instance

If three instances are not required, vendors are encouraged to describe this in their proposal. Most likely, since integration with current systems is required with in-house solutions the assumption is that a development region will be required in addition to Quality Assurance and Production. TMRS recognizes that the Respondent may propose additional environments to meet the needs of the project.

The Respondent should provide information for how the environments need to be implemented, located, and secured. The Respondent should explain why the recommended environment structure is preferred.

The Respondent must propose a methodology and tools for maintaining the multiple environments (including data refresh and migration capabilities) on an ongoing basis during and after project completion. The Quality Assurance Environment will be available during and after the project for both testing changes as well as to be used for training. All software features and functions available in the Production Environment should be available in the testing environment.

C.4.3.1 Hardware

TMRS will provide the hardware required based upon the vendor specifications. The Respondent should note and describe those specifications in response to this section of the RFP.

Additionally, TMRS has provided its current desktop configurations in Section B.2 of this RFP. In response to this section, Respondents should state any additional requirements.

C.4.3.2 Employer Reporting Software and Required Middleware

The Respondent should provide a detailed list of all software being used in its Employer Reporting application (i.e., operating systems, compilers, utilities, applications, middleware, etc.). With regard to the solution the following should be identified:

- Language
- Relational Database Management System (RDMS)
- Development Tools
- Report Generator
- Middleware

The Respondent should also confirm that all “proprietary” software is fully owned by the Respondent. All source code and executables will be put in custody of a third party. If, for any reason, the Respondent goes into bankruptcy, is insolvent, fails to provide adequate support and service levels or ceases operations, TMRS will have access to the source and executable codes to continue operations.

Respondent should include the following information in their proposal:

- A comprehensive list of all documentation (including but not limited to user, system, and operational) delivered with their systems. Include samples (which will be returned if so requested) of all documentation products for evaluation.
- Screen "snapshots", windows, and screens from the system they have implemented that was most similar to the one being sought by TMRS. Alternatively, provide as an attachment any system introductory materials (applicable to TMRS) or a video demonstrating the solution functionality.
- A list of all standard reports supplied with the system being proposed, classified as management, operational, or financial. Appropriate samples must be included in the Respondent's proposal.

The Respondent will provide all upgrades and patches to application software over the course of the contract. Documentation and manual updates, as well as letters of transmittal, will always accompany such patches and upgrades.

C.4.4 APPLICATION STANDARDS

The sections that follow provide the Respondent with an overview of the standards that must be applied in their provision of a new pension administration system.

C.4.4.1 User Interface Standards

The Respondent should provide a discussion of how its solution meets the following guidelines:

- The application shall have an intuitive look and feel and allow for easy navigation.
- Screens should be presented in a way that limits the need to scroll horizontally. In cases where horizontal or vertical scrolling is required page headers must remain intact (member, employer, or other record identification information) as well as identifying column or section headers on transaction grids.
- The application shall have a consistent style such that users encountering an operation for the first time should feel that the screen is "familiar" with common options and capabilities available in the same geographic location on the screen. Specifically, the system must demonstrate:
 - That it can be learned by all users (e.g., that it has intuitive navigation)
 - Efficient to use and that its methods for use can be retained and remembered by users

The Respondent must describe in the response just how they meet the above requirements. The description should include reference to any standards incorporated in the user interface design and/or testing such as the International Organization for Standardization's Guidance on Usability (ISO 9241-11).

- All functionality exposed to Employers through the TMRS web-site shall have a consistent look and feel and shall conform to TMRS style standards and branding.
- Examples / samples demonstrating adherence to these standards are to be included in the Respondent's proposal.

C.4.4.2 Parameterization

Throughout the requirements that are discussed in this RFP, reference is made to various, user-administered, date-sensitive, system-wide, parametrically set numerical values and rules. A TMRS on-site system administrator must be able to perform maintenance. Maintaining parameters must require **no** program or code changes. No such data is to be hard coded in the system.

In their proposals, Respondents must provide a discussion as how their solution will meet this requirement. The proposal should explicitly list those parameters (factors, values, and static data) that will not be maintainable via a system administrator interface. If such items are listed, the Respondent should provide reasoning as to why they are not maintainable via this method and explain the method by which they are to be maintained. Any parameters not so identified in the Respondent's proposal will be required to be maintainable by the system administrator in the manner described above. (Examples are termination and other personnel codes, contribution rates, employer late interest, etc.)

C.4.5 SYSTEM SECURITY STANDARDS

Securing member data is of utmost importance to TMRS. With data being available over the Internet, TMRS requires assurance that the appropriate safeguards are in place. In addition to responding to and meeting the requirements in the following sub-sections, TMRS requests that Respondent describe the methods and solutions they will employ to ensure data is secured both internally at TMRS and externally over the Internet for each environment location.

C.4.5.1 Security and Controls

Note that in addition to the platform security and control requirements outlined below, the Respondent must also comply with the functional audit and control requirements in the Requirements Matrix.

The system must have simplistic roles and be designed to control and limit access via logins and/or other security mechanisms. Access control and integrated security in general, must be managed by role rather than by authorizing a specific individual.

Throughout the system, the Employer assigned system administrator will provide access and restrictions based on individual user-ids; he/she must be provided with the flexibility to grant or restrict access at the menu, submenu, and discrete screen level as well as to limit access to screens to query only or to allow both query and update. The application must provide controlled access to individual screens and functions based on user login id. At a minimum, the application or security package should provide the following controls:

- Menu access
- Screen access
- Screen function access
- Transaction access
- Process access
- Transaction approval process
- Workstation location access
- Workstation time restriction

The Respondent must populate security repositories by entering the users and their assigned roles into the system using an appropriate security administration tool. The security repository must be stored in an encrypted, protected mode. The Respondent must work closely with TMRS staff to define the roles necessary to perform all required business functions. The security repository must be populated, and the Respondent must provide written affirmation certifying that it has done so, prior to any user testing activities.

The login process must establish the access rights and associate all automatic and manual transactions to that user's ID. The system must provide an advisory warning message on the login screen regarding the unauthorized use of TMRS' business information and the possible consequences of violations.

Upon authorization of the login user name and password, the system must display, for that user name, the date and time either of the last successful login or the number of unsuccessful attempts to access the system since the last successful system access.

In general, the system may allow simultaneous logins with the same user name and password. If the system does not allow simultaneous logins, a warning should display if a user tries to log in more than once. The system should ask the user if the active session should be terminated. If the answer is yes, then the system must terminate the active session and establish a new session. If the response is no, the login will not be allowed.

The user will either logoff the system or is automatically logged out of the system after a user administrator defined period of idle time (the maximum idle time value must be a parameter modifiable by the TMRS system administrator). The system must provide a notification one minute prior to a time out. Whether the user logs off or the system logs the user off after the idle time threshold has been exceeded, the system must then ensure that in-process work is saved and all objects created for the user at the back-end are destroyed and that the system exits cleanly.

After three (3) unsuccessful login attempts, the system must:

- Disable the user account for a period of time previously defined by the security administrator
- Record the event for audit
- Inform the user of a contact who will unlock the account – or provide another means of authenticating the user password

Password complexity must meet industry standards for both the Employer Reporting Portal and the internally used application. The system must provide tools for the Employer system administrator to manage user accounts. This will include such tasks as resetting a password and activating, suspending, or deleting a user account. These functions must be limited to only the system administrator or other well-defined privileged users. NOTE: TMRS expects the new solution to allow external users (i.e. Employers) to reset their own password so that TMRS is not contacted about forgotten passwords.

The system must have the capability to suspend or activate a user account. This may occur for the following reasons:

- Account is locked out after password is entered incorrectly more than three times
- If the user temporarily is not entitled to access
- The account is suspended by a systems administrator, for example if a security breach is suspected; or
- The account has been inactive for an extended period of time

The system must provide the capability to ensure that relevant information about actions performed by users can be linked to the user in question in sufficient detail so that the user can be held accountable. The system must maintain information sufficient for after-the-fact investigation of loss or impropriety and must provide individual user accountability for all security-relevant events. The system must protect this information from unauthorized access or modification.

The Employer and TMRS system administrator must be provided the capability to independently and selectively review the actions of any one or more users, including privileged users, based on

individual user identity or type of action. Audit log reports on changes, adds and deletes will be available.

The system must provide a real-time capability to monitor and log the occurrence or accumulation of security-relevant events that may indicate an imminent security violation and immediately notify the system administrator when events exceed established thresholds. If the occurrence or accumulation of these security relevant events continues, the system must take the least disruptive action necessary to terminate the event involved.

The system must provide the capability for the Employer system administrator to generate a status report detailing the values of all configurable security parameters.

The system must provide the ability to set separate security roles for the Employer and TMRS staff users and create unique user accounts with permissions to various functionality. The result, for example, could allow a person with a role in one plan as an approver, to have a different role in the other plan as a person who sets up benefits.

C.4.5.2 Data Security and Controls

Finally, as the proposed system is to be browser based for both internal and external users, the Respondent must discuss its solution's approach to safeguarding information from fraudulent efforts to gain access to such information. That discussion must include the Respondent's identification of those data items that they consider personal data, to include at least the following:

- Social Security Number
- Member name
- Member address
- Member telephone number
- Email address
- Birth Date
- Bank Information

Furthermore, the Respondent must indicate what steps the proposed solution takes to encrypt, redact, or otherwise secure unauthorized access to that information, alert the TMRS system administrator or other person in authority of any attempted unauthorized access, etc. Additionally, access of data via self-service portals must follow the following standards:

- Database server must not be accessible from the Internet in anyway other than a secure and encrypted VPN connection or through web services with security/audit logs
- Must be able to decrypt data encrypted using AES 128-bit, 256-bit and/or TDES methodologies
- Must be able support strong keys for decrypting and encrypting data presented between the layers
- Self Service portal applications must include a separate data access layer that isolates the data access from the rest of the application

C.4.6 OPERATIONAL REQUIREMENTS

The following section should be viewed in conjunction with Section **Error! Reference source not found.**, Onsite Installation Requirements.

C.4.6.1 System Sizing and Performance Requirements

The Respondent's solution must be architected, configured, and sized so that ALL functionality can be processed on-line in real time – both editing and updating. During system design, TMRS will consider permitting a small number of unattended batch process routines for very limited purposes providing the Respondent can justify the proposed exceptions and can ensure that those exceptions will not in any way compromise TMRS' business processes. The Respondent is to provide a complete and comprehensive list of all such batch processes in its proposal.

The Respondent's proposed solution must provide near 24x7 availability for all Web-enabled externally accessible applications (i.e. member portal). At a maximum, Respondents may allocate eight hours per week of scheduled Web site downtime during off-peak hours (i.e. 10:00 p.m. to 5:00 a.m. CST). Degradation of TMRS' current system availability is not acceptable.

TMRS requires that online transactions be processed in two (2) seconds or less and demonstrated by the software vendor while the system is under a full user load. If the respondent, has concerns about meeting this requirement please define, in your proposal the function you feel may be problematic to meet the requirement. Ultimately, TMRS' goal is to provide a good user experience for our staff and City users and to not risk system acceptance due to slow processing times.

It is the Respondent's responsibility to provide an appropriately sized platform to accommodate the following user loads:

- Up to 25 concurrent sessions of TMRS staff users
- An average of 150 concurrent external users (Employers) accessing the system TMRS assumes most days would have very little impact but on the reporting period days that usage will be high. TMRS expects Respondents to discuss this in their proposal the type of degradation of services TMRS and external users would experience and at what load levels. Furthermore, the description should include how this is monitored and addressed if it becomes problematic. (See Section B.1.3 for registered user statistics)
- Membership Growth of 5% per year (see B.1.3, for current volumes).

Any required batches must include supporting reports that indicate failure/success of the job and indicate any errors that occurred. If a batch fails abnormally, tools should be available to restart where the job left off or to back the failed records out of the system. Due to the size of TMRS, no batch is expected to exceed two hours in length if run more often than annually (i.e. monthly payroll, employer validations, etc.)

When batches run, they should not affect TMRS' staff ability to do other work. For example, users should not have to log out and the system should meet the predefined performance criteria above. If TMRS requires additional runtime improvements to meet performance requirements stated in this RFP, the Respondent must cooperate fully and support any such requests without delay and at no cost to TMRS.

C.4.6.2 Availability and Planned Downtime Requirements

TMRS expects the system calculated availability to be 99.95% or better. As described in B.2.3, the Respondent must describe how they measure this and over what period of time the calculation was performed.

Downtime should be scheduled only during off-peak hours (i.e. 10:00 p.m. to 5:00 a.m.). Respondent must specify how availability is measured, under what conditions this guarantee will not be met, and the remedies available to TMRS if it is not met.

To explain how planned downtime issues can be minimized within the new solution, the Respondent's proposal must address:

- How the solution minimizes (or removes) the need for maintenance of architectural and operational infrastructure. This includes online maintenance tools, as well as procedures and techniques to shrink scheduled maintenance windows
- Maintenance activities for hardware, operating system, software, application, database and network components
- Upgrade activities for hardware, operating system, software, application, database and network components

Respondent should include a methodology to demonstrate the on-line maintenance techniques applicable to the planned downtime areas identified above.

C.4.6.3 Recoverability Requirements

Respondents should include in their proposals information on recovering from failures if the proposed solution components or procedures fail. The response must include recovery types and levels offered by the proposed solution. Examples include:

- Services offered
- Types and levels of service provided
- How a Respondent will respond to failure scenarios
- Restore/recovery procedures
- Tools employed to restore the database, application, and restore connectivity to the users
- How the recovery procedures are triggered by TMRS

To confirm the proposed solution's ability to meet reasonable recovery requirements, Respondents are required to provide recovery time estimates. Examples (to be met) include:

- Full database recovered within 24 hours
- No individual table recovery of more than 2 hours

Furthermore, provision of interim recovery is expected to be a feature of the system. For example, should a process be 95% complete when the system fails, the process should have been check-pointed and should not have to be re-run in its entirety. The Respondent is to describe in its response how this capability is achieved.

C.4.7 SYSTEM VULNERABILITY ASSESSMENT

TMRS reserves the right to select a third-party organization, paid for by TMRS, to conduct periodic vulnerability assessments of the web portals.

Upon completion of the initial assessment, the third-party organization will review all events with TMRS personnel, determine which of the identified shortcomings are false positives and which actually need repair and agree upon any remaining shortcomings. In the event there remain shortcomings in the security configuration and architecture, the Vendor will be immediately notified. The Vendor will be responsible for rectifying all remaining shortcomings within ten (10) business days of being advised of them. The rectification effort may consist of any combination, or all, of the following elements: additional hardware components, additional software tools, installation services, and/or configuration services. It must include suitable testing to confirm to TMRS' satisfaction that all of the identified security shortcomings have been eliminated. All costs associated with the rectification effort will be borne by the Vendor if it is related to a Vendor implemented or recommended configuration.

Once all necessary corrections are made and tested to TMRS' satisfaction, the third-party assessment organization will reassess. If the same or additional shortcomings are identified and additional corrective activities are required, these findings will be presented to the Vendor, and the Vendor will complete the corrective activities within 15 days of being advised of them. To confirm that all remaining security problems have been eliminated, the vendor will test all corrections. Again, all costs for corrective activities will be borne by the vendor.

In the event that the vendor is unable to resolve all issues to the satisfaction of TMRS and the third-party assessment organization in two iterations as described above, TMRS reserves the right (and will notify the Vendor of its intent) to engage the services of another (different from the organization doing the security and vulnerability analysis) third-party organization to resolve all remaining network security issues. In this situation, the Vendor will be required to issue a credit to TMRS for the full amount of the cost of the third-party organization's (which corrected the deficiencies) efforts to correct the situation. The credit will be applied to the first invoice issued by the Vendor to TMRS following notification to the vendor of the amount expended on the third-party services.

C.4.8 EMPLOYER SELF SERVICE WEB PORTAL

The TMRS Employers and their authorized staff Users must be provided with controlled access to their member records as well as a range of administrative functions described in the requirements.

For the Employers using the Portal:

- All communications and data exchanges must be through a Secure Socket Layer (SSL)
- Must be accessible through handshake link on the TMRS website
- Security must be multi-layered
- Must support the sending and receiving of e-mail and interacting with Microsoft Exchange/MS Outlook calendar (Office 365)
- How security would be managed for members of each group and how the user is authenticated at login and for each data request
- The advantages and disadvantages (both technical and user-related) of such access and how the Respondent has overcome the challenges posed by web self-service access in prior installations
- Discussion of any third-party tools that are used to authenticate and manage the security
- See **Attachment F1 – Requirements Matrix** for additional specific Requirements related to the Self Service Portal

C.5 PROJECT MANAGEMENT AND IMPLEMENTATION SERVICES

In addition to the business and technology requirements specified, TMRS has identified several project management-related areas that are of importance in selecting a vendor. These requirements have been accumulated under a single heading — Project Management-Related Required Services and Deliverables. The intent of this section is to inform the Respondent of its responsibilities and the expectations for its conduct over the duration of its relationship with TMRS in the following areas:

- Project management
- Assisting TMRS staff and users
- Standard project management deliverables

C.5.1 PROJECT MANAGEMENT

TMRS expects the Respondent to be competent in project management skills. The Respondent's approach to project management must ensure that:

- Project planning is part of normal daily activities
- Resource planning occurs in conjunction with TMRS management and TMRS selected Oversight Project Manager (if applicable)
- There is an established path for escalation of project issues
- Risk management is included as part of the normal process
- Project management is able to provide reports to TMRS business units and management on the progress against project objectives, to ensure continued project support
- The project plan is organized in a phased approach that provides achievable and demonstrable milestones and deliverables. The engagement should be managed to meet specific milestones with an established method of reporting project status

C.5.1.1 Relationship

This engagement will be a long-term relationship; therefore, the nature of the relationship will be a key to the success of the project. To address this issue, the proposed solution and approach must ensure that:

- The Respondent has a demonstrated ability to understand and deliver realistic mission-critical systems
- There is a high degree of cooperation between TMRS and the Respondent
- The Respondent can provide technical leadership and has the courage to suggest innovative solutions and take advantage of opportunities as they present themselves
- The Respondent understands the aggressive nature of the schedule and will take ownership of tasks in a proactive manner
- The Respondent understands the vision for TMRS and is able to align the Respondent's capabilities with TMRS' needs
- The relationship is not an opportunity to sell untried Respondent offerings that may place TMRS at risk in meeting its business objectives

- The Respondent may be required to participate in discussions with the other third-party firms; which would always be facilitated by TMRS.

C.5.1.2 Project Oversight

The Respondent will report to the TMRS Project Manager. The Respondent will report project status as described in Section C.5.2.4.

C.5.1.3 Three-Party Relationship

All Respondents must understand and acknowledge that TMRS will engage an Oversight Project Management (OPM) consultant, LRWL Inc. As such, there will be a three-party relationship, during this project, between TMRS, the Respondent, and the OPM consultant. It is anticipated that the OPM will assist TMRS with: (1) assessing the project methodologies, planning, and execution; (2) assessing implementation quality; (3) evaluating quality and compliance of deliverables – both written and software; (4) providing input into the design process, and integrating process improvement; (5) providing project management support to TMRS in its own planning efforts and assist in the completion of its own tasks.

The OPM will review all such materials and provide suggestions and comments in the same time frame, and in the same manner, as will TMRS staff.

The OPM Consultant will be bound to reasonable commercial terms of confidentiality protecting any confidential or proprietary information belonging to the Respondent and its subcontractors. As such, no material will be limited in its distribution and/or restricted from review and discussion with the OPM.

C.5.1.4 Multiple Products, Services and Methodologies

It is essential that the Respondent understand that TMRS is seeking more than a “software development” company. Mature software product development skills and experience are a necessary, but far from sufficient, qualification. TMRS understands that each Respondent has (or should have) a methodology for developing and deploying its particular (retirement) solution, but TMRS is seeking a solution comprised of more than just those tasks and items identified in the Respondent’s development methodology. In order to deliver the broad, integrated solution that TMRS seeks, the Respondent must have experience with, and methodologies to address, numerous other disciplines such as Business Process Reengineering, procedure document development, training, and workflow analysis, in addition to retirement industry knowledge. Respondent proposals must provide evidence of a mature, proven methodology in each of these other critical areas of the project.

Therefore, the Respondent’s proposal must address the methodology that will be employed in each of the following areas:

- **Project management** – Respondent’s project management structure, procedures, roles and responsibilities, client reporting, meetings, and provisions for replacement of personnel
 - **Project scheduling** – Scheduling tools and procedures, schedule updating, reporting against the project schedule, and responding to change orders
 - **Data Integration**– Integration planning, data mapping from the existing to the new environment, identification of data errors, identification of data fields that need to be balanced and/or within acceptable tolerances as agreed to with TMRS, and reporting on reconciliation and balancing of data.
 - **Configuration management** – Version control
-

- **Risk management** – Identification and mitigation strategies related to all facets of risks associated with the project, including a discussion of the methodology for designing and implementing information and infrastructure security
- **Project change control** – Defining new / changed requirements, developing an estimate, evaluating schedule effects, TMRS approval, integrating requested changes into the project, and testing
- **Problem incident reporting** – How to report a problem, how the problem is assigned for resolution, integrating the “fix” into the project, regression testing, TMRS acceptance, and analysis and trend tracking
- **System operation** – Configuration control, job scheduling, equipment maintenance, written documentation and procedures, personnel scheduling, and problem resolution
- **Infrastructure and information security** – Defining security requirements for enterprise information and applications and developing a security plan to address the requirements
- **Training** – Determining training needs, developing training materials, scheduling training appropriately within the overall project, assigning trainers, providing training facilities as necessary, and gauging the effectiveness of training; training methodology must address training not only in navigation, screens, data entry, and the like, but also in the use of the new solution to perform various job functions, processes, and sub-processes
- **Testing** – Preparing test plans, test schedules, test variants, test scenarios, test cases, test data, expected results; executing tests; reporting test results; referring problems identified in testing for resolution; integration with problem incident report methodology, and re-testing after the problem has been resolved

During the course of the project, the Respondent will be expected to deliver and support all products and services described in the RFP – not just those steps described in its standard system development and deployment process.

C.5.1.5 Project Management and Control Methodology

Respondents are required to address in their proposals the following minimum requirements in the areas of project management and control.

The Respondent must describe in detail the methodology it will utilize to manage and control the project including its change control methodology.

Due to the magnitude and complexity of the effort, it is essential that an automated project management tool be utilized for this purpose; the tool used should be discussed in response to this section and how reports and access will be provided to TMRS.

The Respondent is to provide examples of its use in previous efforts on behalf of other clients.

The Respondent is expected to use the tool to automatically reflect the effect on the overall project of changes in various parameters, e.g.:

- Changes in project scope / requirements
- Changes in project schedule
- Changes in resource availability

The Respondent must be prepared to automatically generate various reports to reflect the project's status at any point in time, e.g.:

- Gantt charts depicting start date, end date, and duration of individual tasks
-

- Graphical display of the project's critical path
- Percent complete status of individual tasks

The Respondent must describe in its proposal the control methodology that it will utilize to ensure that any problems that may develop in the course of the project (including but not limited to schedule slippages or resource constraints) will be quickly identified and resolved. The Respondent must provide examples of how this project control technique, i.e., issue resolution, has been utilized successfully in previous similar engagements on behalf of other clients.

C.5.1.6 System Development Life Cycle (SDLC)

Out of consideration for the demands that will be placed on TMRS staff members during the course of the project, in addition to the demands of their day-to-day duties, Respondents should state their commitment to a proven methodology and terminology for all portions of the project. TMRS staff members are to be educated in and expected to utilize only one (not several) life cycle methodology and terminology set for the duration of the project.

TMRS prefers methodologies that allow TMRS staff multiple opportunities to validate requirements and design. For this reason, an iterative development methodology is favored for use in the development of the solution. Ideally, this includes an opportunity to view rapid prototypes of requirements and design concepts, screens, content, and application flow. (Such prototypes do not necessarily need to become operational or be reused during development).

TMRS' objective is to be assured that an appropriate control scheme is put in place and rigorously applied to all project activities such that all project participants understand what they are working on, what is expected of them, and how it fits into the overall project. Specifically, TMRS wants to ensure that, without exception, all project participants – the Respondent's staff, TMRS staff, and all concerned third parties (i.e. OPM Consultant) – when approaching a task (whether it is developing software, drafting / updating written documents, or reviewing a deliverable), clearly understand the SDLC process. To accommodate this knowledge transfer, training in the Respondent's approach should be provided as part of the kickoff efforts of the project.

C.5.1.6.1 WRITTEN DELIVERABLES

In its proposal, the Respondent must confirm that (unless otherwise specifically agreed to by TMRS, on a per-document basis) all documents to be delivered during the project will include the following "history" of generation:

- Submittal of a complete draft for review and feedback
- Submittal of the final, complete document for final review and acceptance

Note that TMRS expects quality in the written deliverables provided by the Respondent. In addition, due to the staff size of TMRS, multiple iterations of user-review on documents will not be accepted. Thus if a document upon first review appears to be lacking sufficient quality, the document will be returned immediately to the Respondent for their update without TMRS having to dedicate any resources / effort in providing any specific content level review or feedback.

Furthermore, all documents, starting with the response to this RFP (i.e., the proposal), must be delivered in a current or immediately previous version of MS Office Suite. These files must be in an "unlocked" form such that TMRS can use revisions and comments in reviewing them.

The Respondent is required to detail its proposed document formatting standards pertaining to written deliverables, taking care that the following topics are included:

- Cover page, inclusive of document title, version, and revision history
-

- Table of contents – if the document is over ten pages
- Page headers and/or footers (including page numbers)
- Captions on tables and figures

Note: TMRS staff must be allocated a minimum of five (5) business days to turn around a deliverable under review. In addition, all deliverables must be reasonable in volume in order to permit the review to be completed within five (5) business days. A deliverable which would require the average person more than eight (8) applied hours to review would not be considered reasonable in volume given the ten-day turnaround cycle. Deliverables requiring more than eight (8) hours of review must be allocated a proportionately longer review cycle. Also, the Respondent shall not be permitted to deliver an unusually large quantity of deliverables in a short time period (i.e., NO “PILING ON”) that would preclude TMRS staff from meeting their review timeframes.

C.5.1.7 Phasing and Planning

TMRS is seeking proposals that embrace a deliverable of one or more components of functionality by the end of calendar year 2018. In order to accomplish this, TMRS anticipates that Vendors will need to deliver the solution in an incremental/phased manner, having a number of small deliveries to production. One of the challenges this presents is how we training 800 Cities when we have incremental rollouts, therefore it is important for the solution to be very intuitive. Examples of production rollouts might possibly include:

Rollout 1 – Online data entry form for small Cities to post data

Rollout 2 – A “roll forward” capability for small Cities to create a report based on a historical report

Rollout 3 – File upload and validation for larger Cities

Rollout 4 – Online payment processing

The above are just examples, but TMRS sees the ability to break the implementation into smaller pieces, providing for a more agile / incremental approach as a way to limit risk and to get functionality into production quicker and in a more controlled manner. While TMRS is looking for a method of delivery that brings product to the users quickly for testing, we expect the Vendor to propose a proven delivery method to TMRS. TMRS is not looking to dictate the project management method used, however does expect Vendors to demonstrate the following increments of work in their plan:

- **Project Setup and Initiation** - Delivery of a detailed work plan within the period specified in of Section C.2.
 - All project strategies and approaches listed in Table 7 - Delivery Due Dates for Project Management Deliverables.
 - Requirement planning and mapping to a design activity and rollout.
 - Implementation of the applicable instances of the needed technical and application environment at TMRS site.
- **Implementation Activities** - design, development and release of software to for testing and then to production.
 - Each iteration of design, develop and test must clearly depict acceptance criteria and indication that requirements have been accomplished via the Requirements Traceability Matrix described further in Section C.5.2.2 below.

- Each iteration must conclude with a debrief or lessons learned session that, resulting in improvements to the next iteration.
- **Warranty and Support** – The completion of the Warranty and Post Implementation Support periods as they are described in Sections C.6.1 and C.6.2.

C.5.1.8 Detailed Project Work Plan

The Respondent assumes full responsibility for planning, scheduling, and completing all project tasks.

Therefore, as set forth in Section C.2.1, the Respondent must provide a complete, high-level summary plan for the entire project that is included with the proposal. At contract signing a detailed plan, for the first 60 days must be included. Within the first 30 days of the project, TMRS expects the plan to be refined and finalized. This plan must be established and maintained by the Respondent throughout the life of the project. It will be reviewed at bi-weekly meetings between TMRS and the Respondent. The detailed plan must be presented to TMRS within the time period indicated in Table 7. It is to be updated whenever any major changes are made to the plan but no less frequently than monthly.

C.5.2 STANDARD PROJECT MANAGEMENT DELIVERABLES

TMRS understands that Respondents will bring to the project their own project methodologies and standard deliverables. However, TMRS has identified a set of project deliverables that the Respondent must provide. They are described and defined in detail in the following subsections.

C.5.2.1 Respondent Activities Before and After Meetings with TMRS Staff

The Respondent is required to provide minutes (or other documented output) of all meetings held with TMRS staff. They are to be published within two business days of each meeting. In lieu of meeting minutes, a design document, requirement document, etc. can be provided if it depicts the results of the meeting and can be delivered within a two-day timeframe.

C.5.2.2 Requirements Traceability Matrix (RTM)

To assist TMRS in tracking all project requirements and deliverables, a Requirements Traceability Matrix will be initially prepared by TMRS and the OPM/QA consultant, then completed and regularly maintained by the Respondent. This section discusses the purpose of and detailed requirements for the Requirements Traceability Matrix (RTM).

In developing the new integrated Employer Reporting Solution for TMRS, requirements will be defined in further detail at every step in the process. Prior to beginning work with the Respondent, a number of steps will have occurred:

- Development of the Request for Proposal
- Issuance of questions by Respondents and preparation of responses by TMRS
- Receipt of the proposal from Respondent by TMRS
- Issuance of questions by TMRS and preparation of responses by Respondent.
- Cost and / or scope negotiations, if appropriate
- Execution of the contract

Described in this section is a process and product (document) that will be prepared by TMRS and the Respondent as part of the effort to:

- Further, more-precisely define the requirements.
- Provide a trail or “traceability” of requirements to be met – starting from the RFP, going through the proposal, the question-and-answer cycle, and contract negotiations, and culminating with the preparation of the requirements document.
- Provide a common understanding for the “go-forward” activities including “what” will be delivered and “when” it will be delivered.

The product that will be prepared by TMRS and the Respondent to achieve TMRS’ objectives will consist of a Requirements Traceability Matrix in the format of a Microsoft Excel spreadsheet (NOTE: TMRS recognizes other tools may be proposed by the Respondent to maintain this but it must contain all of the items listed herein):

1. **No.** – Sequential unique number, identifying the requirement. The unique identifier will follow each line item through the project, regardless of how the line items may be reorganized or “shuffled” within the spreadsheet.
2. **Requirement (Description) per Contract Exhibits / RFP** – A summarized description of the requirement.
3. **Source** – Identification of the source of the requirement. The source may be the RFP, the Respondent’s proposal, Q&A, BAFO, contract, contract exhibits, etc.; in some cases only one reference is made back to the RFP / proposal / contract, etc.; in others, multiple references may be made.
4. **Page / Section** – The location of the requirement in the source.
5. **Phase/Rollout** – The phase of the project in which the requirement will be delivered per the project plan.
6. **SOW** – The Respondent’s Statement of Work which includes the requirement, if applicable.
7. **Received Date / Who** – The date that the requirement was delivered to TMRS, and to whom it was delivered.
8. **Accepted Date / Who** – The date that the requirement delivery was accepted, often times through an Acceptance Test, by TMRS and by whom it was accepted.
9. **Comments** – Any comments relating to the requirement. Comments will include, among other things, an explanation of what caused a requirement to be removed or added. This must be specific, citing specific conversations which have previously occurred between TMRS and the Respondent, the date and attendees, and the prior document which transmitted this information (including but not limited to meeting minutes, status report, and specific correspondence) to TMRS. As stated elsewhere in this RFP, any agreement between TMRS and the Respondent to eliminate project requirements stated in the RFP, the Respondent’s proposal, or the contract must be in writing, executed by both parties.
10. **Test Case** – If applicable, identification of the test case that confirms that the requirement has been satisfied.

Activities on the part of both TMRS and the Respondent related to the traceability issue will include:

- First, TMRS will prepare the matrix that codifies and organizes the requirements of the RFP and negotiated contract. An example of the matrix as it will be delivered to the Respondent by TMRS is shown in Exhibit 1 herein. TMRS will complete columns 1 (No.), 2 (Requirement Description), 3 (Source) and 4 (Page / Section) and deliver it to the Respondent for review.
 - Next the Respondent will review the matrix and verify its accuracy. Any discrepancies or differences in interpretation will be mutually resolved before the next step.
-

- Then the Respondent will complete columns 5 (Phase of the project in which the Respondent will implement the requirement) and 6 (SOW, the Statement of Work to be prepared by the Respondent which will include the requirement).
- In cases where a function described in the RFP is not “carried” forward, the Respondent will note this by providing a written explanation in the comments column (9) for that function. Further, if there are any new functions that have evolved during the requirements analysis, the Respondent will add them as appropriate entries at the end of the matrix. An example of the matrix as it is to be completed by the Respondent is provided in Exhibit 2 below.
- The Respondent will then provide the matrix to TMRS for review.
- TMRS staff will review the matrix – annotating any differences of opinion with respect to the Respondent’s completion of the matrix. The annotated matrix will be returned to the Respondent.
- Next, a meeting or series of meetings will be held at which discussions will occur to resolve any differences.
- Then TMRS and the Respondent will update the matrix so that it reflects the agreed upon changes, and it will become part of the deliverables from the Requirements Definition. If appropriate, any changes to schedule and cost will be identified at this time.
- TMRS will provide the matrix to the Respondent within the period specified in Table 7 - Delivery Due Dates for Project Management Deliverables in Section C.2. The revised, updated, completed matrix will be provided to TMRS by the Respondent within the period specified in Table 7 - Delivery Due Dates for Project Management Deliverables in Section C.2. The matrix will provide a more precise reference point for the “go-forward” strategy for the implementation phases.

Columns 7 and 8 will be filled in as portions of the project are completed by the Respondent and/or the Oversight Project Manager and delivered to TMRS for review and acceptance. Column 10 will be filled in by the Respondent as test plans; test scenarios, test cases, etc. are developed during the course of the project. Exhibits 1, 2 and 3 on the following pages show three stages in the development of a small portion of a sample RTM.

Furthermore, the Respondent will be responsible for tracking and matching project requirements, not only from the RFP (and associated amendments, questions and answers, Respondent’s proposal and any amendments thereto) to the design definition, but also through the requirement definition, design, and implementation activities. At any time, should TMRS question how a particular requirement expressed in the RFP / Proposal procurement cycle will be addressed in the new system, the Respondent must be able to demonstrate how that requirement was carried forward from the RFP into the proposal, the requirements definition, the system design, and eventually the final implementation.

Exhibit 1 Requirements Traceability Matrix Example

1	2	3	4	5	6	7	8	9	10
No.	Requirement per Contract Exhibits / RFP	Source	Page / Section	Phase	SOW	Received Date / Who	Accepted Date / Who	Comments	Test Case(s)
1	Ability to match employer report to employer remittances and alert user of mismatches	RFP	B-1.1.8						
2	Ability to notify user whenever Employer Contribution and Payroll Reporting information is received for a person who has applied for retirement, received an initial benefit, or has had a final calculation of benefit performed	RFP	B-1.1.8						
3	Ability to prevent invalid or duplicate data from posting to the member's account	RFP	B-1.1.8						

Exhibit 2 Requirements Traceability Matrix Example with Respondent Entries

1	2	3	4	5	6	7	8	9	10
No.	Requirement per Contract Exhibits / RFP	Source	Page / Section	Phase	SOW	Received Date / Who	Accepted Date / Who	Comments	Test Case(s)
1	Ability to match employer report to employer remittances and alert user of mismatches	RFP	B-1.1.8	4	6				
2	Ability to notify user whenever Employer Contribution and Payroll Reporting information is received for a person who has applied for retirement, received an initial benefit, or has had a final calculation of benefit performed	RFP	B-1.1.8	4	6				
3	Ability to prevent invalid or duplicate data from posting to the member's account	RFP	B-1.1.8	4	6				

Exhibit 3 Completed Requirements Traceability Matrix Example

1	2	3	4	5	6	7	8	9	10
No.	Requirement per Contract Exhibits / RFP	Source	Page / Section	Phase	SOW	Received Date / Who	Accepted Date / Who	Comments	Test Case(s)
1	Ability to match employer report to employer remittances and alert user of mismatches	RFP	B-1.1.8	4	6	20100502 PPC	20100516 RK	None	CALC-1, -2, -3, & -8
2	Ability to notify user whenever Employer Contribution and Payroll Reporting information is received for a person who has applied for retirement, received an initial benefit, or has had a final calculation of benefit performed	RFP	B-1.1.8	4	6	20100502 PPC	20100516 RK	None	CALC-4 & -5
3	Ability to prevent invalid or duplicate data from posting to the member's account	RFP	B-1.1.8	4	6	20100502 PPC	20100516 RK	Requires collaboration on format of transferred data.	CALC-6, -7, & -8

C.5.2.3 Statements of Work

All work to be done under the contract to be awarded will be covered by written Statements of Work (SOW) authorized by TMRS, which define reasonable components of work. Thus, manageable increments of work will be defined, executed, and managed. When viewed in the aggregate, these increments comprise the entire project.

The Respondent will submit detailed written SOWs to the TMRS Project Manager for review, possible revision, and acceptance. TMRS will require up to ten (10) days to review and authorize a SOW. Therefore, the vendor must factor in this review period when scheduling its activities under the contract. Under no circumstances, will any work be done absent a SOW duly authorized by the TMRS Executive Director. In their proposals, vendors are to confirm their understanding of the above stated requirements relating to SOWs and their timing.

C.5.2.4 Weekly Status Reports and Project Status Meetings

The selected vendor will be required to submit written weekly status reports and to facilitate weekly project status meetings as needed. The status reports must include separate sections that cover all parallel parts, phases, or aspects that were in progress or had been completed during the reporting period or that will be begin during the next reporting period. TMRS reserves the right to request weekly status reports and edits to these reports if project activity so warrants. An example Status Report is attached here for reference.



Texas Municipal Retirement System



Project Name:
Submitted by:
Reporting Period:

Project Management Status Summary:

Category	Status <small>Red, Yellow, Green</small>	Trend <small>Same, Better, Worse</small>	Comments
Overall	Green	Same	
Scope	Green	Same	
Resources	Green	Same	
Schedule / Budget	Green	Same	
Risk / Issues	Green	Same	

NOTE: Green, Yellow and Red indicators are subjective and intended to represent status. It is dangerous to make assumptions about the health of the project based on these indicators without further discussion with the Project Manager.

Key Accomplishments for This Reporting Period

Project Management:

-

Execution Phase:

-

Key Decisions Made for This Reporting Period

-

Key Plans for Next Reporting Period

Project Management:

-

Execution Phase:

-

Key Issues or Concerns

-

Key Risks

-

Major Milestone Summary

Key Task	% Comp	Baseline start Date	Actual Start Date	Baseline End Date	Revised Baseline End Date	On Track Yes / No	Comments

The final format of the status report will be mutually agreed upon between TMRS and the Respondent within two weeks of the project start date. Respondents should include samples of previously used status reports on other similar projects.

C.5.2.5 Steering Committee (As necessary)

The TMRS Project Manager will be responsible for keeping the Executive Team at TMRS informed of the project status. However, TMRS anticipates there may be the need, on occasion, for executive level participation by all parties. Though, not a regularly planned meeting, Respondents must acknowledge that they will participate accordingly. The Steering Committee meeting represents an opportunity to bring together the major stakeholders to accomplish, among other things, the following:

- Confirm decisions
- To facilitate the resolution of disputes or provide additional clarification of issues at the highest level
- To encourage collaboration among all of the participants by reminding them that the project enjoys support at the highest levels within the organization.

Meetings of the TMRS Steering Committee will be scheduled as needed and if either party deems a meeting is required, it will be discussed and scheduled as part of the bi-weekly project management meeting. The Respondent's Project Manager, and other Respondent senior staff as appropriate, may be required to attend meetings.

C.5.2.6 Requirements Analysis

It is anticipated that the Respondent's early efforts in developing the Employer Reporting solution will consist of collaborative efforts between Respondent staff and TMRS users staff to identify the differences between the Respondent's template solution and TMRS' specific requirements.

Respondents must take note of, and confirm in their proposals, the following: **under no circumstances will TMRS' approval of system design and/or specifications abrogate the RFP requirements.** TMRS staff invested a great deal of time in developing the RFP requirements. The Respondent, not TMRS staff, is responsible for ensuring that all RFP requirements are correctly reflected in Respondent design, configured solutions, and/or specification documents. Absent a specific written agreement to eliminate or modify an RFP requirement, signed by the TMRS Project Manager, that RFP requirement will remain operative.

C.5.2.7 Design Sessions and Documentation

In addition to requirements analysis described previously, TMRS expects that Respondents will schedule and facilitate design sessions with designated subject matter experts. In their proposals Respondents should describe this design process in terms of how they address the functional requirements provided within the RFP as well as introduce pension administration best practices to the TMRS attendees.

As the end result of the design sessions, Respondents are required to provide all designs specifications to TMRS to support the configuration of the system. These documents must reference functional requirements, tie to the RTM, and include use cases/scenarios discussed during the design sessions. Completion of these specifications is required before testing can begin. TMRS will look favorably upon an approach that is Acceptance Test driven, whereby it is clear what will be tested as an increment is moved from development into client test.

Respondents should explain each type of documentation it plans to deliver in its proposal and provide samples where applicable.

C.5.2.8 Change Orders, Change Control and Reporting

This section includes requirements pertaining to change control, change reporting and the management of the integration of changes over the course of the project.

C.5.2.8.1 CHANGE ORDERS

It is to be anticipated in a project of such magnitude that TMRS will make periodic requests for changes in the new solution. TMRS understands such changes may incur additional costs and possibly delays relative to the project schedule. The TMRS Project Manager will provide all such change requests in writing to the Respondent's Project Manager. The Respondent's Project Manager will respond to such change requests as set forth in **Attachment F4 – TMRS Master Services Agreement Terms and Conditions** attached to this RFP.

C.5.2.9 Testing Strategy and Problem Incident Reporting

The Respondent is required, 30 days prior to the delivery of the first piece of functionality for testing to provide a Testing Strategy document inclusive of the defect or problem incident reporting process.

The Testing Strategy must highlight each type of testing that will be performed (e.g. unit, system, validation, and user acceptance testing) and the details of how each stage will function and TMRS responsibilities. The Testing Strategy must also detail the preparation activities for each phase including test case preparation and review.

The Respondents must provide evidence in their proposals that they have in place and will utilize an automated and demonstrable Problem Incident Reporting (PIR) system for managing and facilitating test-related activities as well as production problems. The PIR system must offer, at a minimum, the following attributes:

- It must define how PIRs will be initiated, uniquely identified, logged, and by whom.
- It must relate each PIR to the particular functional area (e.g., employer reporting, benefit estimates) or appropriate area, e.g., training, documentation, etc.
- It must relate each PIR to the appropriate test variant / scenario / case / data set.
- It must track the status of, complexity of, and priority accorded to each PIR.
- It must provide for relating PIRs to change orders when appropriate (in those cases where what was originally thought to be a problem incident is actually determined to be a request for a design change).
- It must track the scheduled fix delivery date.
- It must track the fix release number through which the PIR was addressed.
- It must provide for tracking efforts to correct the problem and the eventual resolution of the problem incident.
- It must include a summary / reporting mechanism as described below.
- Though a manual approach of Word, email, or Excel documents is not acceptable, the system must be capable of exporting information to those systems.

The desired summary / reporting mechanism should be in a row-and-column format. It should summarize current and "phase-to-date" PIRs and include graphics capabilities showing trends in problem incident reporting and resolution, as well as the existing backlog of PIRs at any point in time and amount of time (maximum, minimum, average) to close out and correct PIRs. Examples of the summary / trend information of interest to TMRS include (at both individual functional or business area levels, delivery phases, as well as the project in total):

- Number of test cases for the phase, cases to execute and cases executed – for the phase and for the project as a whole.
- Number of test case data sets for each executed test case.
- Number of executed test cases with one or more PIRs (opened or closed).
- Number of test cases undergoing rework.
- Number of test cases awaiting or undergoing retesting.
- Number of open PIRs at any point in time.
- Number of closed PIRs since the beginning of the project and the beginning of the current phase.
- Number of PIRs opened / closed in the last week/last month.

The Respondent will provide training to appropriate TMRS staff as necessary to facilitate their use and understanding of the PIR system. No user testing will proceed until the PIR approach has been presented to, reviewed by, and accepted by TMRS.

At the conclusion of the project, the Respondent must leave the client with a copy of the PIR system and the complete database of reported problem incidents for the project. In addition, as part of the leave-behind, Respondent will provide documentation and training for TMRS administration personnel as appropriate.

C.5.3 Data

The following sections set forth the Respondent's responsibilities relating to the migration of data from the NextGen environment to the Employer Reporting solution, the integration of data coming into the new Employer Reporting system with NextGen as well as the precautions the Respondent is expected to take to ensure the security of TMRS' data.

C.5.3.1 Data Security

The security of TMRS' member and retiree data must be paramount throughout the execution of this project. TMRS recognizes that access to the real data will be necessary for both data conversion and for debugging of any problematic calculations. However, the risk of loss or inappropriate use of personal data, possibly leading to identity theft or other such abuses, is high. Therefore, we require that the Respondent provide a discussion in its response regarding how it proposes to manage the security of TMRS' data during the project implementation and thereafter.

The response should include at least the following information:

- A complete list of which data the Respondent considers to be Personally Identifiable Information (PII)
- A written commitment that all of the PII will be encrypted in transit and at rest, even when sent in email correspondence
- A written commitment that data at rest will be encrypted
- A written commitment that none of the PII will be stored on any local PCs (including Respondent laptops) without specific permission from the TMRS Project Manager – and should that permission be forthcoming, stored only in encrypted format
- A description of which Respondent staff need (and will be provided) access to PII and why
- Ongoing procedures that will be in place to secure data during and after the project

In addition, the Respondent must describe in detail the processes and safeguards that will be utilized prior to TMRS' data leaving the premises.

C.5.3.2 Data Bridging and Integration

TMRS understands that a critical component of the project is the bridging of information across the Employer Reporting system and NextGen. Respondents should discuss how they can work with TMRS to ensure that all data is mapped and bridges are in place as needed for each rollout. TMRS expects that the Vendor will design real time integration/bridging programs from the Employer Reporting system allowing data to be integrated with the NextGen database or the Microsoft Dynamics database. As an example, once data passes wage and contribution validations it will be integrated to the NextGen database for posting to each individual member's account.

C.5.3.3 Data Conversion

TMRS anticipates that the NextGen system/database will remain the system of record for the member account history. However, the new Employer Reporting system could possibly become the system of record for employer specific data such as employer demographics, employer contacts, employer rates, and employer account and payment history. Therefore, any data that is available and applicable to the member's account need to be converted from NextGen. Any data that is converted to the new system must be reconciled and reconciliation reports provided that assure all data is converted. A plan to address the conversion process, how exceptions will be identified, and reports that will be provided demonstrating conversion is complete, must be provided by the Vendor.

C.5.4 Project Staffing

In addition to requiring the project staffing plan described below, TMRS has a number of other project staff-related requirements as indicated below.

C.5.4.1 Project Staffing Plan

The Respondent must include in its proposal a preliminary project staffing plan. This plan must lay out the reporting structure of the Respondent's team that will be assigned to the effort and illustrate how this reporting structure fits into the Respondent's overall organizational structure.

The staffing plan must include estimates of the manpower loading of project phases. This should also include the staffing requirement for TMRS staff members.

C.5.4.2 Preparation of Respondent Personnel

All staff members and subcontractor staff members assigned to the project who may interface with TMRS staff must have read the RFP, all BAFO materials, and the technical aspects of the Respondent's Proposal, as well as any clarifications to the technical proposal, to gain an overall understanding of the project and its objectives, prior to interacting with any member of TMRS staff. Signed and dated certifications that Respondent staff members have read the above documents must be kept on file and may be requested by TMRS for review. Under no circumstances will such an initial familiarization with the RFP, project objectives, current operating environment, and desired functionality or other project objectives or requirements be provided by TMRS staff members.

And because personnel should be familiar with the contents of the RFP, after award of the contract to the Respondent, it will be the Respondent's responsibility, prior to requesting any material, to review the RFP and its appendices first. If after reviewing that material, samples of any forms, letters, reports, procedures, etc. are found not to be in the appendices, then the Respondent will request them from TMRS staff.

C.5.4.3 Project Manager

The Respondent's proposed Project Manager will be the primary customer liaison, responsible for coordination, scheduling, and resolution of issues. He/she will be responsible for working closely with TMRS' designated Project Manager and Deputy Project Manager, generally on a regular basis, either in person or via telephone and/or email. The Respondent should identify what percent of time the Project Manager is expected to be assigned to the project and on-site.

The Respondent must agree that its designated Project Manager will remain continuously assigned to the project for the duration of the project. Should a change be necessary due to one of the exceptions identified below, TMRS reserves the right to approve the candidate proposed by the Respondent as a replacement for the Project Manager as well as review and approve the transition or succession plan to the new Project Manager.

C.5.4.4 Key Personnel

Key personnel must be identified in the staffing plan, and the Respondent must commit that these staff members will not be reassigned over the duration of the effort without TMRS' prior written agreement. Key personnel to be identified include the Project Manager, a lead analyst and one additional senior staff member. The Respondent should designate the percentage of time each key person is assigned to the TMRS project.

C.5.4.5 Replacement of Personnel

The skills of the replacement individual for any staff member who is removed from or leaves the project for any reason must match or exceed the replaced staff member in terms of skill level and experience. TMRS reserves the right to approve/reject the replacement prior to assignment as well as at any time during the 90 days after the replacement begins work on the project.

Further, any replacement not occasioned by illness, sudden death, or other immediate departure of the staff member must be assigned at least two weeks prior to reassignment of the staff member being replaced in order that a smooth, effective transition / transfer can occur. In such an event, a transition / transfer plan must be provided to TMRS in writing two weeks prior to the start of the transition. In their proposals, Respondents must include a sample of such transition plans.

TMRS reserves the right to address individual Respondent staff performance with the assigned project manager or the Respondent's executive team should the need arise during the project. Should a plan to correct any of the Respondents staff performance issues identified by TMRS, not be amenable, the Respondent may be requested to provide a replacement plan for the identified staff member.

C.5.5 Documentation

As a goal, the system provided by the Respondent should be so easy to use, so self-explanatory, and so intuitive that little or no documentation is necessary. However, laudable as that goal may be, TMRS requires that the Respondent provide two types of documentation for the new Employer Reporting system:

- User documentation, including electronic help which can be maintained and modified by TMRS without Respondent support
- System administration documentation for a business analyst who needs to reconfigure a function

The required documentation is discussed in the sections that follow.

C.5.5.1 User Documentation and Online Help

A detailed user guide should be provided for both internal and Employer users. The user guide should be processed based, meaning it walks the user through processes beginning with the login and account creation process. At a minimum, the documentation should include the following:

- Step Employer users through creating pay-period reports, validating errors and exceptions, and posting final reports.
- Reviewing posting history and running historical reports
- Paying for reports, and reviewing payment history
- Updating Employer contact information
- Creating adjustments to previously posted data

With any intuitive web based system, TMRS expects online help to be fully populated by the Respondent. Furthermore, the help should be readily available and process specific. As an example when an Employer is creating a payroll report, task specific help should be available with a single click. It should be clear to the end user where and when help or processing tips are available for a function being used.

C.5.5.2 Administrative Documentation

System configuration documentation that must be provided includes:

- Documentation on all aspects of system configuration such as changing of contribution rates, etc.
- Documentation on aspects of the system that are configurable
- Batch Planning, Scheduling, and troubleshooting, and reviewing of exception reports.

C.5.6 Employer Training and TMRS Staff Knowledge Transfer

The Respondent will provide training for TMRS staff users, technical team, as well as a “train the trainer” approach for TMRS staff to use in training the Employers in using the system. The training for the new system should address both the use and the administration of the system.

For avoidance of doubt, this section of the project scope does not contain Employer Reporting training in the field for the Employers who will use the system. Rather, this type of direct training for Employers is listed in the Optional Services Section C.7 of the RFP.

The training will encompass all functionality included in the proposed solution. Training will occur in a phased manner, i.e., not all at the beginning or at the end of the project, but corresponding to the phasing of the overall project based on the approved project work plan. A particular concern of TMRS is the ability of users to process work and fulfill their job duties utilizing the new solution as soon as it first becomes available at the time of the initial functional cutover. As described above, the Respondent will provide standard training in the new solution, which will familiarize staff with the technical environment: screen navigation, windows, containers, tabs, wizards, and drop down lists, radio buttons, hot keys, data entry fields, and the like. But this training, while essential, is not sufficient to equip the users to begin processing work efficiently. Users do not think in terms of tabs and containers and wizards, etc. They think in terms of processes and sub-processes – e.g., processing contributions, generating reports, managing accounting transactions, and processing Employer information. This is the reason for the stress placed on **training in work processes** in this RFP.

The format of the training to be provided to TMRS users and technical staff must include hands-on experience with all of the facets of the new solution pertaining to their job duties (and the job duties of the Cities/employers).

On-site training is to be provided by the Respondent in all aspects of the new system. Regardless of the format and schedule for training (of all types) proposed by the Respondent, TMRS expects that the Respondent (or its subcontractor[s]) will conduct all training sessions. All training sessions will be administered through formal classroom instruction, training workshops / laboratories or through web-based access using designated office space at TMRS.

The Respondent must provide all electronic source documents, graphics, and the like used in the development and presentation of all aspects of training. All training materials, either in electronic or hard copy format, may be copied by TMRS without restriction. Respondents must develop their training plans and price their training services accordingly.

TMRS and the Respondent will jointly determine the training dates and schedule TMRS staff and facilities.

C.5.7 Testing

TMRS expects a comprehensive testing process to be in place and utilized to determine whether the solution delivered (both base functionality and customizations) satisfactorily addresses the requirements defined in the RFP as confirmed or revised during requirements definition. This includes all components described in this RFP.

Testing terms may vary by Respondent– but the requirements as stated herein must be met as a minimum. If the Respondent uses different terms, it must provide a mapping of its terminology to TMRS'. If small iterations of testing are included in the Respondent's plans, that are somehow differentiated from full User Acceptance Testing, they should be discussed in the Respondent's proposal. A list of test-related terms, along with their meaning in the context of this RFP, is provided below:

<p>Vendor Testing</p>	<p>The hierarchical series of tests conducted by the Vendor to verify proper functioning prior to delivering one or more components of the solution to TMRS. In order from simplest to most complex, Vendor Acceptance Testing (VAT) includes:</p> <ul style="list-style-type: none"> ■ Unit Testing – Tests performed by the programmer or developer to ensure the reliable performance of functions, procedures, and routines before making the product available to other developers within the larger component or system ■ Integration Testing – Testing of the solution with all its integrated components to ensure that they work together as designed, that the various sub-systems communicate with one another properly, errors are properly propagated from one component to another, etc. ■ System Testing – Testing of the entire system (as a system) to ensure that the solution meets the design specifications. Specific components of the system test include: ■ Performance Testing – Tests designed and executed to determine whether or not the solution delivered satisfies the performance benchmarks identified in the RFP and refined and agreed to by TMRS and the Vendor. ■ Regression Testing – Possibly the most important aspect of the Vendor’s testing responsibility, regression testing is the principle of re-testing previous problem repairs subsequent to the correction of new problems to ensure that previously repaired problems do not recur. Regression testing is an integral part of any good software development methodology.
<p>TMRS User Acceptance Testing (UAT)</p>	<p>Execution of a series of defined steps using predefined data the objective of which is to determine whether the actual outcome consistently, repeatedly, and accurately equals the expected result. User acceptance testing is a deliberate process and requires test scenarios, test cases, test data, and expected outcomes to be prepared by the Respondent and known by TMRS in advance of test execution. UAT occurs subsequent to the completion of VAT – though Vendor-accomplished regression testing continues in response to changes and repairs of problems determined during UAT. UAT includes a set of End-To-End functionality tests (designed by the Respondent in conjunction with TMRS staff, and to be approved by TMRS) that must be executed to validate that all functionality works as required in the RTM.</p>

These responsibilities include the identification and preparation of all test plans, test variants, test scenarios, test cases, test scripts, test data, and expected results for the entire system (not just the modifications/enhancements of the base product) and *for all testing levels through Vendor Testing*.

Furthermore, as indicated, TMRS requires that the Respondent plan for and execute complete, end-to-end testing of the solution, not just the customizations done for TMRS. In addition, the Respondent will provide a mechanism for reporting actual test results vs. expected results and for tracking all errors and problems identified during test execution (see Section C.5.2.9 Problem Incident Reports), as well as their resolution. This reporting mechanism will include trend analysis

for tests completed, errors identified, rework efforts, and retesting efforts, in both numeric and graphical presentations.

TMRS reserves the right to review and approve the materials developed by the Respondent for vendor testing. TMRS must have the ability to use the scripts used in Vendor Acceptance Testing and to augment those materials and test plans and scripts as TMRS sees fit. Most often this will be based on use cases and scenarios discussed during the design phase. No user testing is to start until TMRS staff is trained by the Respondent in problem incident reporting (PIR) mechanisms.

In preparation for and execution of testing activities, the Respondent must:

- Create the test environment, meeting the specifications of the test plans
- Ensure that sufficient and approved test data is populated in the test database(s)
- Support the operation of the test system and deliver system output to TMRS as requested
- Document and resolve errors encountered during testing – and fully regression test the repairs
- Provide adequate technical and other staff dedicated to testing support and problem resolution while testing activities are in progress
- Update the requirements traceability matrix demonstrating that the tests performed validate that specified system requirements, either listed in the Functional Business Requirements (Section C.3) or generated through other project activities that are conducted as part of this.

In its proposal, the Respondent is to include its proposed test plan methodology. After contract award, the Respondent will be required to include details of its test plan methodology in the detailed project work plan. A separate test plan and set of test materials will be prepared for each functional cutover.

The following sections provide specific requirements and detail the Respondent's responsibilities relating to both Vendor Acceptance Testing (VAT) and User Acceptance Testing (UAT) of the new solution.

C.5.7.1 Criteria for Cutover to User Acceptance Testing (VAT Exit Criteria)

Respondents should note that for purposes of this RFP, anytime TMRS will be required to test the solution, it is considered UAT. We understand there may be subtle differences in what the Respondent may call pilot testing or early exposure testing, versus 'full-UAT,' but regardless of the definition, TMRS requires the Respondent to complete testing prior to testing that is performed by TMRS.

Prior to the commencement of UAT, the Respondent must have successfully completed all required testing required by the phase definition. At the conclusion of vendor testing, the Respondent will provide written certification, signed by both the Respondent's project manager and the Respondent's Test Team Director (an individual separate and apart from the development staff charged with test and quality assurance responsibility) that all tests have been completed satisfactorily and that the system is ready for UAT and that no critical or high severity defects, and less than 10 total defects remain.

The final output of VAT will be verifiable test materials including, but not limited to: test plans, test scripts, expected test results, actual test results, and tangible proof (i.e., screen prints [before and after images] or report output) that actual test results were compared to expected test results. UAT will not begin until after **all** Respondent Test material has been provided to TMRS.

C.5.7.2 TMRS User Acceptance Testing

UAT will be conducted for each functional phase cutover.

In addition to assisting TMRS users in utilizing the test materials and executing the tests, the Respondent's independent testing team will also support users in reporting test results and in re-testing, as required, to confirm that all Problem Incident Reports were addressed correctly and thoroughly.

TMRS will execute both test scripts provided by the Respondent, scripts built in conjunction with both teams, as well as those which have been built independently by TMRS for ad-hoc testing. Tests conducted during UAT will be executed against data from TMRS' current production legacy systems as well as against new data added during execution of the test cases. As a result, the Respondent will need to accommodate in its project plan and timeline the completion of some sufficient level of data conversion to provide a satisfactory sample data set.

UAT and all subsequent releases must include continuous Regression Testing of the implemented solution to ensure that all subsequent fixes and changes to the system do not break things which worked prior to the implementation of those changes. The Respondent is requested to be responsible for developing test plans and all test materials in conjunction with TMRS, as well as for executing all tests and certifying their completion prior to user acceptance testing for all functionality being delivered. As a result of the user testing activities, problems may be identified that require correction. Those corrections should, in turn, require re-testing. In addition, when a second functional phase is developed on top of a first, features inserted into the second (and subsequent) phase(s) may cause functionality in the first phase to cease functioning. Those problems are identified through re-testing of the features of all phases prior to the current phase – as well as unit, integration and system testing of the most recent phase.

During the problem correction process as well as during the validation of previous phases, TMRS is concerned that appropriate regression testing be conducted. By "Regression Testing", we mean re-testing to detect faults introduced during the modification and correction effort, both to verify that the modifications and corrections have not caused unintended adverse effects, and to verify that the modified and related (possibly affected) system components still meet their specified requirements.

As part of the overall testing activities, a regression test plan is requested to be developed by the vendor describing (1) the core test bed that ensures appropriate coverage of complete system functionality, and (2) how each specific programming change made to the solution should be classified and also how a test for its integrity should be incorporated into the regression test bed. Then when a programming change is made (and tested and integrated) in response to a problem identified during vendor or user test, the regression test bed should be augmented (according to the plan) to incorporate testing for the new repair as well as ensuring that prior repairs are not undone. Thus the regression test plan has two objectives: first, to validate that the change/update has been properly incorporated into the program; and second, to validate that there has been no change to the unchanged portions of the program.

The Respondent is expected to execute the regression test and certify its completion in writing to TMRS prior to passing the modified application to the users for retesting. In certifying such regression testing, the Vendor is requested to assess the risks inherent to the modification being implemented and weigh those risks against the time and effort required for conducting the regression tests. In other words, the Vendor should design and conduct reasonable regression tests that are likely to identify any unintended consequences of the modification while taking into account schedule and economic considerations.

In their proposals, it is requested that Vendors acknowledge their complete understanding of and responsibilities for on-going regression testing as described in this section.

C.5.7.3 Criteria for Production Cutover (UAT Exit Criteria)

Regardless of the project schedule, UAT for a rollout phase will not be considered complete until all of the major processes run to completion without major error or issue.

The Respondent Project Manager, the TMRS Project Manager, and the Oversight Project Manager must certify in writing completion of the following prior to any rollout of the new system:

- Successful TMRS execution of all UAT:
- Successful Respondent execution of all Vendor Acceptance Testing
- Successful Employer Reporting lifecycle tests

In addition, there must be no critical PIRs outstanding for those processes or business functions that are anticipated to occur within 2 months of production cutover.

C.5.8 RESPONDENT TRANSITION SUPPORT DURING CUTOVER

The transition from the current business processes to those in each phase must be planned and managed by the Respondent. Having implemented its solution in other locations and with other clients, the Respondent understands that having received TMRS' approval of the UAT phase of testing is just one milestone in TMRS' transition to competent usage of the new Employer Reporting system.

The Respondent is required in its response to detail the cutover support plans for each phase of the project and for the specific sub-systems as indicated in the sections that follow.

Each rollout phase of the new solution will bring significant changes to the way that TMRS executes its business processes, some of them operational, and some of them user-oriented. TMRS' users will have undergone training, and many will have participated in UAT, but they will not be fully prepared for the sudden change in their environment.

The team or people supporting the Employer Reporting cutover have the following characteristics:

- A broad understanding of the solution
- Excellent people skills
- Excellent communication skills (possibly trainers)
- Patience for those times when they will be asked the same question four times in ten minutes

TMRS desires a long-term partnership with the implementing vendor and is also interested in how the project will transition from implementation to ongoing support. TMRS would look favorably upon proposals that integrate the long-term support personnel into the project early during the transition period.

C.6 OTHER REQUIRED SERVICES AND DELIVERABLES

TMRS has identified additional areas that are of importance in selecting a Vendor. These requirements have been accumulated under a single heading — Other Required Services and Deliverables. The intent of this section is to inform the Respondent of its responsibilities and the expectations for its conduct over the duration of its relationship with TMRS in the following areas:

C.6.1 APPLICATION WARRANTY AND SUPPORT

With regard to the customized line-of-business application, the Respondent must warrant that it will operate, in its entirety, in accordance with the RFP's requirements and the specifications approved by TMRS. TMRS requests a minimum warranty effective for six (6) months after final turnover and acceptance of the last phase of the project. Application program functionality may be implemented in a given month of the year and based on its nature (semi-monthly, annually, etc.) may not get executed for the first time within the 6-month warranty. For each and every type of functionality that falls into this category, the warranty period is the six (6) months following the first execution of the functionality in a production environment by TMRS. The cost for this warranty should be included in the Respondent's cost proposal and be so identified. This implies a longer warranty period for portions delivered earlier in the project. If a component of the new solution has a version upgrade, the Respondent shall be responsible for upgrading such component without any additional cost to TMRS through the end of the warranty period. Respondent time utilized for warranty services, does not count against any additional support or result in any additional fees payable by TMRS.

C.6.1.1 Limitations

Respondents must identify any and all limitations and constraints with respect to software maintenance and warranty. They must be explained in terms of risk, change control, and cost implication. If the Respondent does not identify such limitations and constraints, then warranty and maintenance protection afforded TMRS, and its associated costs, will be as described above without limitation or constraint.

C.6.2 POST IMPLEMENTATION MAINTENANCE AND SUPPORT

TMRS views the availability of support prior to and following the end of the system warranty period as a crucial element of the overall solution. TMRS is also sensitive to the potentially significant cost of such ongoing support. TMRS requires the Respondent to provide support and maintenance services to the system on an on-going basis commencing with the end of the warranty period.

Respondent is to price the provision of five years of post-implementation maintenance and support plus indicate any factor for inflation for subsequent years. Initially, this support will occur simultaneously with the mandatory warranty support, but it is not to include any warranty work and is to be separate and apart from warranty support as described in Section C.6.1.

The scope of the post implementation support activities includes all activities required in support of the application – i.e., maintaining and enhancing the Employer Reporting solution.

With regard to maintenance and support of the Employer Reporting solution, it is anticipated that this work will be done remotely.

The Respondent shall describe its maintenance and support strategy including receipt by the Respondent of a support request from TMRS and the processing of same through completion and approval by TMRS (including expected elapsed times). TMRS understands that with the launch of Self Service features, the TMRS staff must be prepared to address questions from Employers. However, there may be times when users are having an issue connecting to the site, or a request by

the member results in a system error, not the actual use of the functionality. TMRS would like to gain a better understanding of the approach that will be used to manage such issues.

Respondents shall indicate in their technical proposals the number of hours they believe are appropriate for maintenance, enhancement, and operational support (as described above) over a 6-month period and quote in their cost proposals a fixed annual fee. TMRS is interested in gaining an understanding of what services are included in the maintenance agreement, including any additional hours for enhancements. It is TMRS' experience however that enhancement during the warranty will likely be limited and will require a lower budget during that period. The Respondent must also quote an hourly figure in the event additional time is required within a single 6-month period for enhancements.

Include in the technical proposal response the conditions under which the Respondent would be willing to provide the extension of services if so requested by TMRS – for example, extensions must be in increments of six months or more and must be requested at least 60 days prior to the end of the current support period. A proposed maintenance and support agreement must be included with the Respondent's proposal.

C.7 OPTIONAL SERVICES

TMRS has identified additional areas that are of importance in selecting a vendor and desires the Respondent to provide the cost of these optional services areas in the proposal. **Attachment F5 – Cost Matrix** provides a spreadsheet tab for the Respondents use in providing the costs for these Optional Services.

Respondents should take note that these items are optional in the sense that TMRS has the ability to authorize these during contracting and negotiations, however a technical response and cost proposal are required to be provided by the Respondent.

C.7.1 OPTION 1 - FULL EMPLOYER TRAINING SERVICES

For avoidance of doubt, performing training to TMRS staff (train the trainer), the development of customized Employer training materials, and participating in recommendations to TMRS for Employer Training are included in the base scope of this project and referenced in Section C.5.6. The intent of C.5.6 was the Respondent would build the materials, train TMRS, then TMRS would provide training to the Cities. If TMRS were to authorize this option, Respondents would help with that burden by providing a portion of the live, field training and also facilitating a portion of the webinars. The details of the requested services are provided in subsections that follow.

C.7.1.1 Employer Reporting Field Training

By providing these services, the Vendor will assist TMRS by leading a series of regional field training sessions. TMRS will identify the locations and procure the training space, and the Respondent would assist with the training preparation, delivery, and execution. Because of its large geography, TMRS believes that offering field sessions for Employers will help in the adoption of the new system when rolled out.

TMRS estimates that this will require a minimum of twenty sessions at various locations throughout the State where Vendors would participate/lead the training with TMRS staff. The Respondent should provide a proposal for this service as well as provide other value added approaches that have been utilized by other retirement systems.

C.7.1.2 Employer Reporting Webinar Based Training

TMRS is aware that Employer Reporting projects have leveraged webinar based training sessions for training Employers (Cities) on the system. The Respondent is requested to identify the tool they propose to use to carry out both live webinars and recorded webinars. TMRS requests that the Vendor provide the cost to facilitate 20 live webinars, as well as providing the tools for TMRS staff to facilitate their own webinars, without the help of the Respondent. The intent would be to keep the participation to a manageable number of cities, per session.

Furthermore, TMRS would like the Respondent to facilitate the creation of recorded sessions (webinars) that can be published on the TMRS website for access by the Cities should they not have the ability make a live training or live webinar. The tool should track participation by the viewers of the webinar so that TMRS can maintain metrics on those who have or have not participated in training. The Respondent should plan for the preparation of up to five different pre-recorded webinars that correspond the various phases of the project.

C.7.2 OPTION 2 – CHANGE MANAGEMENT AND MARKETING CAMPAIGN FOR CITY ADOPTION OF THE NEW SYSTEM

Part of the success of the project will be built upon the success of the Change Management and Marketing work necessary for 800+ Employers to adopt a new file layout, and/or eliminate submission of paper reports, and embrace the efficiencies of the new Employer Reporting System described in this RFP. TMRS currently accepts monthly payroll reports via an electronic file or via paper but with the rollout of the new Employer Reporting System, all cities will be requested to report using the new employer reporting tools. Not only is training important for this effort, but so is getting the word out about the project and the importance. TMRS has already built a City rollout strategy that describes the use of an Employer Focus group, development of a communications plan, as well as an introductory phase of introducing the new file layout. However, TMRS would like help 'branding' the project. TMRS would also like assistance with developing communication materials that support the project and aid in transitioning the Cities to this new paradigm. The marketing campaign should clearly embrace change management techniques that encourage adoption by the Cities.

Respondents must provide a description of the services they will provide, along with the cost in their Cost Proposal.

C.7.3 OPTION 3 – FULL REPLACEMENT OF CITYPORTAL

TMRS is aware that in addition to employer reporting of wages and contributions, Respondents likely have a more robust online Employer Reporting product that has additional features. These features likely represent some or all of the functions that are on the existing CityPortal, as described in Section B.3.1.2. Therefore, TMRS would like respondents to describe the functionality available on their base product.

All Respondents must provide an optional services cost for replacing TMRS current outward facing employer portal (CityPortal) as described in B.3.1.2 . This cost should include additional cost of software, configuration, training and testing services.

PART D TERMS AND CONDITIONS

D.1 GENERAL

TMRS reserves the right to amend the RFP prior to the date of proposal submission and at any time thereafter.

TMRS makes no representations or warranties, expressed or implied, as to the accuracy or completeness of the data or information in the RFP and nothing contained herein is or shall be relied upon as a promise or representation, whether as to the past or the future. The RFP does not purport to contain all of the information that may be required to evaluate the RFP and any recipient hereof should conduct its own independent analysis of TMRS and the data contained or referenced herein. TMRS does not anticipate updating or otherwise revising the RFP. However, this RFP may be withdrawn, modified, or re-circulated at any time at the sole discretion of TMRS. Despite any inaccuracies or incompleteness of any data or information, the requirements of this RFP shall be considered mandatory and will be incorporated into the Master Services Agreement and thus remain binding on the selected Vendor.

TMRS reserves the right, at its sole discretion and without giving reasons or notice, at any time and in any respect, to alter these procedures, to change and alter any and all criteria, to terminate discussions, to accept or reject any Proposal, in whole or in part, to negotiate modifications or revisions to a Proposal, to negotiate with any one or more Respondents to the RFP, or to reject all Proposals and reissue this RFP.

TMRS is not and will not be under any obligation to accept, review or consider any Proposal to the RFP, and is not and will not be under any obligation to accept the lowest offer submitted or any offer at all. TMRS is not and will not be under any obligation to any recipient of, or any Respondent to, the RFP except as expressly stated in any binding agreement ultimately entered into with one or more parties, either as part of this RFP process, or otherwise.

This RFP is not an offer but a request to receive a Proposal. TMRS will consider a Proposal as an offer to implement the services set forth in the Proposal and in strict accordance with the requirements of this RFP. Respondents agree that the contents of their Proposals are valid for 6 months from the date of submission or until a contract with a selected Respondent is fully executed, whichever is earlier. TMRS will not be liable for any cost incurred in the preparation of a Proposal and will not reimburse any Respondents for their submission. Expenses related to the production of a Proposal are the sole responsibility of the Respondent.

Any Proposal submitted will become the property of TMRS. TMRS reserves the right to retain all Proposals submitted, and to use any information contained in a Proposal except as otherwise prohibited by law.

Respondents who submit proposals in advance of the deadline may withdraw, modify, and resubmit proposals at any time prior to the deadline for submitting proposals. Respondents must notify the TMRS Point of Contact, as identified in Section A.2.2, in writing if they wish to withdraw their proposals. Notifications of intent to withdraw proposals may be delivered electronically via email, but responsibility for confirmation of the delivery and receipt by TMRS rests solely with the Respondent.

D.2 CONTRACTUAL REQUIREMENTS

The successful Respondent will be required to enter the Master Services Agreement (**Attachment F4 – TMRS Master Services Agreement Terms and Conditions**). Respondents that wish to propose edits to the Master Services Agreement must include a marked version of the proposed Master Services Agreement with their Proposal. However, Respondents should note that the extent and substance of any edits will be considered in the scoring and analysis of Proposals.

1. Although TMRS will consider suggested edits to the Master Services Agreement, the following provisions as set forth in the Master Services Agreement may not be removed from the Agreement or substantively altered in any way:
 - A. Respondent Incorporation of the Proposal and the requirements of this RFP into the Master Services Agreement. As set forth in the Master Services Agreement, the selected Respondent's Proposal and the requirements of this RFP will be wholly incorporated into the terms of the Master Services Agreement. Accordingly, the selected Respondent will be required to provide the services and deliverables as set forth, and in the manner set forth, in its Proposal and in accordance with all requirements of the RFP. To the extent a conflict arises between the terms of the Proposal and the provisions of the RFP and no written exception has been provided by TMRS to Vendor in accordance with section D.8 of the RFP, the provisions of the RFP shall control. In addition, to the extent the Proposal fails to address a particular requirement of the RFP and no written exception has been provided by TMRS to Vendor, such RFP requirement shall control and shall be deemed a requirement of this Agreement. Exceptions to the RFP may be granted by TMRS at any time prior to or following the execution of the Master Services Agreement.
 - B. Incorporation of Respondent's Proposal into the Master Services Agreement.
 - C. Governing law will be Texas law.
 - D. Indemnification provisions – the selected vendor shall fully indemnify TMRS.
 - E. Agreement to the privacy of information, including, but not limited to, TMRS Data and PII.
 - F. The insurance requirements set forth in the Master Services Agreement.
2. In addition, TMRS will not award contracts to and may reject proposals from individuals or entities that attempt to include any of the following in the Master Services Agreement with TMRS:
 - A. Provisions that reduce or diminish the common law or statutory standard of care, make any attempt to limit liability, or reduce responsibility of the contractor for mistake, error, or negligence of any type.
 - B. Provisions that attempt to limit liability for breach of contract or negligent performance to the amount of the payment to the contractor by TMRS.
 - C. Provisions that attempt to include binding arbitration agreements or waive a trial by jury.
3. TMRS will not indemnify or provide legal defense to the Respondent for any reason associated with the Respondent's performance under this contract.
4. TMRS expects a professional job, done commensurate with the standards and practices of the profession or business. Any warranties disclaiming otherwise will not be acceptable. The product and services will not be accepted "as is".

Prior to award, the finalist(s) will be required to enter into discussions with TMRS to negotiate and finalize the terms of the Master Services Agreement and to resolve any contractual differences before an award is made.

D.3 INVOICING, PAYMENTS, HOLDBACKS, AND TRACKING THEREOF

Although it is understood that many project deliverables will be submitted to TMRS by the selected Respondent, the structure of the deliverable based payments must correspond to the Table below. Each functional rollout will be addressed with 2 types of payments: one associated with meeting the User Acceptance Testing (UAT) Exit Criteria, and a second following 30 days' successful use of the functionality in production. Invoices for the contractual deliverables may be rendered only after each has been completed and formally accepted by TMRS.

The table below is provided to illustrate the sequence and type of payments TMRS will issue. The sum of the cost of all contractual deliverables will equal the total fixed cost of the project.

There is a significant difference between TMRS' receipt of a contractual deliverable and TMRS' acceptance of that deliverable. It must be understood that in most cases, TMRS will require a minimum of thirty (30) days to provide formal written acceptance of a contractual deliverable. Only upon receipt by the Respondent of written acceptance from TMRS' Project Manager, may the contractual deliverable be invoiced to TMRS. All invoices must include a copy of the signed acceptance(s) by TMRS. Payments of invoices by TMRS will be made within 30 days of receipt of the invoice for an accepted contractual deliverable.

Each invoice for implementation services submitted to TMRS by the Respondent must reflect a 15% holdback amount.

Upon acceptance of the final rollout of the system by TMRS' Project Manager, the Respondent will submit an invoice which includes one-half the sum of all holdback amounts (7.5% of the total project cost), for payment by TMRS. Respondents are cautioned that TMRS' final acceptance of the system will occur and cannot be pre-defined. Acceptance will not be forthcoming until the solution is delivered in final form – that is to say, not until all Requirements Traceability Matrix line items have been accepted AND all documentation is updated to reflect the “as-built” condition of the system AND all authorized change orders have been completed AND all “punch lists” have been resolved to TMRS' satisfaction. The Respondent's project manager cannot be reassigned until this point in the project.

Upon the conclusion of the warranty period, the Respondent will submit an invoice which includes the remainder of all holdback amounts (the last 7.5% of the total project cost), for payment by TMRS.

The Respondent should bear in mind the following terms:

- The “firm fixed price” will be defined in the contract resulting from this procurement based on the mandatory requirements and the selected (authorized) option areas.
- In the event of contract award, all agreements between the prime contractor and any subcontractors must be signed prior to the execution of the contract with the prime contractor by TMRS.
- All prices quoted must be good for a period of one hundred eighty (180) days after the proposal submission due date to TMRS.

Table 8 - Implementation Payments explains each contractual deliverable, its acceptance criteria, and the magnitude of the payment to be associated with it. Within the cost proposal template, a similar table will be provided. Respondents are requested to complete this table accordingly,

Table 8 - Implementation Payments

Payment Type	Description / Acceptance	Percentage of Implementation Fees
Project Setup / Administration; Work plan	Project Setup, Administration, and TMRS Acceptance of complete detailed project work plans and all other project setup deliverables	TBD% not to exceed 5%
Software	Payment of License Fees upon installation (No Holdback)	TBD
Hardware	TMRS will provide the hardware based on the selected Vendor specifications. It is likely no cost will be applicable.	N/A
Requirements Validated	Payment upon completion of a design and validation phase where requirements are validated as met through system demonstrations and testing by TMRS.	TBD% not to exceed 7%
UAT Exit Criteria Met	All sub phase UAT Exit Criteria Met, accepted by TMRS and into production (including but not limited to): <ul style="list-style-type: none"> ■ Any needed bridging in place ■ User acceptance testing completed; ■ User training completed; ■ Number of defects within the criteria stated in the RFP 	TBD%
30 Day Acceptance	TMRS satisfactory completion of 30-day usage in Production <ul style="list-style-type: none"> ■ No major problems as defined by TMRS ■ An acceptable plan in place to resolve any outstanding or additional issues identified in the first 30 days. 	TBD%
Holdback Release 1 - Final Sub Phase (UAT Exit Criteria Met)	Half of all holdback taken from each invoice (to date) Paid	7.5% of Implementation Total
Application Warranty	Warranty period completed. All PIR's identified during and prior to the Warranty resolved. No more PIR's will be reported after the end of this period (those are support). All agreed upon upgrades provided – e.g., software, tax tables, federal reporting.	N/A
Holdback Release 2 – Warranty Complete	Remainder of all payment holdbacks is released	7.5% of Implementation Total

D.4 SERVICE LEVEL TERMS

The Service Level Agreement (SLA) measurements will be proposed by the Respondent as described below, and the TMRS approved measurements will be incorporated into the Master Services Agreement during final negotiations.

- The Respondent will *at a minimum* need to include reasonable proposed SLA measurements and calculations for:
 - System Transaction times. For example, 99% of system transaction will be performed in 2 seconds or less.
 - Issue Response times. For example, 80% of all Low Severity problems will be responded to within 5 business days.
 - Issue Resolution times. For example, 95% of Critical Severity problems will be resolved within 8 hours of reporting.
 - The respondent proposal must also include a proposed description of the process used for user access changes, as well as the proposed definitions for Critical, High, Medium, and Low severity issues.
 - Finally, the Respondent's Proposal must include a complete description of proposed service levels (SLA's).

D.5 CONFIDENTIALITY REQUIREMENTS

Sub-contractors to the Respondent or employees of sub-contractors, may be required to sign a TMRS non-disclosure statement.

TMRS may treat all information submitted by a Respondent as public information following the conclusion of the selection process unless the Respondent properly requests that information be treated as confidential at the time of submitting the bid proposal. Regardless of any such request, however, Respondents should be aware that TMRS' release of information is governed by Texas Government Code Chapters 551 and 552 (the Texas Open Meetings Act and Texas Public Information Act, respectively), and TMRS may be required to release information submitted by Respondent in compliance with the Open Meeting Act or the Public Information Act. Respondents are encouraged to familiarize themselves with Texas Government Code Chapters 551 and 552 before submitting a proposal. All Proposals and the contents thereof may be deemed to be public record open to public inspection after the conclusion of the RFP process and award and execution of a contract, except if the information is confidential as provided by applicable law. TMRS shall not be liable to Respondents in any way for the disclosure of any information required to be disclosed pursuant to, or otherwise deemed public information under, any federal, state, or local law, rule, or regulation, including the Texas Public Information Act and the Texas Open Meetings Act.

Any bid proposal submitted which contains confidential information should be conspicuously marked on the outside as containing confidential information, and each page upon which confidential information appears should be conspicuously marked as containing confidential information. All proprietary information or trade secret information should be clearly marked in the Proposal as confidential. The Respondent's failure to request confidential treatment of material may be deemed by TMRS as a waiver of any right to claim confidentiality for such information.

Any request for confidential treatment of information should also be included in the transmittal letter with the Respondent's bid proposal. In addition, the Respondent should enumerate the specific grounds in Texas Government Code Chapters 551 and/or 552 or other applicable law which support treatment of the material as confidential. The request for confidential treatment of information should also include the name, address, and telephone number of the person authorized by the Respondent to respond to any inquiries by TMRS concerning the confidential status of the materials. The Respondent may be required to submit additional briefing to the Texas Attorney General's Office in Proposal to specific requests for the Respondent's information.

If the Respondent designates any portion of the proposal as confidential, the Respondent should also submit one copy of the bid proposal from which the confidential information has been excised or redacted. This excised copy is in addition to the number of copies requested in Section E.1.1 of this RFP. The confidential material must be excised in such a way as to allow the public to determine the general nature of the material removed and to retain as much of the bid proposal as possible.

D.6 PROJECT TERMINATION

Respondents are advised that TMRS expects to complete the effort with a single Respondent. However, Respondent's proposal shall provide that at the end of any phase, TMRS may, at its sole discretion and with no penalty, terminate the effort and not move forward with the Respondent to a subsequent phase.

Should TMRS elect to terminate the project at the end of any phase, the termination shall be subject to the Master Services Agreement, and the following terms and conditions:

- Termination shall become effective upon TMRS sending written or electronic notice to the Respondent. TMRS shall only be liable for payment of an amount equal to the costs allocated to the phases that were completed and accepted by TMRS; TMRS shall not be liable for any other cost, overhead, profits, or damages.
- No Confidential Information collected, maintained, or used in the course of the Services shall be disseminated by the Respondent except as authorized by law and with the written consent of TMRS either during the term of the Agreement or thereafter. Confidential Information may consist of but is not limited to records, data, notes, reports, devices, proposals, business cards, letters, specifications, drawings, equipment, and other materials. Vendor shall provide physical and logical protection for all TMRS written and electronic information. Vendor shall encrypt or otherwise protect, in accordance with industry standards such as AES256, all of TMRS electronic Confidential Information in its control or possession during transport and at rest. Vendor shall keep Confidential Information confidential and except as authorized by TMRS in writing, Vendor may use Confidential Information only to perform its obligations required under this Agreement. Vendor shall remain the responsible authority in charge of all information collected, used or disseminated by Vendor in connection with the performance of its obligations under this Agreement. Upon termination or expiration of this Agreement or earlier upon TMRS' written request, Vendor must return and ensure that the Vendor Personnel returns any and all Confidential Information collected, maintained, created or used in the course of the performance of this Agreement and all documents, data and other materials in its control that contain the Confidential Information. In accordance with the foregoing requirements, Vendor shall purge and shall have all of its subcontractors purge all Confidential Information from its computer systems. Upon TMRS' request, Vendor shall certify in writing that it has complied with the foregoing requirements within 30 days of Termination.

TMRS reserves the right to modify these termination requirements prior to the execution of any agreement between the parties and if applicable, the termination provision in the agreement shall govern over this section. However, unless and until altered by TMRS, these terms are considered requirements of this RFP and may not be removed from the Master Services Agreement or substantively altered by a Respondent in its proposed edits to the Agreement.

D.7 EXCEPTIONS TO TERMS AND CONDITIONS

If Respondent(s) takes exception to any term or condition set forth in this Request for Proposal, Respondent's exceptions must be clearly identified in their Proposal in Section A-1.5. Such exceptions shall be considered in the evaluation and award process. TMRS shall be the sole determiner of the acceptability of any exception. An exception is deemed rejected and does not alter the requirements of the RFP in anyway unless otherwise stated by TMRS in writing. Exceptions allowed by TMRS in writing shall constitute alterations to the requirements of this RFP, but only to the extent so stated in the TMRS writing.

PART E RESPONDENT PROPOSALS

E.1 FORMAT OF RESPONDENT PROPOSALS

This section sets forth the format that must be followed by Respondents in developing their proposals in response to this RFP. Proposals that vary from this prescribed format are subject to being judged non-compliant and withdrawn from consideration.

The Respondent must understand that TMRS will view the degree of compliance with this section as an indication of the degree of cooperation to be expected from the contractor in working with TMRS after contract award. TMRS' request in this vein is not arbitrary; rather it is designed to enable the evaluation team to compare, in as straightforward a manner as possible, the contents of all proposals. Thus, it is in the Respondent's best interest to organize its proposal as described below.

Respondents are to submit separately bound and packaged Technical and Cost Proposals. No cost information is to be included in the Technical Proposal – with the single exception of Section 1.5, Exceptions, in which it is permissible for Respondents to include relative or differential cost information. Please refer to the discussion for Respondent Proposal Section A-1.5 Exceptions, below.

The proposals are to be prepared on standard 8½" x 11" white paper. All proposals are to be in single-column format and page-numbered from first page to last, with the permitted exception of attachments to the proposal. A Table of Contents must be included. Foldouts containing charts, spreadsheets, and other necessary supporting documentation are permissible, but must be held to a minimum. The pages must be placed in a binder with tabs separating the major sections outlined below. Figures and tables must be numbered and referenced in the text by that number.

The following information must appear on the title page of each copy of both the Technical and Cost Proposal:

<p>Texas Municipal Retirement System (TMRS)</p> <p>Technical or Cost Proposal in Response to</p> <p>Request for Proposal For an Integrated Employer Reporting System for Pension Administration Federal Tax ID Number: _____ Dun and Bradstreet No.: _____</p> <p>Closing date and time for submission of proposals: _____</p> <p>[Name, title, address, voice, and fax telephone numbers of organization submitting proposal]</p> <p>Signature _____</p>
--

An individual authorized to bind the Respondent to its provisions must sign the proposal. The proposal shall remain valid for one year from the date of submission or until a contract with a selected Respondent is fully executed, whichever is earlier.

Respondents must provide the number and format of proposal materials described in Section A.3.3 on page 9 of this RFP when submitting their proposals.

E.1.1 TECHNICAL PROPOSAL FORMAT

The organization and content of the Respondent's Technical Proposal must conform to the outline set forth below. Section numbering of the Respondent's proposal must agree with the outline. Following the outline is a description of the information that must be included in each section of the proposal.

Table of Contents

Proposal Letter

PART A	Respondent Information
	A-1 General Information
	A-1.1 Respondent Certifications and Affirmations
	A-1.2 Statement of Understanding
	A-1.3 High Level Deliverables
	A-1.4 Assumptions
	A-1.5 Exceptions
	A-1.6 Warranty Limitations
	A-2 Respondent Qualifications
	A-2.1 Corporate Background
	A-2.2 Relevant Project Experience
	A-2.2.1 Client References
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	A-2.4 Project Staffing
PART B	Respondent Response to Project Scope
	B-1 Response to Business Functional Requirements
	B-2 Response to Technical Requirements
	B-3 Response to PM and Implementation Services
	B-4 Response to Other Required Services and Deliverables
	B-5 Response to Optional Requirements

PROPOSAL ATTACHMENTS

Attachment 1	Completion of Requirements Matrix
Attachment 2	Response for Optional Services
Attachment 3	Respondent's Annual Financial Report
Attachment 4	Comprehensive List of all Documentation to be Delivered
Attachment 5	Samples of Documentation
Attachment 6	Menu and Screen Snapshots
Attachment 7	High-level work plan (with and without options)
Attachment 8	Sample Data Conversion Plan
Attachment 9	Sample Test Plan
Attachment 10	Sample of Previously Used Status Reports
Attachment 11	Proposed License Agreement
Attachment 12	Subcontractor Letters of Commitment

Specific contents to be included in each section of the Respondent's proposal are discussed in detail below.

TABLE OF CONTENTS

Each page of the proposal must be numbered (with the possible exception of pre-printed material included in attachments), and each section heading must appear in the proposal Table of Contents.

PROPOSAL LETTER

The Proposal Letter must be included and must be signed by a person authorized to legally bind the company. The letter should include a statement indicating that the Respondent meets the minimum qualifications for both the Company and for the Proposed Project Manager. Supporting details for these statements must be included for both the Respondent and the Project Manager in the Respondent proposal sections A-2.2.1 and A-2.4, respectively.

Failure to include this signed proposal letter may result Respondent’s proposal being deemed non-compliant.

PART A RESPONDENT INFORMATION

A-1 GENERAL INFORMATION

A-1.1 RESPONDENT CERTIFICATIONS AND AFFIRMATIONS

In this section, the Respondent must include the following statements of affirmation:

- A statement regarding the Respondent's legal structure (e.g., a LLC, a corporation), Federal tax identification number, and principal place of business
- A list of the people who prepared the Respondent’s proposal, including their titles
- The name, phone number, and fax number of a contact person who has authority to answer questions regarding the Respondent’s proposal
- A list of all subcontractors, if any, that the Respondent will use on the project if the Respondent is selected to do the work – for each proposed subcontractor, the Respondent must include (in Attachment 15 of the technical proposal) a letter from the subcontractor, signed by someone authorized to legally bind the subcontractor, with the following information included in the letter:
 - The subcontractor's legal status, tax identification number, and principal place of business address
 - The name and phone number of someone who is authorized to legally bind the subcontractor to contractual obligations
 - A description of the work the subcontractor will do
 - A commitment to do the work if the Respondent is selected
 - A statement that the subcontractor has read and understood the RFP and will comply with the requirements of the RFP
- A statement affirming the Respondent’s commitment to develop a full set of all of the rules, regulations, procedures, and practices that need to be accommodated in the new solution (refer to Section C.3 for additional information)
- Affirmation that the Respondent’s organization is the prime contractor and the primary point of contact with regard to contractual matters. The Respondent must confirm that should any third party provider go out of business or otherwise become unable to fulfill its contractual obligations to TMRS with respect to this procurement, then the Respondent (prime contractor) will guarantee delivery of the same or equivalent products and services at the contractually agreed upon price.

- Affirmation that all requirements expressed in this RFP must be met by the solution implemented by the Respondent unless an explicit written agreement to delete one or more of the RFP's provisions is signed by both TMRS and the Respondent (see Section C.5.2.6).
- For the period of time starting with the publishing of the RFP and up until the award of a resulting contract, identification of any contact that the Respondent, a lobbyist, or any other third party which has been retained by the Respondent in any manner has had with TMRS staff or TMRS trustees related to the procurement. In addition, describe the nature of the contact, the dates, and the substance thereof. Failure to do so accurately may be grounds for rejection of your proposal and/or cancellation of any subsequent contract.
- Identify any occurrence or anticipated occurrence which might reasonably be expected to have a material effect upon your ability to meet your contractual obligations to TMRS. Occurrences may include, but are not limited to, the following:
 - Disposal of major assets;
 - Any major computer or system upgrade or conversion;
 - Gain or loss of clients;
 - Insolvency or the imposition of, or notice of the intent to impose, a receivership, conservatorship or special regulatory monitoring or any bankruptcy proceedings, voluntary or involuntary, or reorganization proceedings;
 - Reorganization, reduction and/or relocation of key personnel;
 - Known or anticipated merger or acquisition;
 - Known, planned or anticipated stock sales;
 - Any litigation filed against;
 - Any sale or merger; or
 - Significant change in market share or service focus.

Please note: If an occurrence of the above is expected to not have a material effect upon your ability to meet your contractual obligations to TMRS please explain.

The Respondent must also include a single statement indicating they can certify each of the following seven certifications:

1. Certification as to whether the Respondent has ever had a contract terminated for default or cause. If so, the Respondent must submit full details, including the other party's name, address, and telephone number.
2. Certification as to whether the Respondent has ever been assessed any penalties in excess of fifty thousand dollars (\$50,000), including liquidated damages, under any of its existing or past contracts with any organization (including any governmental entity). If so, the Respondent must provide complete details, including the name of the other organization, the reason for the penalty, and the penalty amount for each incident.
3. Certification as to whether a client has ever demanded payment of a performance bond or a bid bond of the Respondent. If so, provide the name of the client, client contact information and an explanation of the circumstances.
4. Certification as to whether the Respondent has ever been, or is currently, the subject of any governmental action limiting the right of the Respondent to do business with that entity or any other governmental entity.
5. Certification as to whether trading in the stock of the offering company has ever been suspended. If so, provide the date(s) and explanation(s).

6. Certification as to whether the Respondent, any officer of the Respondent, or any owner of a twenty percent (20%) interest or greater in the Respondent has filed for bankruptcy, reorganization, a debt arrangement, moratorium, or any proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding.
7. Certification as to whether the Respondent, any officer of the Respondent, or any owner with a twenty percent (20%) interest or greater in the Respondent has been convicted of a felony or is currently under indictment on any felony charge.

If the answer to any of the last seven (7) certification items above is affirmative, the Respondent must provide complete details about the matter. An affirmative answer to any of these items will not automatically disqualify a Respondent from consideration. However, at the sole discretion of the evaluation committee, such an answer and a review of the background details may result in a rejection of the Respondent's proposal. The committee will make this decision based on its determination of the seriousness of the matter, the matter's possible impact on the Respondent's performance on this project, and the best interests of TMRS.

A-1.2 STATEMENT OF UNDERSTANDING

In this section, the Respondent must summarize its understanding of the requirements set forth in the RFP. The Respondent may also reference, in general terms, projects it has successfully completed that met requirements similar to those of TMRS.

A-1.3 HIGH LEVEL DELIVERABLES

In this section of the proposal, the Respondent must identify and briefly describe the high level deliverables to be provided to TMRS over the course of the project and provide the Detailed Project Work Plan as discussed in section C.2. The Respondent must make the commitment to include all of the high level deliverables discussed in Section C.2 of the RFP. The Respondent is encouraged to identify additional deliverables as it deems appropriate. In the cost proposal, the Respondent will be required to allocate project costs against the high level project deliverables identified in this section.

A-1.4 ASSUMPTIONS

In this section, the Respondent must identify and discuss all assumptions it has made in preparing its technical and cost proposals. Further, the Respondent must state that there are no further assumptions related to meeting requirements of the RFP other than those enumerated in this section of the proposal.

Please include any assumptions you have made with regard to facilities to be provided by TMRS for office space and meeting / training rooms as well as availability of TMRS human resources.

Any assumptions mentioned elsewhere in the Respondent's proposal will not be valid unless they are also listed in this section.

In setting forth their assumptions, Respondents should note the difference between "assumptions" and "exceptions" and take care that no **exceptions** to the RFP's requirements are included. Valid "assumptions" are suppositions made by the Respondent about issues on which the RFP is silent. "Exceptions" are suppositions made by the Respondent that contradict, or fail to conform with, one or more of the requirements stated in the RFP. Any items that are actually exceptions to the RFP's requirements, but misrepresented by the Respondent as assumptions in Section A-1.4 of the proposal, will be treated as exceptions by TMRS – and will, due to the misrepresentation, have a greater negative affect on the Respondent's technical score than would be the case had the item been correctly classified by the Respondent as an exception. (See A-1.5 Exceptions below for a discussion of how to set forth exceptions.)

A-1.5 EXCEPTIONS

In this section of the proposal the offer must provide any exceptions to the contents of the RFP including the TMRS Terms and Conditions. For each exception listed, the Respondent is required to propose at least one alternative that would still be acceptable to the Respondent, as a potential vendor, and that the Respondent reasonably believes will be acceptable to TMRS. In other words, the Respondent is required to be creative in addressing all exceptions by setting forth two alternative versions of each one (alternative A and B) in the hope that the Respondent and TMRS will more quickly arrive at a mutually acceptable compromise. The alternative versions of each Respondent exception may take various forms – again, the Respondent is being encouraged to apply creativity in order to accommodate any and all legitimate Respondent’s reservations in a fashion that will not lead TMRS to reject the bid due to onerous exceptions.

Any exceptions mentioned elsewhere in the Respondent’s proposal will not be valid unless they are also listed in this section. An exception is deemed rejected and does not alter the requirements of the RFP in any way unless otherwise stated by TMRS in writing. Exceptions allowed by TMRS in writing shall constitute alterations to the requirements of this RFP, but only to the extent so stated in the TMRS writing.

A-1.6 WARRANTY LIMITATIONS

In this section of the proposal, the Respondent must state any and all limitations and constraints with respect to software maintenance and warranty. They must be explained in terms of risk, change control, and cost implication. Only those limitations and constraints identified in this single section of the proposal will be considered by TMRS; any others not included in the single, appropriately labeled section will not be considered or honored by TMRS.

A-2.0 RESPONDENT’S QUALIFICATIONS

This section shall include details on the experience of the Respondent and Respondent’s recent clients having requirements similar to those of TMRS.

A-2.1 CORPORATE BACKGROUND

This is an introduction to the Respondent's company: its history, scope of operations, organization, size, and any other relevant information about the company that the Respondent desires to include.

In this section, the Respondent must provide basic information about its organization, including the following:

- The names, titles and length of tenure of the top five officers of the company (or its subsidiary or operating division responsible for this project). For any whose time in the position is less than a year, provide the name of his or her predecessor and the reason for the change in position
- Any change in the ownership status of the company in the past three years (or any forthcoming change)
- Company and product visions; must demonstrate commitment to product life and enhancement for at least eight years
- Inclusion of the following table in response to this section

Table 9 - Respondent Company Summary

Company Name	
--------------	--

Principal Office Location	
Where Incorporated	
Other offices where work will be performed for TMRS	
Current Number of Employees	
Five Year Average of Staffing Size	
Number of Years in Business	
Number of Years in Pension Business	
Total Number of Pension Administration Solution Clients	
Total Number of Implementation Projects currently in Progress (i.e. Projects between Initiation and Go-Live Date)	

A-2.2 RELEVANT PROJECT EXPERIENCE AND REFERENCES

The Respondent must provide a representative client list, that includes the year implemented or it should be noted if the project is still in progress.

The details of Respondent’s experience relevant to the project shall include a summary of the Respondent’s experience over the past five (5) years in implementing new, integrated pension administration systems for defined benefit that included Employer Reporting capabilities and, public employee retirement systems with membership of at least 50,000. The Respondent should also include systems supported and payroll install base and their largest client, including plan type(s) and total numbers of employers.

Respondents should submit a list of at least three current and former references (within the past five years). All references may be contacted by TMRS to verify the Respondent’s claims. Respondents are advised to ensure that the contact person’s telephone number is current and that each reference contact is willing to discuss the Respondent’s performance with the evaluation committee.

One (1) person with knowledge of several projects qualifies as only a single reference.

Respondents are encouraged to include more than three references if they wish. If subcontractors are being proposed, preference will be given to Respondents who can cite multiple projects on which the Respondent / subcontractor **team** being proposed to TMRS previously collaborated.

Reference information should be provided by using the form on the following page. Replicate the form as necessary to provide profiles of all client references.

Form 1 Respondent Client Reference Form

TMRS RETIREMENT SYSTEM EMPLOYER REPORTING PROJECT – RESPONDENT CLIENT REFERENCE			
Reference #:	Respondent Name:		Project Name:
Client:		Client Address:	
Type of Organization:			
Client Phone:			
Contact Name:		Contact Address:	
Contact Title:			
Contact Phone:		Contact Email Address:	
Start Date:	End Date:	Initial Project Cost:	Final Project Cost:
Hardware Configuration:		Description of Application:	
Project Summary (business problem, scope, approach, resources applied):			
Major Subcontractors Supporting the Referenced Project –			
Subcontractors:		Roles:	
Similarity to TMRS Project:			
List all Respondent staff members proposed to TMRS who also supported the referenced project:			
Staff Member Name:	Proposed Role for TMRS:	Role on Referenced Project:	

A-2.3 FINANCIAL INFORMATION

This section of the proposal must contain Respondent's current and two previous years' audited financial statements, including consolidated balance sheets and income statements (statement of profit and loss). Failure to provide this information may be grounds for rejecting Respondent's proposal. (The Respondent's annual report to shareholders should be included as an attachment – see below.) The Respondent must describe the trends of the last five years in revenues, employees, and profitability. If the Respondent is a subsidiary of a larger corporation, financial information specific to the Respondent is required. An overall corporate information package may also be submitted.

Identify any legal actions, lawsuits, arbitration or formal protests related to public employee retirement systems projects in which the Respondent is currently involved as a defendant at the time the proposal is submitted. Additionally, identify any other such actions in which the Respondent has been involved during the past five (5) years.

Any delisting of Respondent's stock must be disclosed and described.

Any changes in corporate ownership, changes in CEO, CFO, or COO in the past 5 years or projected in the next 6 months must be described.

The Respondent must inform TMRS if any site used as a reference has a financial relationship with the Respondent whereby the client may receive any sort of compensation, including but not limited to reduction in fees, commission, and/or credits based on references leading to sales of Respondent's software, hardware, other products, or services.

The Respondent must summarize the percentage of its organization's current revenue that is derived from retirement system solution implementations (and, as a separate calculation, the percentage of revenue derived from retirement system consulting, actuarial engagements, and the like). Similar information must be provided for each of the previous two (2) years.

NOTE: The above reference to financial statements does not need to be provided in hard copy format. An electronic copy will suffice.

A-2.4 RESPONDENT STAFFING

In this section, the Respondent must provide detailed descriptions of how the Respondent's team experience will meet the project requirements. Include team members' resumes (as discussed below), tailored to highlight experience and skills specifically relevant to their role on this effort. This section of the proposal must include the qualifications of the project manager and staff to be assigned to accomplish this project.

The Respondent must designate a single project manager to represent and oversee the project. This person will serve as the focal and contact point for all business matters relating to the project.

The Respondent must provide a list of all the key personnel of the RFP, to be assigned to any part of the the project. Respondents are encouraged to specifically identify additional project staff members if possible. The assigned staff should be identified and provided in the Respondent's proposal using

Table 10 - Proposed Staffing Summary.

Table 10 - Proposed Staffing Summary

Role	Staff Name	Company Name and Location	TMRS Key Person ?	Assigned for Entire Project?	% of Time Assigned to TMRS Project	% will be Onsite	Years with Company	Years of Pension Experience
Project Manager			Example: Yes/No	Example: Yes/No	%	%		
Lead Analyst								
etc.								

TMRS understands that the Respondent may have one or more other proposals open and under consideration by other prospective clients and that the Respondent’s staff included in the TMRS proposal may have been included in these other proposals. For any Respondent resource so allocated, the Respondent shall indicate in its proposal the role for which each such resource was assigned for each open proposal and the capacity (e.g., hours, % FTE) for which they have been proposed. In addition, the Respondent will indicate what method it will use to resolve any conflict arising from the award of contracts competing for these resources.

Respondents shall also include the resumes of all key employees (project manager, lead analyst, and the other key staff), and any other proposed staff members who are identified by name in the proposal. Those resumes must describe in detail the employee’s experience in similar efforts as well as past education and training. Each resume shall include as its first page a Resume Summary prepared by the Respondent using the form provided on the following page. Each Resume Summary **must** include three (3) professional personal references for the particular staff member. These professional references must be provided by the Respondent’s client staff members, from three different clients. Professional references from within the Respondent organization are **not** acceptable.

Respondents must also confirm in this section of the proposal their understanding that:

- Personnel whose names and resumes are submitted in the proposal shall not be removed from this project without prior approval of TMRS. Substitute or additional personnel shall not be used for this project until a resume is received and approved by TMRS.
- TMRS shall have the right to request, and the contractor will comply with any such request, the removal of any Respondent’s staff members from all work on this project immediately.
- The replacement for any staff member who is removed from or leaves the project for any reason must match or exceed the replaced staff member in terms of skill level and experience and subject to TMRS approval

Form 2 Respondent Staff Resume Summary Form

TMRS EMPLOYER REPORTING PROJECT – RESUME SUMMARY	
Staff Member Name:	
Proposed Role on TMRS Project:	
Number of years of professional experience –	
Total:	Retirement system:
In role proposed for TMRS project:	
Education (indicate institutions attended and degrees obtained):	
Professional Reference #1	
Client Name and Address:	Project Title:
	Staff Member’s Role on Project:
Contact Name:	Description of Services Provided:
Contact Title:	
Contact Phone:	
Contact E-mail:	
Start Date:	
Professional Reference #2	
Client Name and Address:	Project Title:
	Staff Member’s Role on Project:
Contact Name:	Description of Services Provided:
Contact Title:	
Contact Phone:	
Contact E-mail:	
Start Date:	
Professional Reference #3	
Client Name and Address:	Project Title:
	Staff Member’s Role on Project:
Contact Name:	Description of Services Provided:
Contact Title:	
Contact Phone:	
Contact E-mail:	
Start Date:	

PART B RESPONDENT RESPONSE TO PROJECT SCOPE

PART B of the proposal will contain the Respondent's response to the project scope. It is to include all of the sections/subsections of PART C of the RFP beginning with Section C.3.

ATTACHMENTS

ATTACHMENT 1 COMPLETION OF THE REQUIREMENTS MATRIX

This attachment will represent a Respondent completed version of RFP **Attachment F1 – Requirement Matrix** as described in Section C.3 (This is available on TMRS procurement site as an Excel Workbook). Respondents must complete the columns as part of their response to the RFP. Respondents must designate (with an "x") whether the requirement or rule can be implemented through configuration of a base solution, via a customization, or if the requirement cannot be met. If any column is left blank in the Technical Proposal, TMRS will assume the requirement is NOT MET by the Respondent proposed solution.

ATTACHMENT 2 RESPONSE FOR OPTIONAL SERVICES

This attachment will represent a Respondent completed version of the requested Optional Services. Though these are Optional requirements, Respondents must provide this.

ATTACHMENT 3 RESPONDENT'S ANNUAL FINANCIAL REPORT

ATTACHMENT 4 COMPREHENSIVE LIST OF ALL DOCUMENTATION TO BE DELIVERED

ATTACHMENT 5 SAMPLES OF APPLICATION DOCUMENTATION

(Attach samples of end-user and technical documentation.)

ATTACHMENT 6 MENU AND SCREEN SNAPSHOTS (ALTERNATIVELY RECORDED VIDEO)

(Attach samples / "snapshots" of screens from Respondent's implementation most similar to TMRS.)

ATTACHMENT 7 HIGH LEVEL WORK PLAN

ATTACHMENT 8 SAMPLE DATA CONVERSION/MIGRATION PLAN

ATTACHMENT 9 SAMPLE TEST PLAN

ATTACHMENT 10 SAMPLES OF PREVIOUSLY USED STATUS REPORTS

ATTACHMENT 11 PROPOSED LICENSE AGREEMENT

ATTACHMENT 12 SUBCONTRACTOR COMMITMENT LETTER OR AGREEMENT

E.1.2 COST PROPOSAL FORMAT

The cost proposal shall identify the costs for purchasing, licensing, and implementing the solution, along with 5 years of post-implementation support (of the full solution, post final implementation). It is recognized that post-proposal negotiation with TMRS and initial efforts by the Respondent may result in some modifications to the by-phase costing contained in the proposal. Adherence to and consistency with the work plan are considered critical acceptance criteria for any phase.

The Respondent should bear in mind the specific terms and conditions presented in Part D when preparing its cost schedules. In addition, TMRS provides the following reminders:

- Respondents must include in the cost proposal a summary, by staff position, of the number of hours and the hourly rate for all contractor support services included in the proposal.
- Respondent's cost information will be evaluated on the basis of its consistency with the information provided in the Respondent's technical proposal. All calculations in Respondent's cost schedules will be verified for correctness.
- Although the lowest overall price may not necessarily be the primary determining factor for award, TMRS shall make every effort to substantiate prices for products and services to ensure that those prices are considered fair and reasonable.
- Any proposal that does not meet the requirements outlined in Part C of the RFP and in the points above, or for which a fixed-dollar proposal amount cannot be precisely determined may be considered a non-responsive proposal and may be rejected by TMRS.

Each payment will be tied to **contractual deliverables payment points** as defined by TMRS. Invoices for the contractual deliverables may be rendered only after each has been completed and formally accepted by TMRS.

For terms relating to invoicing and payments, please refer to Section D.3

Schedules for presenting the Respondent's cost bid are described below. The described schedules are provided as a single Excel workbook accompanying the RFP for the Respondent's convenience, as **Attachment F5 – Cost Proposal Template**. All subtotals and totals will be computed automatically (but should be confirmed by the Respondent before submission). Respondents should add line items to the cost schedules as necessary to include all project costs and suitable breakdowns.

TMRS Bid SUMMARY

See **Attachment F5 – Cost Proposal Template** of the RFP. On this worksheet, fill in the Respondent name. Ensure that other entries from the subsequent worksheet Schedules below are populated correctly based on the Respondent entries.

At the bottom of the schedule, enter the following incremental costs where indicated:

- Hourly rate used for all change orders impacting the project

SCHEDULE 1 –HARDWARE

Though TMRS will host the solution on their current infrastructure, we understand there maybe additional hardware needed to enable the Employer Reporting solution. This schedule is provided as a hardware specifications list only. TMRS will procure the hardware required based on the awarded Respondent specifications. If there are no such proposed items, this worksheet will be blank.

SCHEDULE 2 –COMMODITY SOFTWARE

Enter all software products required to affect the mandatory portion of the proposed solution. Distinguish software that already exists at TMRS versus upgrades required to existing software versus new software products. This Schedule is for any TMRS on site required software only and the hosted software should not be included.

SCHEDULE 3 – IMPLEMENTATION SERVICES

This schedule consists primarily of service related costs to implement the mandatory portion of the proposed solution. For each area of service section (e.g., Requirements Analysis, Software Modifications Development), list the applicable staff positions, number of hours, and hourly rates. Hourly rates must be fully loaded to capture all direct and overhead expenses, travel, per diem, and any other travel-related expenses.

For most service categories, therefore, it is expected that hours will be entered only for the implementation period, and no entries will be made in the columns designated “Warranty Period.” The only exception is the *Application Software Warranty* section, for which the only entries should be in the “Warranty Period” columns.

SCHEDULE 4 –RECURRING COSTS

TMRS expects that there will be ongoing costs related to the Employer Reporting system (i.e. support, licensing and maintenance). Some of these costs may extend into the post implementation periods. Any such cost should be included on this worksheet.

SCHEDULE 5 – OPTION 1

Include within this schedule the cost to perform this Option.

SCHEDULE 6 – OPTION 2

Include within this schedule the cost to perform this Option.

SCHEDULE 7 – OPTION 3

Include within this schedule the cost to perform this Option.

SCHEDULE 8 – PROPOSED PROJECT PAYMENT SCHEDULE

This section should include the completed cost schedule based upon the TMRS parameters provided in Section D.3. The costs provided should correspond to the mandatory cost components, not the Optional Components. For avoidance of doubt, TMRS will only approve payment points based upon accepted deliverables (for example working software in the production environment).

E.2 PROPOSAL EVALUATION

The evaluation and the Respondent's selection process will be based on "best value." Proposals will be evaluated based on price and other factors set forth in this RFP to determine the proposal most advantageous to TMRS. This procurement method will be used so as to result in the "best buy" for TMRS in terms of the functions to be performed. TMRS is not required to award the contract to the lowest bidder. TMRS reserves the right not to issue a contract at the conclusion of proposal evaluations.

The evaluation committee may request written clarifications of any offer received. However, TMRS in its sole discretion may refuse to accept in full or partially the response to a clarification request given by any Respondent.

Respondents are cautioned that the evaluators are not required to request clarifications; therefore, all offers should be complete and reflect the most favorable possible terms. TMRS may elect to conduct negotiations with one or more Respondents and make requests of Respondents as may be necessary or proper for best and final offers (BAFOs).

The best and final offers must be received at the address identified in Section A.2.2 at a time and date to be specified by TMRS. If a best and final offer is not submitted, the previous submittal will be construed as the best and final offer. Final ranking of responses and award of the contract will be made after TMRS reviews all bids and completes its evaluation, including the evaluation of best and final offers, if they are requested.

E.2.1 EVALUATION CRITERIA

For this procurement, proposals will be evaluated based on the following criteria:

- Solution Features, Demonstrations, and Technical Capabilities
- Respondent's Qualifications, including Staffing and References
- Proposed Project Methodology and Implementation Services
- Responsiveness to all aspects of the RFP
- A realistic Project Work Plan consistent with the requirements throughout the RFP
- Costs

E.2.2 EVALUATION METHODOLOGY SUMMARY

Presented above is an overview of the evaluation methodology that is being used for this procurement.

E.2.2.1 Evaluation Committee

An Evaluation Committee will be established consisting of members of TMRS' employees. When the committee has completed the evaluation process, the TMRS Executive Director will need to approve the final recommendation of the committee.

E.2.2.2 Initial Activities

When the proposals are submitted, they will be evaluated and the responses scored. The highest-rated Respondents from this assessment will be further evaluated.

E.2.2.3 Presentations, Product Demonstrations, and Discovery

Selected Respondents are also expected to demonstrate their solution and their ability to implement and customize the selected products in a scripted demonstration, based on scenarios to be provided by TMRS, to be conducted at a site selected by TMRS.

Respondents will be offered alternative dates from which to select to provide the demonstrations. TMRS will provide the Respondents demonstration scripts on which to base their product demonstrations in order to assure an objective comparison among Respondents' proposed solutions.

TMRS reserves the right not to conduct Respondent presentations and product demonstrations. Should the presentations and/or demonstrations be held, TMRS requires that they be led by the proposed Project Manager.

We expect the vendor demos will be completed within two to three hours. In addition to seeing a demo of the Respondent's solution, TMRS will provide an overview of their existing solution, their current CityPortal, along with an overview of the technical architecture. Since a large component of this project will involve integrating with TMRS existing systems TMRS feels that it is important to give each vendor an opportunity to ask questions in this setting that may be unique to their own capabilities and architecture of their own solution. Best and Final Offers

At TMRS' discretion, best and final offers (BAFOs) may be solicited.

PART F ATTACHMENTS

- Attachment F1 - Requirements Matrix
- Attachment F2 - Example Employer Report File Layout
- Attachment F3 - Example To-Be Business Processes
- Attachment F4 - TMRS Master Services Agreement Terms and Conditions
- Attachment F5 - Cost Proposal Template
- Attachment F6 - Example Product Demonstration Agenda

Employer Reporting System Requirements					
Req ID	Employer Reporting Sub Category	Description	Requirement Met in Base Product	Requirement Met with Configuration	Requirement Not Met
Acct-001	Accounting	Ability to accept electronic payments (via both push - ACH and pull - automatic withdrawal) from employers.			
Acct-002	Accounting	Ability to allow cities to setup multiple bank accounts.			
Acct-003	Accounting	Ability for no credits to be received / applied across previous calendar years for City Contributions only. For example, if the city shorted the December payroll, they cannot "make it up" on the January payroll which is processed in February because the books for the prior year have already been closed.			
Acct-004	Accounting	Ability to provide a wizard that provides the amount due based on the data reported for the period, as well as previous amounts due and unpaid.			
Acct-005	Accounting	Ability to charge a recovery fee defined by TMRS to any city electing not to transmit funds electronically (ACHs) or those cities that do not utilize the new online services.			
Acct-006	Accounting	Ability to calculate and track penalties, service charges, and interest applicable to both late reports and late remittances from employer.			
Acct-007	Accounting	Ability to confirm that employer remittance was received within a specified number of days of reporting period end date.			
Acct-008	Accounting	Ability to validate city reported data against TMRS maintained rate tables.			
Acct-009	Accounting	Ability to tie contributions posted to the system to a payroll period ending date and update employee earnings history for the appropriate month and year.			
Acct-010	Accounting	Ability to allow a city to select various levels of employer reporting payroll frequencies (i. e. weekly, bi-weekly, semi-monthly, and monthly).			
Acct-011	Accounting	Ability to track city payrolls that have "regular" and "supplemental" reporting and be able to post in any type of order.			
Acct-012	Accounting	Ability for city to print a payment voucher to accompany the check during city payroll processing.			
Acct-013	Accounting	Ability to pay via ach, linking the payment to an open receivable.			
Acct-014	Accounting	Ability to automatically pull/debit from the cities accounts based on a wizard process, whereby the city elects what funds to pay, and from which account to pay them.			
Acct-015	Accounting	Ability to pre-populate ACH processing with "default" account			
Acct-016	Accounting	Ability to create a receivable transaction for amounts due.			
Acct-017	Accounting	Ability to automatically create appropriate general ledger transactions for employer payment due and payment receipts.			
Acct-018	Accounting	Ability for TMRS to un-apply a payment.			
Acct-019	Accounting	Ability to recalculate an invoice based on a revision / adjustment of the employer or employee record.			
Acct-020	Accounting	Ability (for both TMRS and employers) to query and report on financial information for an employer to include all appropriate financial data, e.g., amounts paid, amounts outstanding, interest adjustments.			
Acct-021	Accounting	Ability to provide an integration with TMRS accounting system (Great Plains Dynamics) that creates a receivable once data is posted.			

Acct-022	Accounting	Ability to calculate year-to-date balances of total employer and employee contributions for each employer.			
Acct-023	Accounting	Ability to establish a reporting pay cycle, by city.			
Acct-024	Accounting	Ability to generate follow-up notices to delinquent employers, create reports, etc., based upon their unique reporting period.			
Acct-025	Accounting	Ability to match employer report to employer remittances and alert employer to mis-matches.			
Acct-026	Accounting	Ability to establish balancing thresholds at the member level, i.e. If =/-.05 accept the value reported by the member vs. the calculated amount.			
Acct-027	Accounting	Ability to submit a daily ACH (auto debit) feed to the TMRS bank for processing.			
Acct-028	Accounting	Ability to include transaction details in the ACH payment to accommodate reconciliation to receivables (e.g. trans ID, city ID).			
Acct-029	Accounting	Ability to produce the appropriate system based GL journal entries related to the employer invoice payment.			
Acct-030	Accounting	Ability to automatically generate online invoices and/or statement of account.			
Acct-031	Accounting	Ability to generate an employer statement showing unpaid monthly charges identified by both prior and current periods, as well as any cash receipt not applied.			
Acct-032	Accounting	Ability to record fees for insufficient funds, if checks or ACH bounce.			
Acct-033	Accounting	Ability for city to schedule an ACH payment in the future.			
Acct-034	Accounting	Ability for TMRS staff to update a payment status to 'unpaid' in the event the ACH fails or is rejected.			
Acct-035	Accounting	Ability to update receivables with payment status (e.g. pending, submitted, paid, returned, canceled).			
Acct-036	Accounting	Ability to establish an accounting period in the system, that is associated with all transactions entered until the period is closed, and the next accounting period is established.			
Acct-037	Accounting	Ability to run reports by the designated accounting period or the monthly payroll date.			
Acct-038	Accounting	Ability to track interest receivable separately and report it to the GL.			
Acct-039	Accounting	Ability to manually record and track NSF separately and report it to the GL.			
Acct-040	Accounting	Ability to reverse an original payment(s) if an insufficient funds transaction is recorded.			
Acct-041	Accounting	Ability to reverse the payment(s) made in error.			
Acct-042	Accounting	Ability to provide notifications of the receipt of electronic deposits of the deposit information from mail or ACH remitted deposits.			
Acct-043	Accounting	Ability to track the date entered and date approved for transactions batches in Microsoft Dynamics.			
Acct-044	Accounting	Ability to interface all financial transactions into the General Ledger in Great Plains (GL)			
Acct-045	Accounting	Ability to electronically interface with multiple banks and accounts containing daily information for ACH deposits			
Acct-046	Accounting	Ability to reconcile the total amount of member contributions and employer portions plus any adjustments to the total remittance made by the employer			
Acct-047	Accounting	Ability for the system to adhere to Governmental Accounting Standards Board (GASB) statements and Generally Accepted Accounting Principles (GAAP)			
Acct-048	Accounting	Ability to post all monthly transactions to the member's account contained in the PAS.			
ER-001	Employer Reporting	Ability to provide system defaults based on certain conditions to identify the payment method (ACH vs. Check).			

ER-002	Employer Reporting	Ability to automatically populate the received date of the ACH payment.			
ER-003	Employer Reporting	Ability to allow a city to transmit funds by physical check(s).			
ER-004	Employer Reporting	Ability to accept positive or negative adjustment transactions received on an employer's report.			
ER-005	Employer Reporting	Ability to segregate ACHs vs. checks processing and generate a report (i.e. Payroll Listing) defined by TMRS to assist with the reconciliation process.			
ER-006	Employer Reporting	Ability to track all changes that occur within a month and then generate a comprehensive report for accounting to verify and reconcile.			
ER-007	Employer Reporting	Ability to generate a reconciliation summary report that summarizes totals for the Service Retirement Benefits.			
ER-008	Employer Reporting	Ability to provide the user with a cash receipt type option when generating a cash receipt report.			
ER-009	Employer Reporting	Ability to record and track all necessary payroll totals (i.e. Total Process Payroll count, Amount and QC count) defined by TMRS and export/report that information in the format and frequency desired by TMRS accounting staff.			
ER-010	Employer Reporting	Ability to automatically generate a correspondence to employers notifying them of corrections they need to make on their next report.			
ER-011	Employer Reporting	Ability for TMRS to maintain tables for employer and employee contribution rates, each rate having a corresponding effective date.			
ER-012	Employer Reporting	Ability to allow the user to filter and/or sort by validation error type within a payroll report (i.e. a discrepancy between contributions reported and contributions deposited).			
ER-013	Employer Reporting	Ability to search employer contact dataset, by many factors, including but not limited to employer, employer contact type, employer contact name (first or last), employer number, or location.			
ER-014	Employer Reporting	Ability for authorized role based users to perform system administration functions of the Employer website.			
ER-015	Employer Reporting	Ability to track and update as needed how each employer remits contributions, such as ACH, paper check, etc.			
ER-016	Employer Reporting	Ability to add or remove employees from the payroll data submitted by reporting employers.			
ER-017	Employer Reporting	Ability to classify employer data errors according to their severity (with posting of data permitted for less severe conditions, but posting suspended for critical errors)			
ER-018	Employer Reporting	Ability to automatically communicate information (such as delinquent reporting) to employers via e-mail or Web			
ER-019	Employer Reporting	Ability for authorized role based internal user to restrict the reversal of processing of employer reports that were submitted by an employer in error			
ER-020	Employer Reporting	Ability to communicate all invalid entries in "real-time" and edit / validate "real-time" corrections			
ER-021	Employer Reporting	Ability to provide an online Web utility that provides a "walk through" or "wizard" feature to allow a user to determine file upload process for Employer			
ER-022	Employer Reporting	Ability for appropriate role-based users to create, test and implement new business rules as needed per plan provisions.			
ER-023	Employer Reporting	Ability to run edits and reports on data submitted through the web-based and paper based employer reporting sites for those plans participating in web-based employer reporting.			
F&C-01	Forms and Correspondence	Ability to generate correspondence to employers, members, benefit recipients, or retirees based upon the error correction.			

F&C-02	Forms and Correspondence	Ability for TMRS staff to communicate with participating employers through notices made available within the web-reporting applications.			
F&C-03	Forms and Correspondence	Ability to create, provide and update forms for employers as needed from a link on the main TMRS website.			
F&C-04	Forms and Correspondence	Ability to customize system generated correspondence using pre-defined templates and any combination of the following capabilities: <ul style="list-style-type: none"> • Auto-populating (tagged) blank fields with data drawn from a member/ retiree/ beneficiary/ employer account (with the ability to override some fields) • Auto-population of the appropriate signature. • Manually selecting different paragraphs based on the input from the user • Automatically selecting different paragraphs based on member account information and/or unique situations • Permitting the addition of one or more free-form text paragraphs at any location in the correspondence template - given the appropriate authority to make such changes/insertions 			
IT-001	IT	Ability to accept 2 forms of file submission (FTPS or browser upload) containing member data submitted by cities.			
IT-002	IT	Ability to automatically scan employer reporting transmissions (and media) for viruses prior to processing the report.			
IT-003	IT	Ability to provide validations on SSNs, duplicate names, blank fields, negative numbers, dates, contributions/rates out of balance with salary, etc.			
IT-004	IT	Ability to support the posting of valid employer wage and contribution data to the member's account by the employer without intervention by TMRS personnel in the event that payment of related contributions has been received.			
IT-005	IT	Ability to accommodate those cases where the city reports adjustments for specific individual, for N months in arrears.			
IT-006	IT	Ability to accommodate employer-reported data adjustments to prior periods (based on a TMRS designated limit, e.g. 12 months otherwise correction of error) - via online form Medium priority; via file Low priority.			
IT-007	IT	Ability to automatically calculate the amount that is due from the employer by fund and provide a summary of amounts due by each type identified			
IT-008	IT	Ability to maintain the data relationship between the employer and member.			
IT-009	IT	Ability to support and track all pertinent dates relating to employer reports: date submitted, date validated, date accepted by TMRS, date processed/posted/paid.			
IT-010	IT	Ability to provide a testing instance - both application and data.			
IT-011	IT	Ability for user to access training documents for self-service.			
IT-012	IT	Ability for TMRS to reverse the processing of payroll reports that were submitted by a city in error – with an appropriate audit trail. Rules would be required to prevent reversal in the event post payroll processing activities had occurred (retirement/ refund)			

IT-013	IT	Ability to provide an audit trail of any adjustments in earnings, contributions, or service made to a member's account, including the ability to detail a member's earnings, contributions, and service by employer throughout the system and the member's history.			
IT-014	IT	The ability to build streaming video training functions into employer web self-service.			
IT-015	IT	Ability to assign security roles for each user (i.e. security administrator).			
IT-016	IT	Ability to allow an authorized employer users to assign appropriate security roles.			
IT-017	IT	Ability to encrypt all system security and role related information.			
IT-018	IT	Ability to integrate migrated data to the correct previous deposits (Conversion strategy and process)			
IT-019	IT	Ability for TMRS to create non-payroll related receivables (415, ARC) and make those available for payment application in the payment wizard.			
IT-020	IT	Ability to deposit payment of receivables into separate TMRS bank accounts, in the event a 415 payment is made by the city via the ACH payment wizard.			
IT-021	IT	Ability to receive feedback (via file) from bank to reconcile ACH.			
IT-022	IT	Ability to integrate with custom user authentication and authorization methods.			
IT-023	IT	Ability to allow internal and external user to search a payroll report by member's name and/or SSN and have the ability to sort.			
IT-024	IT	The solution must support the current release, and at least the two immediately prior versions of each of the following: Microsoft Internet Explorer, Mozilla Firefox, Safari, and Google Chrome.			
MS-001	Member Services	Ability to capture all aspects of a member's USERRA-related status, i.e., departure on a military-related leave of absence, return from same, contributions paid during that leave, etc.			
MS-002	Member Services	Ability to alert TMRS of late reports and late remittance of money.			
MS-003	Member Services	Ability to provide self-service features to support small employers by providing an online payroll report entry form.			
MS-004	Member Services	Ability to provide a pre-populated employee roster for each city to limit their amount of data entry.			
MS-005	Member Services	Ability to provide, for larger employers, a payroll file upload utility.			
MS-006	Member Services	Ability for the city to upload a payroll report and supplement the report with additional records.			
MS-007	Member Services	Ability to capture historical employee deposit rates and factors with effective dates so that retroactive calculations use the appropriate figures.			
MS-008	Member Services	Ability to capture employer demographic information and updates, multiple contacts, multiple addresses, multiple email addresses, and other pertinent information through the employer web self-service functions.			
MS-009	Member Services	Ability to guide the user through steps that are required such as the ability to create a new member as part of their payroll process.			
MS-010	Member Services	Ability to upload the details required of a new member setup as part of a file upload (separate from payroll).			
MS-011	Member Services	Ability to give the user the opportunity to segregate overpaid contributions into a previous period in the event the contributed amount is more than the calculated amount and the employer was intending to report contributions that should have been reported previously.			

MS-012	Member Services	Ability to provide the user with functions that allow them to reconcile the current payroll to the previous payroll to ensure no members were missed.			
MS-013	Member Services	Ability for user to begin the payroll reporting process, logout, and return to complete the process.			
MS-014	Member Services	Ability to allow the city to select the "Full Rate", "Phase-in Rate", or % in between prior to calculating their remittance amount (range of percentages different for each city).			
MS-015	Member Services	Ability to allow the reporting user the ability to record comments or notes as part of a submitted report, for historical reference.			
MS-016	Member Services	Ability to automatically communicate information (such as delinquent reporting) to employers via email or Web.			
MS-017	Member Services	Ability to provide employer self-service capabilities that allow updates (including retroactive changes) to member contribution and wage related data.			
MS-018	Member Services	Ability to provide a self-service, wizard based (intuitive/guided) process for filing payroll.			
MS-019	Member Services	Ability to stage data, in an online work area and guide the city through payroll validation and approval process.			
MS-020	Member Services	Ability to provide a breakdown of amounts due for the city, based on data reported (i.e. member and city shares).			
MS-021	Member Services	Ability to hold city approval/submittal or final report until all member records are balanced and validated.			
MS-022	Member Services	Ability to provide real-time validations upon upload.			
MS-023	Member Services	Ability to alert the city of 'missing' members and provide a method allow the city to reconcile these records before processing payroll.			
MS-024	Member Services	Ability to track changes made by the city, when the payroll report is in a 'staging' area, but not yet submitted for posting.			
MS-025	Member Services	Ability to provide validations to determine whether reporting dates have duplicated, and if so, alert user to investigate.			
MS-026	Member Services	Ability to ensure that an employee is enrolled with TMRS before accepting member wage and/or contribution data from that employer			
MS-027	Member Services	Ability for a city to create, delete, or edit individual records within the unposted employer data file subject to TMRS internal audit controls, limited to specific users (with an audit trail).			
MS-028	Member Services	Ability for internal TMRS user to use the same tools and screens as the employer to key city payrolls.			
MS-029	Member Services	Ability to have a method of viewing a city's report in progress, to help assist a city with troubleshooting.			
MS-030	Member Services	Ability to create top-level validations of the file format to ensure the file passes file type and content rules.			
MS-031	Member Services	Ability to provide an adjustment file type in a similar format of a normal file for individual or all employees.			
MS-032	Member Services	Ability to provide an online adjustment form to be completed by cities.			
MS-033	Member Services	Ability to allow a city to combine multiple payrolls (i.e. top sheets in the current world) in a single payment.			
MS-034	Member Services	Ability to provide a validation to not allow adjustments for someone who has terminated/refunded (to address underpayment of refund).			
MS-035	Member Services	Ability to apply a deduction identified in the wage and contribution report against predefined USERRA purchase of service balances and pro-rate credit accordingly.			
MS-036	Member Services	Ability to retrieve and review prior employer reports as reported by the employer including the means and media by which it was reported (for auditing)			

MS-037	Member Services	Ability to track received, processed and unprocessed employer transmittal files.			
MS-038	Member Services	Ability to calculate and apply delinquent interest (e.g. late penalties) and have override capabilities of same by TMRS staff.			
MS-039	Member Services	Ability to allow manual reporters the ability to report only monthly.			
MS-040	Member Services	Ability to notify TMRS user (workflow) whenever city payroll information is received for a person who has applied for retirement (pending), or has had a final calculation of benefit performed.			
MS-041	Member Services	Ability to support a fully defined and structured reporting format that designates required and optional fields.			
MS-042	Member Services	Ability for TMRS to run 'aging' reports on pay periods in comparison to receipt of both report and payment.			
MS-043	Member Services	Ability to generate a report presenting summaries of exceptions for each city that will need to be corrected, including the ability to re-generate the report after corrections have been made.			
MS-044	Member Services	Ability to manage the limitation on compensation (reported earnings) imposed under IRS regulation IRC § 401(a)(17), on a calendar year basis.			
MS-045	Member Services	Ability to generate correspondence to employer and possibly employee regarding any adjustment made by TMRS staff to earnings, contributions, and service.			
MS-046	Member Services	Ability to automatically generate a report identifying the employer reports received, employer reports not received, dates when employer reports were received, amounts received and any \$ differences due; automatically notify one or more contacts within the city that the report is available and can be viewed on-line.			
MS-047	Member Services	Ability to produce periodic anomalous deposit report comparing a member's current earnings with preceding period's and identify, by employer, members whose: (1) earnings are some specified percent higher than, or less than half of, previous period's earnings; (2) earnings are reported as zero, (3) Etc.			
MS-048	Member Services	Ability for user or employer to generate a report indicating one or more member's name, Social Security number, contributions, interest, and service totals for any period.			
MS-049	Member Services	Ability to provide Employer Annual Statements to the Employers detailing their (service, contribution, and interest) by employee and in total.			
MS-050	Member Services	Ability to automatically alert any employer/city who has not submitted the appropriate report based on the employer's reporting schedule.			
MS-051	Member Services	Ability to provide an on-line report of member's account history by employer by date range.			
MS-052	Member Services	Ability to send USERRA service purchase agreement information to member when city reports related leave.			
MS-053	Member Services	Ability to warn both city and TMRS staff when a member will exceed 401a limits within the next payroll cycle.			
MS-054	Member Services	Ability to provide an informational message to cities when a member's pay increases by X%.			
MS-055	Member Services	Ability to provide a monthly audit report, by City, for TMRS staff, that flags members whose salary has spiked by X%.			
MS-056	Member Services	Ability for the city to modify the gross pay or the contribution amount, in the online work area, if an imbalance error is received.			
MS-057	Member Services	Ability to prevent the city from paying less than their "phase in rate".			

MS-058	Member Services	Ability to provide a message to the city to take action (update the termination date or indicate this is post-termination pay) in the event contributions are reported for a member, post termination.			
MS-059	Member Services	Ability for a city to view a historical posting, but not edit.			
MS-060	Member Services	Ability to allow a city to indicate if an additional file/report needs to be added to complete a pay period or cycle (e.g. this is for the 10 employers who report more than one file.). Note: TMRS cities do not provide TMRS with terminated employees.			
MS-061	Member Services	Ability accommodate workers compensation payments / discrepancies in the reporting process.			
MS-062	Member Services	Ability to hold "correction of error" for internal review and approval.			
MS-063	Member Services	Ability to prevent a negative adjustment, by the city, for an account that has been refunded or retired.			
MS-064	Member Services	Ability for employers/cities to cancel a scheduled payment.			
MS-065	Member Services	Ability for the employer to use a TMRS ID in replace of a SSN.			
MS-066	Member Services	Ability to allow a city to send additional funds from their regular payroll, based on a wizard drop down value, however the city is required to specify what the money is for.			
MS-067	Member Services	Ability to support an employer with a multi-rate employee deposit rate (Wichita Falls - different for civilian/police).			
MS-068	Member Services	Ability to capture all aspects of a member's USERRA-related status, i.e., departure on a military-related leave of absence, return from same, contributions paid during that leave, etc.			
MS-069	Member Services	Ability for city to report an adjustment, by month for multiple members in a single report.			
MS-070	Member Services	Ability to manually create an Amount Due for a city that has no deductions within a month.			
MS-071	Member Services	Ability to alert the TMRS user if an employer reported adjustment is received for someone who has terminated/refunded (to address underpayment of refund).			
MS-072	Member Services	Ability for authorized role based user (such as a system administrator) to transfer all account information from the incorrect social security number to the correct social security number, including but not limited to name, employment history, service and salary.			
MS-073	Member Services	Ability for authorized role based user (such as a systems administrator) to delete a member account or record established under an incorrect social security number after service, salary, and contribution information has been transferred to the correct account.			
MS-074	Member Services	Ability to import payroll reporting data into the contributions database.			
MS-075	Member Services	Ability to authorized internal TMRS user to merge employers, combining data from old employers into the new employer, but retaining the ability to query on historical data from the old employer			
MS-076	Member Services	Ability to provide a real-time processing, validation, and error reporting of employer reports including real-time summary, reconciliation, and out-of balance notifications of any data file received from an employer, including data file totals and number of detail records			
MS-077	Member Services	Ability to re-execute data validations and re-calculate data file totals after a correction is made or records have been created or deleted, subject to TMRS internal management controls			

MS-078	Member Services	Ability to adjust an account to correct out-of-balance conditions including a reason code and an explanation of historical transactions			
MS-079	Member Services	Ability to process Employer Certifications as required by plan provisions for various processes, such as terminations, death, public safety, and payroll certifications.			
MS-080	Member Services	Ability to backdate terminations			
MS-081	Members Services	Ability to notify employers for contributions or delinquency fees that are 60 days in arrears.			
Sec-01	Security	Ability for the system to monitor the number of successful and unsuccessful access attempts and to create audit trails showing these events			
Sec-02	Security	Ability for Web-based applications to be secured based on industry standards and TMRS encryption policies / procedures			
Sec-03	Security	Ability to provide adequate audit trails of system updates, including appropriate change controls requiring management approval of any software modifications or changes prior to implementation			
Sec-04	Security	Ability to mask the member or annuitant SSN after entered by Employer in accordance with TMRS policy.			
Sec-05	Security	Ability for role-based TMRS users to run error reports from payroll information submitted.			
Sec-06	Security	Ability to ensure data security measures are employed to prevent unauthorized access of data and/or changes to it			
Sec-07	Security	Ability setup, maintain and monitor web access and to log an external user off the system after a user-definable period of inactivity (example: 10 minute timeout) as specified by TMRS			
Sec-08	Security	Ability to provide encryption required for secret, confidential, private, or restricted information that may be stored in a non-secure location or transmitted over open networks, such as the Web			
Sec-09	Security	Ability to provide standard interfaces to maintain security permissions and reporting.			
Sec-10	Security	Ability to provide employers with password and user id self service recovery			



Texas Municipal Retirement System

Attachment F.2
Example Employer Reporting File Layout
September 21, 2017

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1 INTRODUCTION AND PURPOSE

TMRS is embarking upon a City Payroll improvement project. One of the key objectives of the effort is to standardize and expand the data that is reported by the cities to TMRS. The primary intent of this document is to share the anticipated new data specifications, and related business rules so that cities may integrate them into their standard employee payroll and member deposit remittance process.

If a City submits a monthly payroll file, it is important to understand the new file requirements. If a City uses a payroll system administrator or payroll software vendor, they too need to reference Section 3 so that they can begin assessing the requirements.

For those cities that do not plan to send a file (low volume, smaller membership cities) this document is still important as it provides an introduction to the payroll improvement project and provides some information on how you might be able to improve your reporting processes and provide additional data.

In addition to improving upon the data that is reported with each payroll, the other objectives of the Payroll Improvement project are to:

- Enhance the monthly city payroll reporting process to reduce paper.
- Decrease paper reporting by the participating cities and decrease the number of phone calls and email communications between the cities and the TMRS member services personnel who process payroll reports.
- Update the TMRS City Portal to provide the following functions:
 - Enhance the current payroll file uploading process to provide real-time feedback to cities on the data entered (e.g. provide feedback on any mismatches between the expected deposit and reported deposit, based on the member contribution rate*salary).
 - Provide a user interface to allow smaller cities the ability to enter their payroll reports directly into the application without having to generate a data file that meets TMRS reporting requirements.
 - Provide a user interface to allow payroll adjustments to prior reported months.
 - Allow online payment of all amounts due, or create a payment voucher based upon the amounts due in the payroll report
 - Provide a historical view, by month, of the data submitted, along with payment history.
 - Provide a file upload mechanism whereby cities can upload a new member setup, in lieu of a paper enrollment form or online data entry on the portal.
- Allow cities to indicate a member has terminated as a part of the payroll reporting process, to speed up the refund and retirement processes.
- Allow cities to indicate that a member is on leave, and not working, to ensure TMRS's records stay up to date.

TMRS, however, cannot make these changes without the support and participation of TMRS cities, therefore each city must understand the new file requirements and changes to the process to enable the upload of a file that is validated in real time or to enter data via the City Portal.

2 CITY PAYROLL REPORTING FORMAT

TMRS currently accepts monthly payroll reports via an electronic file. Beginning in 2018, the report format will be enhanced, as described in the remaining subsections.

2.1 KEY DIFFERENCES IN OLD AND NEW FORMATS

While some similarities exist, the new filing format (outlined herein) is fundamentally different from the previous version. The biggest differences are as follows:

	Old Format	New Format
Data Fields	5 Required	5 Required 5 Optional
File Structure	Fixed Length	Fixed Length (.txt) or comma separated values (.csv)

2.2 FILE NAMING

TMRS does not use the filename for processing, as the city will be uploading the file from their Internet browser, and secure portal login. However, for your own archiving purposes cities should consider naming the file as follows: CityNumberYYYYMM.

As an example the city with the number of 12345, submitting a report on January of 2017 would name the file: 12345201701.txt

2.3 PAYROLL DATA FIELDS

In the table that follows, the data fields that will be required in the new payroll reporting scheme are provided. As noted previously, the file format can be a comma separated values (csv) or a fixed length ASCII text file. For a csv file, each field must be separated by a comma, with a hard return between each member record. For a fixed length file, each field must fall into the specified character range. An example of a fixed length detailed record is included in Appendix 1.

Table 1- Payroll Data Fields

Field Name	Description and valid values	Type & Length	Required or Optional ¹
Member's SSN	The member's social security number, with no dashes.	Alphanumeric (length=9)	R

¹ Required fields must include data before the payroll file can be submitted. Optional fields can be left blank, however must be accounted for in the output file. A blank/null value in a csv file would be designated by two commas with no value in between.

Field Name	Description and valid values	Type & Length	Required or Optional ¹
Current Salary (Gross Compensation)	The member's total gross salary for the current month in dollars and cents no dollar sign, (e.g., a salary of \$1,632.56 would appear as 00163256).	Numeric, no decimal, (max length=8)	R
Current Deposit	The member's amount deducted and being reported as a positive amount for the month in dollars and cents, with no dollar sign, no decimal point (e.g., a deposit of \$123.45 would appear as 00012345).	Numeric, no decimal (max length=8)	R
Member's First Name	The member's first name, capitalize the first letter.	Alphanumeric (max length=30)	R
Member's Last Name	The member's last name, capitalize the first letter.	Alphanumeric (max length=30)	R
Member's Middle Name	The member's middle name, capitalize the first letter.	Alphanumeric (max length=30)	O
Member's (name) Suffix	The member's suffix, capitalize the first letter.	Alphanumeric (max length=10)	O
Status Flag	<p>Populated with a valid code to signify the member's status. This data will help expedite member processes. Values:</p> <p>Blank = Member is actively working.</p> <p>T = Indicates that the member has left employment (terminated) during the current month. The termination may result in a retirement or possible refund of contributions.</p> <p>M = Military Leave. Indicates the member is currently on military leave.</p> <p>W = Workers Comp. Indicates member is currently on Workers Comp Leave.</p> <p>L = Member is currently on another form of Leave and not making contributions.</p>	Text (max length=1)	O
Last Deposit Month and Year	MMYYYY - The month in which the final deposit will be reported to TMRS. (Example: Member terminates on 12/31)	Numeric (max length=6)	O

Field Name	Description and valid values	Type & Length	Required or Optional ¹
	but their last pay date is 1/15/16, then this field would be populated with 012016) If a termination is provided and the last deposit date is not included, the city will have to certify and provide the termination and last deposit data within the refund or retirement application process.		
TMRS Member ID	Future Field ² : TMRS provides a TMRS ID to the cities, if they have requested to eliminate reporting with an SSN.	Alphanumeric (max length=8)	O

2.4 DATA VALIDATIONS AND PROCESSING RULES

As discussed in the prior section each field will be analyzed and validated. Messages need to be provided to the end user when an inappropriate condition is encountered. There are two forms of validations:

- Informational
- Errors

Informational messages may not require any action, but are provided as a reference for the city processor to ensure the data is correct or to inform them of an action that will occur as part of the data submission.

When an error condition is encountered the city processor will be required to take action on the record before proceeding. If the entire submission is in error the city user will have the option to delete the record or the specific data element in question may be resolved. This will allow the city user to correct the error(s) before submitting the payroll file.

Table 2 - Payroll Data Errors

Field Name	Validation / Posting Rules
Member SSN	<p><u>Errors</u></p> <ul style="list-style-type: none"> • Member SSN must be 9 digits. • SSN is invalid number. <p><u>Informational / Action Required</u></p> <ul style="list-style-type: none"> • Member Record not found or SSN provided does not match an existing Member. <i>(Note: If an unrecognized/unmatched member is submitted on a payroll file the validation process will prompt the city user to provide the new member setup process, see the payroll filing section within the “To-Be” design document.)</i>

² Future fields are not currently required; however should be consider adding to the payroll file for future use.

Field Name	Validation / Posting Rules
Current Salary (Gross Compensation)	<p><u>Errors</u></p> <ul style="list-style-type: none"> • Salary provided is invalid format. • Salary is a required field, when a deposit is provided. <p><u>Informational</u></p> <ul style="list-style-type: none"> • Based on the salary that provided for the month (which is greater than 1/12th of the IRS limit), this employee may exceed the contribution limits for the Year. The annual maximum for this year is \$XXX,XXX. Reduce contributions to ensure that the maximum is not exceeded. • The salary reported for the year has exceeded the IRS annual limit for which contributions can be withheld. Please contact TMRS for necessary actions. • If the salary field is not in error, the following conditions will be validated: <ul style="list-style-type: none"> ○ Salary is 70% more than the previous report. ○ Salary is less than 30% of previous report.
Current Deposit	<p><u>Errors</u></p> <ul style="list-style-type: none"> • Deposit provided is in an invalid format. • Deposit is a required field, when a salary is provided and the member is deemed to be actively employed (<i>Note: This can be resolved by removing the record if the member should not have been reported, or a status flag can be provided indicated the member is on leave or has terminated.</i>) • Deposit does not match the calculation of (Contribution Rate * Salary). Deposit provided must be +/- \$0.02. (<i>Note: This can be resolved by applying any overage to a prior pay period, if the overage was due to a retroactive deposit being made. OR, the deposit or salary can be adjusted if incorrect.</i>)
Member's Last Name <i>(Note: the punctuation, special characters, and spacing within each name will not be validated.)</i>	<p><u>Errors</u></p> <ul style="list-style-type: none"> • <u>Last name is not provided or</u> • Last name is in an invalid format. <p><u>Informational</u></p> <p>(If SSN is a recognized member), last name does not match last name on file.</p>
Member's First Name	<p><u>Errors</u></p> <ul style="list-style-type: none"> • First name is not provided or

Field Name	Validation / Posting Rules
	<ul style="list-style-type: none"> • First name is in an invalid format. <p><u>Informational</u> (If SSN is for a recognized member) first name does not match first name on file, <i>submit an official Name Change form in order to correct the member's first name.</i></p>
Member's Middle Name	<p><u>Errors</u></p> <ul style="list-style-type: none"> • Middle name is in an invalid format.
Member's (name) Suffix	<p><u>Errors</u></p> <ul style="list-style-type: none"> • Suffix is in an invalid format. <p><u>Informational</u></p> <ul style="list-style-type: none"> • Suffix does not match suffix on file. <i>(Posting Rule: If not previously provided, the record will be updated.)</i>
Status Flag	<p><u>Errors</u></p> <ul style="list-style-type: none"> • Status flag is in an invalid format or is an invalid value.
TMRS Member ID	<p><u>Errors</u></p> <ul style="list-style-type: none"> • Any value entered must conform to the internal ID validation (defined by TMRS). <p><u>Informational</u></p> <ul style="list-style-type: none"> • If cities would like to eliminate reporting with member's SSN, TMRS will provide a system generated TMRS ID.

3 NEW MEMBER SETUP FILE

As part of the city payroll process implementation, the New Member Setup can be accomplished in mass by the city. The city will be given the ability to upload and submit a New Member File with the data fields listed and described in the next sections. This feature is not eliminating the current process, but rather providing a means for uploading records in mass. Please Note: until the new process is available, all cities should continue to use the member enrollment screens currently on the City Portal.

3.1 FILE NAMING

TMRS does not use the filename for processing, as the city will be uploading the file from their Internet browser, and secure portal login. However, for your own archiving purposes cities should consider naming the file as follows: CityNumberYYYYMMDD.

As an example the city with the number of 12345, submitting a report on January 25 of 2018 would name the file: 1234520180125.txt. The difference in this naming convention and the payroll file is the payroll file does not include the day.

3.2 DATA FIELDS

The design of the new member setup is used to enter member data currently collected on the TMRS-0016 or through data entry on the City Portal. The table below provides the fields available to the city user for data entry within the New Member Setup process. The file format can be a comma separated value (csv) or a fixed length ASCII text file. For a csv file, each field must be separated by a comma, with a hard return between each member record. For a fixed length file, each field must fall into the specified character range. The field length specifications are included in Appendix 2.

Table 3 - NMS Data Fields and Validations

Field Name	Description and Valid Values	Type & Length	Required or Optional
Member's SSN	<p>The member's Social Security Number.</p> <ul style="list-style-type: none"> • Must be in 999999999 format. • Cannot be 0. <p>Must match other SSN (double-entry).</p>	Alphanumeric (max length=9)	R
Gross Monthly Salary	<p>The member's total gross salary for the current month in dollars and cents with no dollar sign, no decimal point, and zero filled. (e.g., a salary of \$1,632.56 would appear as 0000163256).</p>	Alphanumeric (max length=10)	R
Last Name	<p>The member's last name, capitalize the first letter.</p>	Alphanumeric (max length=30)	R
First Name	<p>The member's first name, capitalize the first</p>	Alphanumeric (max	R

Field Name	Description and Valid Values	Type & Length	Required or Optional
	letter.	length=30)	
Middle Name	The member's middle name, capitalize the first letter.	Alphanumeric (max length=30)	O
Member's (name) Suffix	The member's suffix, capitalize the first letter (Jr. Sr. I, II, III, IV, V, VI).	Alphanumeric (max length=10)	O
Gender	The member's gender <ul style="list-style-type: none"> • Required only for new members. • Male "M" or Female "F" 	Alphanumeric (max length=1)	R
DOB	Date the member was born. <ul style="list-style-type: none"> • Must be in MMDDYYYY format. • Must be at least 10 years old. 	Alphanumeric (max length=8)	R
Date of Participation	Month and Year of entry MMYYYY (example: January of 2017 = 012017)	Alphanumeric, (max length=6)	R
Address 1	First address line.	Alphanumeric (max length=40)	R
Address 2	Second address line.	Alphanumeric (max length=40)	O
City	City	Alphanumeric (max length=30)	R
State	State mailing abbreviation, (e.g. TX)	Alphanumeric (max length=2)	R
ZIP Code	Postal zip code <ul style="list-style-type: none"> • Must be 99999 or 999999999. 	Alphanumeric (max length=10)	R
Home Phone	The member's home phone number. <ul style="list-style-type: none"> • Must be in 9999999999999999 format. • Cannot be 0. 	Alphanumeric (max length=15)	O
Work Phone	The member's work phone number.	Alphanumeric (max length=15)	O

Field Name	Description and Valid Values	Type & Length	Required or Optional
	<ul style="list-style-type: none"> • Must be in 9999999999999999 format. • Cannot be 0. 		
Cell Phone	The member's cell/mobile phone number. <ul style="list-style-type: none"> • Must be in 9999999999999999 format. • Cannot be 0. 	Alphanumeric (max length=15)	O
Email - Primary	Primary email address <ul style="list-style-type: none"> • Must contain @ symbol 	text (max length=60)	R
Police Fire	Police and Fire validation <ul style="list-style-type: none"> • Police Fire must be P or F Police = P and Fire = F	Text (max length=1)	O

3.3 DATA VALIDATIONS AND PROCESSING RULES

As discussed in the payroll section above, each NMS field will be analyzed and validated. Messages will be provided to the end user when an inappropriate condition is encountered. There are two forms of validations:

- Informational
- Errors

Informational messages may not require any action, but are provided as a reference for the city processor to ensure the data is correct or to inform them of an action that will occur as part of the data submission.

When an error condition is encountered the city processor will be required to take action on the record before proceeding. If the entire submission is in error the record could be deleted or the individual data element in question may be resolved.

Table 4 - NMS Data Errors

Field Name	Validation / Posting Rules
First Name	<u>Errors</u> <ul style="list-style-type: none"> • First name is not provided or • First name is in an invalid format.
Middle Name	<u>Errors</u> <ul style="list-style-type: none"> • Middle name is in an invalid format.

Field Name	Validation / Posting Rules
Last Name	<p><u>Errors</u></p> <ul style="list-style-type: none"> • Last name is not provided or • Last name is in an invalid format.
Member's (name) Suffix	<p><u>Errors</u></p> <ul style="list-style-type: none"> • Suffix is in an invalid format
Member's SSN	<p><u>Errors</u></p> <ul style="list-style-type: none"> • Member SSN must be 9 digits, and within a valid SSN range.
Gender	<p><u>Errors</u></p> <ul style="list-style-type: none"> • Gender must be M or F.
DOB	<p><u>Errors</u></p> <ul style="list-style-type: none"> • Date of Birth must be numeric and represent current age greater than 10 years old
Gross Monthly Salary	<p><u>Errors</u></p> <ul style="list-style-type: none"> • Salary provided is invalid format. • Salary is a required field, when a deposit is provided. <p><u>Informational</u></p> <ul style="list-style-type: none"> • Salary cannot be under \$200 or over \$10,000.
Date of Participation	<p><u>Errors</u></p> <ul style="list-style-type: none"> • Must be a valid date format of MMYYYY.
Address 1	<p><u>Errors:</u></p> <ul style="list-style-type: none"> • Address must be provided.
Address 2	<p><u>Errors:</u></p> <ul style="list-style-type: none"> • Address must be provided.
City	<p><u>Errors:</u></p> <ul style="list-style-type: none"> • City must be provided.
State	<p><u>Errors:</u></p> <ul style="list-style-type: none"> • State must be provided. • State abbreviation is invalid.

Field Name	Validation / Posting Rules
ZIP Code	<p><u>Errors:</u></p> <ul style="list-style-type: none"> • Zip code must be provided. • Zip code provided is invalid format, must be 99999 or 9999999999.
Home Phone	<p><u>Errors</u></p> <ul style="list-style-type: none"> • Home Phone provided is invalid format.
Work Phone	<p><u>Errors</u></p> <ul style="list-style-type: none"> • Work Phone provided is invalid format.
Cell Phone	<p><u>Errors</u></p> <ul style="list-style-type: none"> • Cell Phone provided is invalid format.
Email - Primary	<p><u>Errors</u></p> <ul style="list-style-type: none"> • Email address is a required field and is not provided. • Email provided is invalid format and must include a @ symbol. • All values entered must conform to email address validation (TBD by TMRS).
Police or Fire	<p><u>Error</u></p> <ul style="list-style-type: none"> • Invalid value provided. Must be P or F.

4 PRIOR PERIOD ADJUSTMENT FILE

On occasion a city will realize something is wrong with the payroll(s) previously submitted. Once the new functionality is available on the City Portal a city can upload a prior period adjustment, file for a single, designated month. Creating a prior period adjustment can be accomplished two different ways:

- Manually
- File Upload

All adjustments created will require a recorded reason (e.g. Incorrect Salary / Deposit, Retroactive Pay, Overpayment, etc.). Please note: Prior period adjustments records are used to append a prior record, not to replace a prior record.

4.1 FILE NAMING AND FORMATS

TMRS does not use the filename for processing, as the city will be uploading the file from their Internet browser, and secure portal login. However, for your own archiving purposes cities should consider naming the file as follows: CitynumberYYYYMMDD.

As an example the city with the number of 12345, submitting a report on January of 2017 would name the file: A1234520170125.txt. The difference in this naming convention and the payroll file is the payroll file does not include the “A” for adjustment at the front.

4.2 ADJUSTMENT DATA FIELDS

The data fields, and file rules are the same within the adjustment field as the normal payroll file as described in Section 3.2. The only difference is TMRS accepts negative values in the salary and deposit fields. With regard to providing an adjusted salary and deposits, the following rules apply:

- If the incorrect salary and deposit were reported originally, report the amounts that should be added to or subtracted from the original amounts for the month.
- If member was not reported previously, report the full salary and deposit for the month.

5 APPENDIX 1 - DETAIL RECORD (FIXED LENGTH ASCII)

Field No.	Field Name	Req'd (Y/N)	Length	Start Col	End Col
1	Member SSN	Y	9	1	9
2	Current Salary (Gross Compensation)	Y	8	10	17
3	Current Deposit	Y	8	18	25
4	Member's First Name	Y	25	26	50
5	Member's Middle Name	N	25	51	75
6	Member's Last Name	Y	25	76	100
7	Member's Suffix	N	10	101	110
8	Status Flag	N	1	111	111
9	Last Deposit Date	N	6	112	117
10	TMRS Member ID	N	8	118	125

6 APPENDIX 2 – NMS: DETAIL RECORD (FIXED LENGTH ASCII)

Field No.	Field Name	Req'd (Y/N)	Length	Start Col	End Col
1	Member's SSN	Y	9	1	9
2	Member's First Name	Y	25	10	34
3	Member's Middle Name	Y	25	35	59
4	Member's Last Name	Y	25	60	84
5	Member's Suffix	N	10	85	94
6	Gender	Y	1	95	95
7	DOB	Y	8	96	103
8	Gross Monthly Salary	Y	10	104	113
9	Date of Participation	Y	6	114	119
10	Address 1	Y	40	120	159
11	Address 2	N	40	160	199
12	City	Y	30	200	229
13	State	Y	2	230	231
14	ZIP Code	Y	10	232	241
15	Home Phone	N	15	242	256
16	Work Phone	N	15	257	271

Field No.	Field Name	Req'd (Y/N)	Length	Start Col	End Col
17	Cell Phone	N	15	272	286
18	Email - Primary	Y	60	287	346
19	Police Fire	N	1	347	347



Texas Municipal Retirement System

Attachment F3
Employer Reporting Process Conceptual Design
DRAFT September 21, 2017



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1 TO-BE PROCESS DESIGN

The sections below, depict and describe the Conceptual To-Be process for Online Employer Reporting Process using the CityPortal. The CityPortal will be updated (with the Employer Reporting functionality described in the RFP) to include the ability to:

- Allow cities to report a New Member Setup via a file
- Allow cities that submit a payroll file, the ability to upload a file, review any system validations, make corrections, and certify the data for payment
- Allow the cities to pay for a report, or other amounts due, online
- Allow cities to identify portal users, and grant usage rights
- Allow TMRS the ability to utilize the same tools, in the event a city does not comply with the request to utilize the new tools.

1.1 GLOSSARY OF TERMS

The following terms are used within the To-Be design:

Straight Through Process (STP)	A city’s payroll that can be processed without TMRS staff intervention.
Payroll File Import	Payroll file provided by a city that is uploaded to the City Portal. After the import process completes, the file will go through a series of steps before posting to the individual member accounts.
Manually Entered Payroll Report	User chooses to enter a payroll report online, and not provide it in a file.
Electronic Payroll Filer	City that uploads a payroll file
Payroll Report	The monthly listing of the members and supporting details. This can be created via manual data entry or via an uploaded file.
Payroll “Submit”	There are no errors on a payroll file and the city has approved for posting.
“Posted” Payroll	A payroll report that has been committed to the individual member accounts.

1.2 NORMAL PROCESS FLOW(S)

The Normal Process Flow is the process used for the majority of all city payrolls of the online Employer Reporting process.

The Normal Flow, for Employer Reporting Processing, assumes the city is submitting each payroll electronically, via a file submission or via use of online data entry tools made available on the CityPortal. The flow for cities submitting payrolls by paper, or the act of TMRS intervening to load files will be

discussed as an Alternate Flow. We point out, this is technically a contingency plan for those cities that refuse to use the CityPortal, or in the event there is a unique circumstance at a city (i.e. person on leave/terminated) and no one has the rights to access the portal in a timely manner.

The symbols below are used in the To-Be process flow diagrams. In addition, “Green” colored shapes indicate the STP path. “Yellow” colored shapes indicate where the STP path has been interrupted, and the “Orange” colored shapes correspond to a sub-process, often coinciding with the normal flow of information:

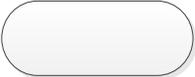
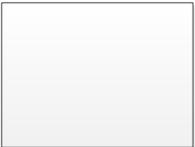
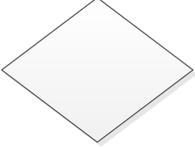
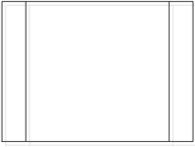
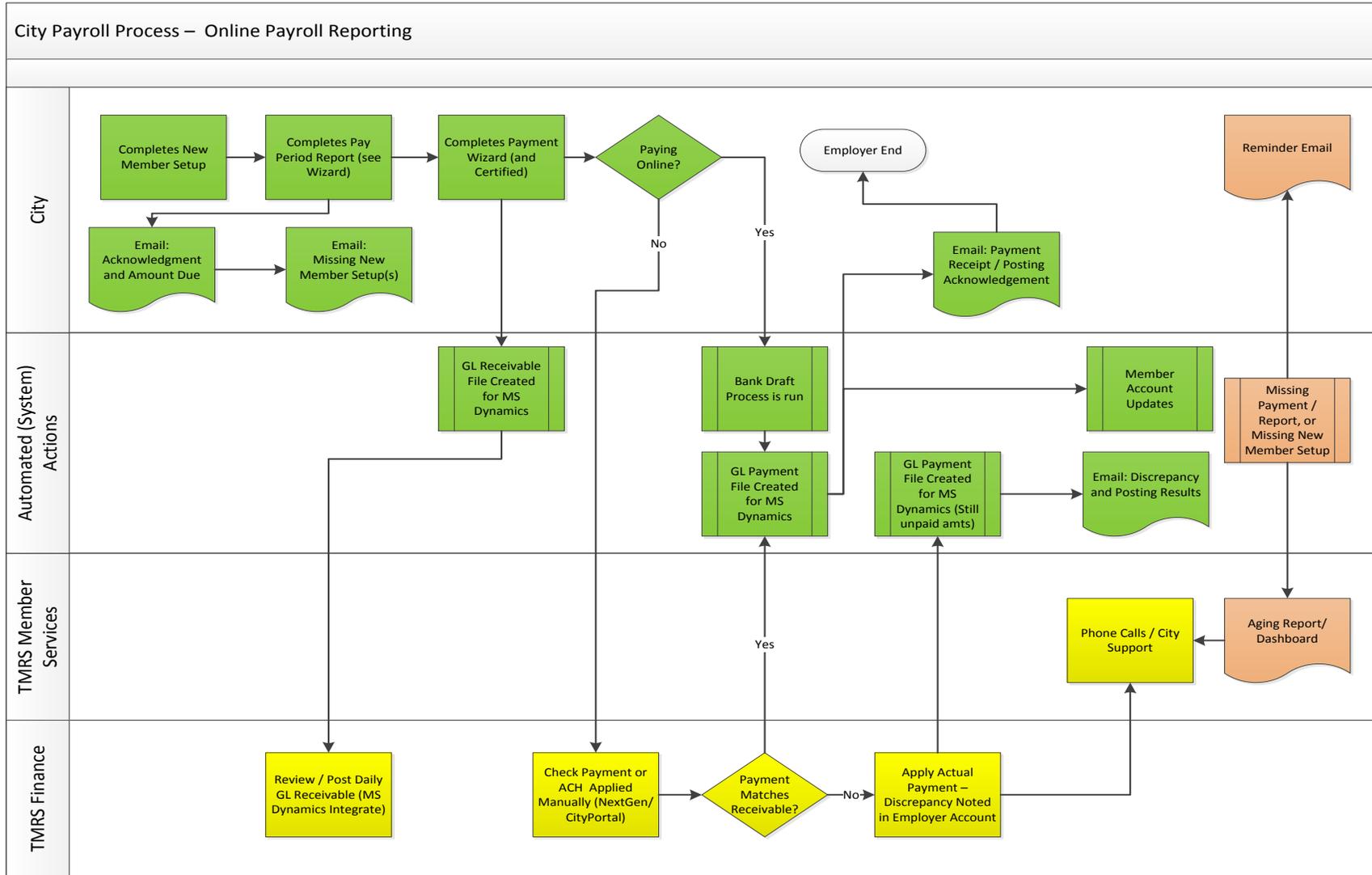
	<p>Indicates the start and end of a process.</p>
	<p>Represents a step in the process.</p>
	<p>Indicates a decision point.</p>
	<p>Indicates a process on a separate diagram.</p>
	<p>Indicates a step that results in a document.</p>
	<p>Indicates a related sub-process that occurs</p>

Figure I Employer Reporting - Normal Flow



The steps depicted in the diagram in Figure 1 are described as follows:

1. The general order of events in the payroll process is to first enroll the new member, see the New Member Setup process. This can be done as part of the payroll wizard noted below or as a stand-alone event.
2. Each month the city user will login to the CityPortal, and select the payroll wizard to launch the process, See Figure 2 for the detailed steps. The city user will have the ability to save his/her work during this process, return later, and pick up where they left off.
3. Once the city user has reviewed and submitted the payroll, a confirmation email is sent to the authorized city payroll certifier. The email will include language similar to the following:
 - Payroll Report MM/YYYY has been submitted for certification and payment.
 - The total amount due is \$##,###.##

Note: There was discussion of recording a receivable to the GL at this stage, however due to cities with the phase-in rate, and the inability to anticipate what rate they will pay the decision was to wait until after the amount is certified in the payment wizard.

4. If the city reported a payroll that included one or more members whom TMRS does not have a New Member Setup for and they did not create one as part of the embedded wizard, an email will be sent to the City contact, with the security privileges to submit a NMS online. The email will contain a link to the portal where they will find a missing NMS form queue. The queue will be pre-populated with data provided on the payroll for each new member.
5. Once the city user has completed the payroll report, he/she will be given the option to pay via the online payment wizard (see Figure 3), or submit a payment outside of the online process via ACH or printing a voucher from the payment wizard and submitting a check separately. With either method, they are prompted/required to certify the payroll and identify the amount they will be remitting.
6. Based on the certification and designation of payment a system receivable will be created. This receivable will be viewable by TMRS Finance department in NextGen/City. Each day a system process will run to create a General Ledger (GL) for the payroll contributions due (account receivable). A report will also accompany the daily routine in order to support the posting. The Finance department will use the MS Dynamics integration manager to import the files.

Paying Offline / Check or ACH

7. If the city user indicated they would submit a check or an offline ACH and the funds are received, the Finance department will process the payment, and update the employer's account in NextGen.
8. If the payment matches the expected amount due, for the month, there is no additional processing required for this month, and the process will proceed to Step 12.
9. If the payment did not match the expected receivable, and the payroll report is not yet paid in full, a workflow will be initiated for accounting to apply the actual amount in NextGen. Member Services may be required to contact the City to determine the next steps. (Validation Note: If the

amount paid is less than or equal to \$10.00 of the amount due, the actual amount paid will be accepted and the difference will be posted to the BAF.)

10. A GL file, with the payment received will be created and available for posting by TMRS Finance.
11. A payment receipt and discrepancy email will be submitted to the City's designated contact indicating that the full amount has not been received and that until received; the file cannot be posted if over the \$10.00 threshold in Step 9.

Paying Online

If the city user elected to pay-online, the full amount for the payroll must be paid. Once submitted, a periodic submitted, a periodic routine will run (no less frequently than daily) to debit the city's bank account for the account for the designated payment amount. This system/banking flow is included in

12. Figure 4, later in this document.
13. A GL file, with the payment received will be created and available for posting by TMRS Finance.
14. Upon acceptance of the payment, an email will be sent to the payroll certifier notifying them of acceptance of the payment and notification that the MM/YYYY payroll report will be posted to the member's accounts.

1.2.1 Detailed Process Steps

The following sections provide detailed descriptions of key steps discussed in the High-Level Flow above.

1.2.1.1 Preconditions for online payroll reporting

In order to begin the payroll reporting process, the city contact needs to be setup with security rights to the CityPortal. Each city can only view their own city/location/division's data on the CityPortal. *Note: a city will have two different roles 1) a user that enters/uploads the payroll data into the system, and 2) a user that certifies the payroll file. It is possible that a single user will possess both roles.*

1.2.1.2 New Member Setup and Queue

The New Member Setup (NMS) process is already implemented in the CityPortal. Executing this process is suggested before a payroll report is submitted that includes new members. However, should an unrecognized member be submitted on a payroll file the validation process will prompt the city user to provide the new member setup process as described in payroll filing process described in the next section. Should the NMS process not be completed before or during the payroll reporting process, a queue will be populated listing those that are missing the full setup. This queue is accessible by the City on the portal or by TMRS staff. Should the City submit (or TMRS enter one) a matching NMS for the member, the record will be removed from the queue. As part of the monthly reports generated for Member Services (the orange boxes in Figure 1), a report will be provided, by City that includes all cities that have missing New Member Setups.

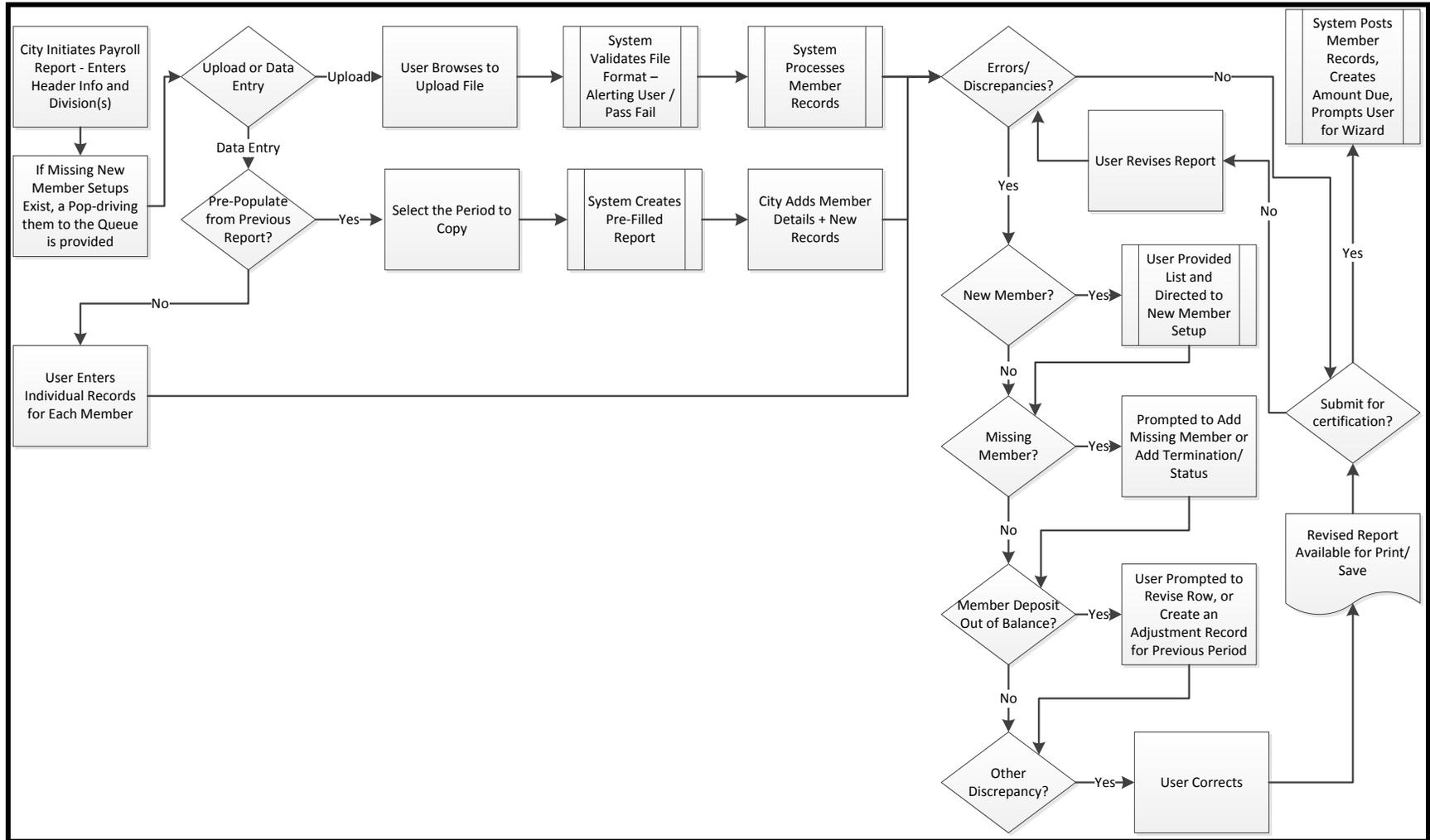
As part of the City Payroll process implementation, or in a future phase, the New Member Setup can be accomplished in mass by the city. The city will be given the ability to upload and submit a New Member File (See NMS file specifications documented separately).

The file upload process will populate a New Member Setup form the data requirements for which are defined in the CityPortal New Member setup process. Once the forms are populated, the City can access each form to certify the new member.

1.2.1.3 Payroll Wizard

The payroll wizard is accessed via the City's secure portal. In order to initiate the process, an authorized city user must login and select the payroll process, which is depicted in the flow chart below.

Figure 2 Online Payroll Wizard



The steps in the flow chart are defined as follows:

1. Payroll Header - prior to uploading or entering a payroll report the city user must designate the month for which, he/she will be submitting a report. For those cities that have a single payroll, the system will default to the first available month that has not been provided. They can designate if the report is for a Regular Pay-Month, or a Prior Month Adjustment.
 - The system will default to a Regular report, with the current/next available month (that has not been reported)
 - Unless, a prior month adjustment type is designated, the month cannot be one that was previously provided.
 - For the few cities that report more than one monthly file (formerly a supplemental file, see Section 1.3.3), they will have the ability to identify which location/division they are reporting. Each location/division can have a file for the same month (note: possible duplicate members)
 - A payroll report cannot be future dated (no more than one month).
2. If a Regular Period is selected, and a New Member Setup has not been completed for members in the prior month, a warning message will be provided. The message will provide a link to the missing list of members missing the NMS. The user can choose to ignore this screen.
3. The city user can choose to upload a payroll file or data enter a payroll report. For data entry, proceed to step 4. For file upload, proceed to step 8.

Data Enter a Payroll Report

4. The system will give the city user the ability to choose to start a new report. The alternatives available are as follows:
 - Start with a blank report/ no records
 - Populate the template with data (excluding prior month adjustments) from a previous month within the last twelve months¹
 - Populate the template with all current contributing members
5. If replicating a prior month or populating with all contributing members, each member's full name and SSN will be pre-populated (dollar amounts will not be pre-populated).
6. Once the report is pre-populated, each field can be edited or deleted. If a new member is needed for the report, the user can add one or more rows.

¹ Allowing 12 months gives the user the ability to identify the correct month to replicate. There are times the payroll includes members that are consider temporary hires or seasonal workers the City does not want to include/replicate for each month (e.g. part-time, seasonal, etc.).

- As the report data is being entered, “real-time” validations of each row are performed (the validations are noted in step 10).

File Upload

- If the city user chose to upload a payroll file, the system will first validate that the file format is of the appropriate format. If not a fatal error message will be provided to the city user. No detailed feedback will be given because the file cannot be read. The city user will be directed to upload a new file.
- Once the file is uploaded, validations will run on each row. If no errors are found the system will stage the file as a payroll report for posting to the member’s accounts (regardless of if the file was uploaded or data is entered they must certify the payroll in a later step). If validation conditions are encountered, the payroll report will be made available for review and or repair.

Payroll Validations

- Two types of validation messages will occur for the payroll user: Informational Messages and Error Messages/Condition. Should any row in the file/report result in a validation **error**, the entire report will be held for review (a report cannot be partially posted). A payroll report template will be populated (the same report template that would have been populated if the city user chose to data enter a report) with the entire file contents and the row(s) in error will be highlighted. In the table below, we have highlighted some of the key data conditions that could result in follow-on work for the City. Note that this is not a fully inclusive list of validation conditions, but just those that are key and require follow-up processing. All validations are recorded separately in the payroll reporting manual:

Discrepancy	Action to Resolve
<p>New Member (unidentified SSN) on this report:</p> <p>If this condition is encountered, a screen will be populated in the wizard with the discrepancy member records. An informational message will be provided indicating, “No New Member Setup form is on file”.</p> <p>THIS IS NOT AN ERROR CONDITION. IT IS INFORMATIONAL BUT THEY CAN TAKE ACTION ON IT.</p>	<ul style="list-style-type: none"> ✓ Delete the member ✓ Begin the New Member Setup (NMS) ✓ Post without NMS <p>Begin NMS – If the user has the rights to add a new member, they can initiate the process (one-off) to add a new member on the fly, before posting. If the user does not have these rights, the informational message will only display.</p> <p>Post prior to NMS – Allows them to post without the NMS.</p>
<p>Missing Member (TMRS has no action on file since last payroll that the person is non-</p>	<p>A list of missing members will be provided along with a pop-up message giving the city</p>

Discrepancy	Action to Resolve
<p>contributing)</p>	<p>user the option to provide a reason code (below). Alternatively, they may elect to ignore the warning. If the city user is provided a reason he/she can enter one of the following reason codes to proceed:</p> <ul style="list-style-type: none"> ✓ Termination ✓ Worker’s Comp ✓ Military Leave ✓ Unpaid Leave <p>Note: If a termination is entered, with no pay/contributions, the termination period will be the month prior.</p>
<p>Member Deposit Out of Balance / more than \$.02 variance</p> <p>(Note: the out of balance record will be highlighted at the row level, no special screen required. The screen should have the ability to be filtered and/or sorted by validation error type.) (The variance should be adjustable so if it needs to be adjusted in the future, it can be done easily.)</p>	<ul style="list-style-type: none"> ✓ Correct deposit amount ✓ Correct salary amount ✓ Allocate a portion of the deposit to a previous month (This option is only available if the deposit is in excess of the calculated amount. If the deposit is less than expected, an adjustment needs to be made as a completely separate report) <p>If the latter option is elected, a pop-up type form will open allowing the city user to choose a prior month that was previously reported for this member (within the timeframes allowed for an adjustment – See Section 1.3.5) and indicate the portion of the deposit that should be allocated to the prior period. This will require the city user to adjust the salary from the prior period and provide a reason for the adjustment.</p> <p>From a payment perspective, this adjustment will show as a separate line item, under the heading for the month the adjustment was applicable. See Appendix 1, where we have shown a sample of the amounts due for the regular report plus any amount due for</p>

Discrepancy	Action to Resolve
	adjustments.
Negative Value is not Allowed (on a regular pay month report) (this will be highlighted at the row level, no special screen required)	✓ Correct deposit amount ✓ Correct salary amount
Other Validations (additional data conditions will result in messages to the user, see Payroll Reporting Manual. (this will be highlighted at the row level, no special screen required)	Other validations will provide the opportunity for repair.

In addition to errors, a number of informational messages will be provided (not documented here) but do not require repair (e.g. member deposit more than 70% more/less than last period, name is different than on file, etc.)

- At any point in time, additional members can be added or deleted from an existing payroll report that has not been submitted for posting. The validations in the previous step will be executed.

Final steps for data entered reports or files processed with errors

- When the city user has finished entering data and plans to submit a file for posting, he/she will have the ability to run a report that provides both the summary of the report being submitted and the associated detail (which they should have the ability to suppress). The summary portion of the report would include (*Note for a Prior Monthly Adjustment report type, there will be no comparison to prior months*):
 - Number of first time/new members reported
 - Number of members reported as terminated, on leave, military leave, or workers comp
 - Number of Total members reported (along with a comparison to the last three reported months)
 - Total Deductions reported (along with a comparison to the last three reported months).
 - Total Gross Salary reported.

If the city user elects, he/she can save the payroll report for posting or they can continue adding new records or making other modifications. The above summary reports are available historically for both internal TMRS staff and the City.

- If no validation errors occur and the city user is ready to post and remit payment, they will choose to “submit for payment and posting.” At such time, the report will be set to “pending receipt of

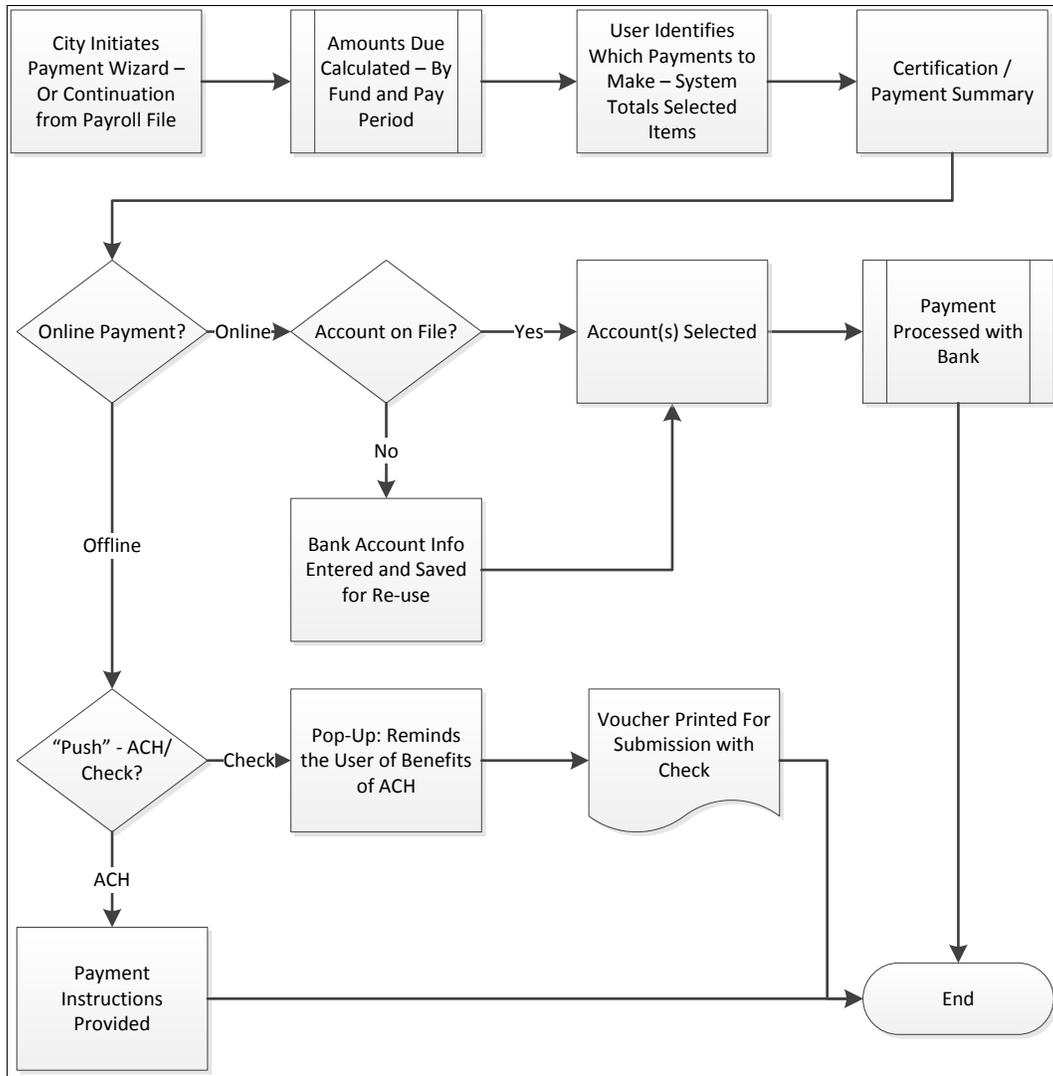
funds”. The report will not post to the member’s accounts until the appropriate funds are received or they initiate an online payment.

14. Once the city user elects to submit the report for posting, the system will give them the opportunity to proceed on to the payment wizard (if the user has the appropriate rights). Otherwise, they can exit the portal.

1.2.1.4 City Certification, Payment, and Remittance

Like the payroll wizard, the payment wizard is accessed via the City’s secure portal. In order to initiate the process, an authorized city user must login and select the payroll process, which is depicted in the flow chart below. The city user can execute this payment wizard at any time, multiple times a day, and make multiple payments from multiple sources.

Figure 3 City Payment Wizard



1. After the city’s payroll(s) has been successfully uploaded and posted, the system will validate and calculate the amount due for the city.
2. The wizard will then populate a screen that includes the amounts due, by payroll month (if an unpaid balance exists for a previous month) and by Fund. The Fund breakdown is listed below, some of which are not associated with the payroll report, but this screen will include other amounts due:
 - Unapplied Funds – In the event money was submitted to TMRS before the report was created and a credit amount exists.
 - Payroll Report/Month specific amounts (and for a prior period adjustment)

- BAF Employer Contribution/SDB (Full Rate pre-populated)
- Employee Contribution
- Late Interest (when applicable)
- Other Amounts
 - (415) Excess Benefit (only populated if they have this receivable)
 - Insufficient Funds (NSF Fee) Note: a new NextGen field will be required to track and monitor this amount due.

Note: A Help Screen is required to define each of the above payment items. In addition, a sample of how the data might be presented is provided in Appendix 1.

To the right of each amount due (in the sample in Appendix 1), the city user can identify the amount they plan to remit/pay. The city user selects the correct payroll items he/she would like to make a payment for (if they are allowed to pay less than 100%) and a “real-time” calculation will occur to create a grand total that will be remitted at the bottom of the screen. In some cases, the city user is allowed to pay only a partial amount of the balance due, and when that is the case, they can choose to enter a different amount as indicated by the validations below:

- BAF Employer Contribution
 - *Validations:*
 - ✓ *Payment required*
 - ✓ *If they have a phase-in rate, must pay minimum (i.e. if phase-in rate is 14% they must enter a value equal to or greater than)*
 - ✓ *Total amount can be +/- \$10*
- Employee Contribution (validation: must pay 100%)
- (415) Excess Benefit (validation: must pay 100%)
- Late Interest Fee (validation: must pay 100%)
- Prior Month Adjustments (Note: if a positive adjustment is being requested for an active member account(s) and within the allowed historical timeframe (depending on correction of error policy in place) from the current month, the system will validate [i.e. SSN, status, etc.] then process.)
 - Workers Compensation
 - Correction of Errors (COE)
- BAF Credits from Previous Periods

The system calculates and then displays the total amount due. *Note: There are cities that have multiple payrolls discussed as an alternate flow (See Section 1.3.3).*

Note: If for some reason the city user realizes the totals due do not match (+,-) the amount they thought they owed, they will have the ability to look back at the matching payroll report to review

summary and detail level amounts due. If they realize that something is wrong, they would have the ability to delete and re-create the payroll cycle or create a prior period adjustment. If the total reconciles, the user proceeds to certify and indicate how they will remit payment.

3. The city user will be prompted to certify the payroll, with the following Language: (Note: the language below is on the current TMRS-0003 form.)

City Certification

I certify this to be a true and complete report of the payroll information required by the Texas Municipal Retirement System for the above named city.

(Add the following additional) I acknowledge that the member deposits will not be posted to the member's account until all monies due for the payroll are received.

The system must capture this certification and the person designating it (Step 2 and 3, formulate the former TMRS-003, will be archived and printable. Furthermore, this creates a receivable voucher that ties directly to the associated to the payroll report).

4. TMRS offers two different types of payment methods, online or manual (offline). When selecting manual/offline they will be requested to indicate if they are paying via check or ACH

Manual (offline via check)

5. If the check option is selected, the system will display an informational pop-up message. The message will remind the user of benefits for processing by ACH or online (*More secure, less paper, and quicker processing time*) and provide a path back to setup an ACH account profile. The city user will have an option to bypass the message and move forward with processing by check.
6. The user will also be required to acknowledge that they understand the check must be in the postmarked no later than the 15th of the month to avoid late interest charges.
7. The system will generate a voucher that the city user will be instructed to send along with their check payment. The voucher will include:
 - TMRS mailing address
 - Voucher Date
 - Voucher number to tie to information submitted
 - City Number / Name
 - Total of the amounts being paid (by Fund and month) – *If a 415 Excess Benefit Plan is being paid for, separate payment instructions are required for a separate payment.*
 - Grand Total Being Paid

Manual (offline via ACH)

8. If the user indicates they will send their own ACH, the wizard will request them to re-validate the full amount they will be remitting.
9. ACH instructions will follow, and *if a 415 Excess Benefit Plan is being paid for, separate payment instructions are required for a separate payment.*

Along with the instructions, the user acknowledges that the money must be received by the bank no later than the 15th of the month to avoid late interest charges.

Online

10. When the city user selects to pay online, the system will verify the city has a bank account on File. If an account exists, it will be defaulted for the payment. If the account is not accurate or the city user would like to change/update the account number, he/she can do so at this time before submitting the payment.
11. If the city does not have a bank account on file, the system will require the city user to setup a bank account. The city user will be instructed to enter the appropriate account information (i.e. bank routing, and account number). *Note: This process would be very similar to the process designed in the SOW 1 for individual retirees; see Direct Deposit Process for details.*
A pop-up message should be provided the first time an account is setup, to ensure that they have authorized their bank to allow such payments to be made.
12. Once the city user has created a new account and/or selected the account which to make payment, they can submit the payment for processing. *Note: If a payment is included for 415B Excess Benefit Plan a separate deposit account will be credited at TMRS (e.g. a separate ACH file for the 415 Account will be generated)*
13. The city user will be given the opportunity to make another payment or exit the payment wizard. *Note: If a payroll is underpaid, the system will generate a correspondence informing the authorized city payroll contact. The payroll contact will need to address the underpayment before the payroll is posted.*

1.2.2 Supporting Processes

1.2.2.1 Rate Tables

The CityPortal will have a screen, essentially read-only, that provides each city with their contribution and other fund rates, for the current calendar year. The current year's rate will take effect on January payroll, and be available for display on January 1. A copy of the annual communications for the rate will be available online (e.g. as a PDF) and available to each city.

1.2.2.2 Saving a Payroll Report

Once a header record has been created (in the first step of the monthly payroll process), or a file has been uploaded and passes file level validations, or a single member record has been data entered, the user will have the ability to save the report and return for later processing.

1.2.2.3 Posting to the Member’s Account

Once the city user goes through the action of formally certifying, the report will be queued to a “pending payment status”. However, the report will not be fully posted to the member’s account until the corresponding payment has been applied.

1.2.2.4 Deleting a Payroll Report

An authorized city user will have the ability to delete a payroll report as long as the report has not been posted to member’s accounts. Once posting has occurred, the ability to delete a report will be deactivated. A prior period adjustment type report would be required.

1.2.2.5 Payroll Report History (CityPortal)

Within the CityPortal, a status dashboard will be available for city users listing the past 24 months of payroll reports. The listing will provide the following, as an example:

Month Ending	Report Status	Payment Status	Total Gross Salary	Total Employee Contributions	Total Employer Contribution	Amount Paid
MM/YYYY (For an adjustment report, the date will be populated along with “ADJ”)	One of following values will display: <ul style="list-style-type: none"> Not Started (provides a link to the wizard) In Progress (report has been saved by not submitted) Pending Payment Posted 	One of following values will display: <ul style="list-style-type: none"> Unpaid (provides link to payment wizard) Partially Paid (provides link to payment wizard) – inclusive of unpaid interest Paid in Full Pending Offline Payment (payment by check was designated but unprocessed by TMRS) 	\$\$\$ (populated if the report is provided)	\$\$\$ (populated if the report is provided)	\$\$\$ (populated if the report is provided)	\$\$\$ (populated if the payment has been received)

In the report history listing, the status will provide a link to the detail reported, by member. Additionally, the payment history will be provided, providing a similar summary as provided in the payment wizard.

1.2.2.6 Monthly Status for TMRS staff

At any given time, a TMRS user will have the ability to review a dashboard that provides the status of the monthly reports/payment that have been provided or not provided. It will include a summary count of cities along with the detailed listing of non-submitted reports and payments. The user can drill down on

the count, to see a list of cities in the status. (Note: The dashboard/report will have the option to be filtered by assigned TMRS analyst.)

Reporting Month (MM/YYYY)	Report Status	Count
	Not Started	100
	In Progress (a report has been started and saved)	50
	Pending Payment (submitted, but pending certification and payment receipt)	105
	Posted (posted to the member's account)	600

On a monthly basis (date to be parameterized) the system will generate an email reminder to cities that have not yet submitted their reports or paid their amounts due. This may require phone calls from Member Services staff for follow-up.

1.2.2.7 Adding/Modifying City Contacts and Security Roles

The CityPortal will be updated to include a function to allow the City's Portal Administrator to add city users / contacts to the site. TMRS will maintain the site agreement with the designated city "Site Administrator". Once the agreement has been signed/approved TMRS staff will create the "Site Administrator" with the appropriate rights/security, see Table 1 - Payroll Process Security Roles. Once established, the city Site Administrator has full access to add additional contact(s), identifying each of them with one or more security roles. The following table identifies role and their permissions:

Table 1 - Payroll Process Security Roles

Role	Permissions
Enrollment	<ul style="list-style-type: none"> NMS
HR	<ul style="list-style-type: none"> Member Inquiry Estimates
Reports	<ul style="list-style-type: none"> SOC 1 Reports Other Member Reports

Role	Permissions
Payroll Processor (formerly payroll)	<ul style="list-style-type: none"> • Access Payroll Wizard • Access Payroll History • Certifies Termination •
Payroll Certifier (new)	<ul style="list-style-type: none"> • All Payroll Processor Activities • Submit Payroll Report for Posting
Payment Processor (new)	<ul style="list-style-type: none"> • Access the Payment Wizard and Submits a Payment (add new direct deposit account)
Site Administrator	<ul style="list-style-type: none"> • All Access • Adds Users

1.2.2.8 Monthly Processing Calendar and email notifications

A monthly processing calendar, associated with some of the tasks and follow-ups in this document are as follows. These dates will be parameterized based and easily changed:

Date	Activity Due
MM/01/YY	Reminder of Monthly Payroll Dates
MM/16/YY	Payroll Report Due/ Payment Due
Due Date plus 5 days	Report/Payment Overdue Email

1.2.2.9 Interest Calculation

Interest will be calculated on a daily basis on employee and employer contributions, which were received late, and will calculate for all records where receipt of payment occurred and the interest penalty amount can be determined. Interest is based upon the amount that was due on the 15th and unpaid. This calculation will result in an interest receivable amount being posted to the general ledger. Once interest is calculated the amount due will be viewable through the payment history and payment wizard activities. Furthermore, an email will be sent to the Payroll Processor and/or Payment Processor notifying them that the initial payment has been received and interest has been calculated and is available on the CityPortal.

1.2.2.10 Lump-Sum Additional Contributions (current TMRS-3ADD)

These additional contributions, normally paid in a lump sum no more than a few times a year will not show on the payroll reporting/payment wizard. However, since online payments can be made this will be a separate menu item where funds can be remitted by the city. There is no validation on the amount that can be paid by the city. It will follow the same payment process as described for the payroll payment wizard, essentially starting where the user will make the election to pay “online”. NOTE: This is not currently a balance that is maintained in NextGen, nor will the balance be recorded there in the future. The portal will just be used to capture the payment. When the city commits to paying this amount online, a receivable will be passed to the general ledger. Once the payment clears, the receivable will be updated.

1.2.2.11 Cash Receipt Processing (Manual)

The desired approach to receive money will be via an online payment made through the wizard as depicted in Section 1.2.1.4. When that occurs, the receipt will auto-apply to the receivable that the City is paying.

However, paying online may not be practical for some cities and the wizard will give them the option to pay via check or their own ACH authorization. Regardless, of the payment option, the payment wizard requires the city to certify the payroll. Certification of the payroll will create a receivable for the City in NextGen.

In the City Reporting Normal Flow - Figure 1, the flow chart depicts the scenario of accounting processing the payment. The flow chart depicts two scenarios; 1) the correct amount is received or 2) the incorrect amount is received. In either case, the Accounting Department will need to have the ability record the cash receipt in NextGen. In addition to assigning the cash to the paying city, Accounting staff must apply the payment to the outstanding receivable (which should be the current/last month’s payroll report). A payment application grid such as the following would facilitate the process:

Example: Unapplied Cash of \$10,000

Receivable Date	Voucher ID	Receivable Description	Amount	Unpaid Balance	Apply
10/14/2016	1234	September Payroll	\$10,000	\$10,000	✓
		Detail			
		BAF – ER Contributions	\$5,000		
		BAF – Employee Contributions	\$5,000		

NOTE: The Voucher is directly tied to a payroll report, meaning until the balance is zero the payroll report will not be posted.

In the event only a partial payment is received for a receivable, the amount that is available is applied. The application rules will fulfill the Employee Portion of the BAF prior to fulfilling the Employer Portion of the BAF. Accounting will alert the Member Service department of the variance.

Finally, there is the possibility that payment will be remitted to TMRS, prior to the receivable being created (i.e. the payroll report is certified online). When this occurs, the cash will be recorded for the City, but will remain unapplied. A report/or workflow step will be sent to the Accounting staff when a receivable is created, and cash is on account that has not been applied.

1.2.2.12 General Ledger and Financial Reconciliation

The NextGen system will be the source of all employer based receivables and payments received, which will be integrated with the Dynamics GL. The flow diagram in Figure 1 Employer Reporting - Normal Flow, indicates two (2) integration points with Dynamics. The transactions are as follows:

1. Payroll Receivable – Based on the amounts due from a submitted payroll report. This will consist of employer contributions, employee contributions, and any contributions that are entered related to military purchases. Additionally, for those cities that have retirees exceeding the 415B limit, a 415B Excess Benefit Plan receivable will be created once a year that must be entered into NextGen and passed over to the General Ledger.
2. Employer Payments – When a payment is recorded via the online payment wizard, or entered manually by TMRS staff, this payment will be passed over to the General Ledger.
3. TMRS Manual Adjustments – When necessary, TMRS will be required to manually adjust NextGen records. Any adjustment requires a recorded reason. The adjustment will be passed over to the General Ledger.

Each month, Finance will go through a process (currently called the export process) to establish the accounting date for all transactions entered into NextGen and the CityPortal. All transactions that occur once the accounting date is set will need to be tagged with this accounting date so that all reports and extracts to the General Ledger can be inclusive of this tag.

Reconciliation will play an important role for the TMRS accounting department. The staff have identified key requirements that will be met by the new solution. The system will provide the ability (for both TMRS staff and cities) to query and report on financial information for a city user to include all appropriate financial data (e.g., amounts paid, amounts outstanding, and interest adjustments). Upon the completion of the payment process, by the city, TMRS accounting staff will have the ability to search for payment records, by city, to reconcile the total amount of member contributions and employer portions plus any adjustments, and interest applicable to both late reports and late remittances.

The system will provide the TMRS accounting department ability to generate multiple reconciliation reports, and where possible be viewable on the screen without printing. The table below depicts these necessary reports.

Table 2 - TMRS Reconciliation Reports

Report Name	Description
Daily Receivable	Report used to identify all receivables created for the day, based on the submission of payroll reports. The report should have be broken down by employer and fund, payment type (i.e. online, ACH, or check) and provide totals by fund. This report can be used to validate against GL balances.
Online Payment Report - daily	Report indicating by city, the amount they have requested to be paid online.
Daily Payments (separate by source)	Report used to identify all payments recorded for the day, by source, online payment, ACH, and check. The report should provide totals by receivable (fund) in which the payment is applicable. Can be used to validate against GL balances and indicate if the amount is applied or not.
Receivable Balance Report	Report indicating, by city, and fund the outstanding receivables (or receivable credit), by one or more accounting periods.
Activity by Accounting Month	Breakdown by receivable balances and cash received. Needs to incorporate all other transactions not associate with contribution reporting. Design Note: Consider including all NextGen transactions within the report.
Interest Receivable	All interest that is calculated and due, based upon when the money is actually received, past the due date.
Monthly Close	Run once all reports have been received for the month. This will include the starting balance and ending of all member accounts, by employer. The basis of this report is all transactions with the designated accounting month tag.
Prior Period Adjustment Summary (Internal Adjustments)	Report to track adjustments made by TMRS staff, indicating the period where money was moved and the member account.

Report Name	Description
BAF Reconciliation Summary	This is a current report that must continue to be generated to support monthly reconciliation to the General Ledger. This report is broader than the payroll process and includes all balances/monthly transactions by City.

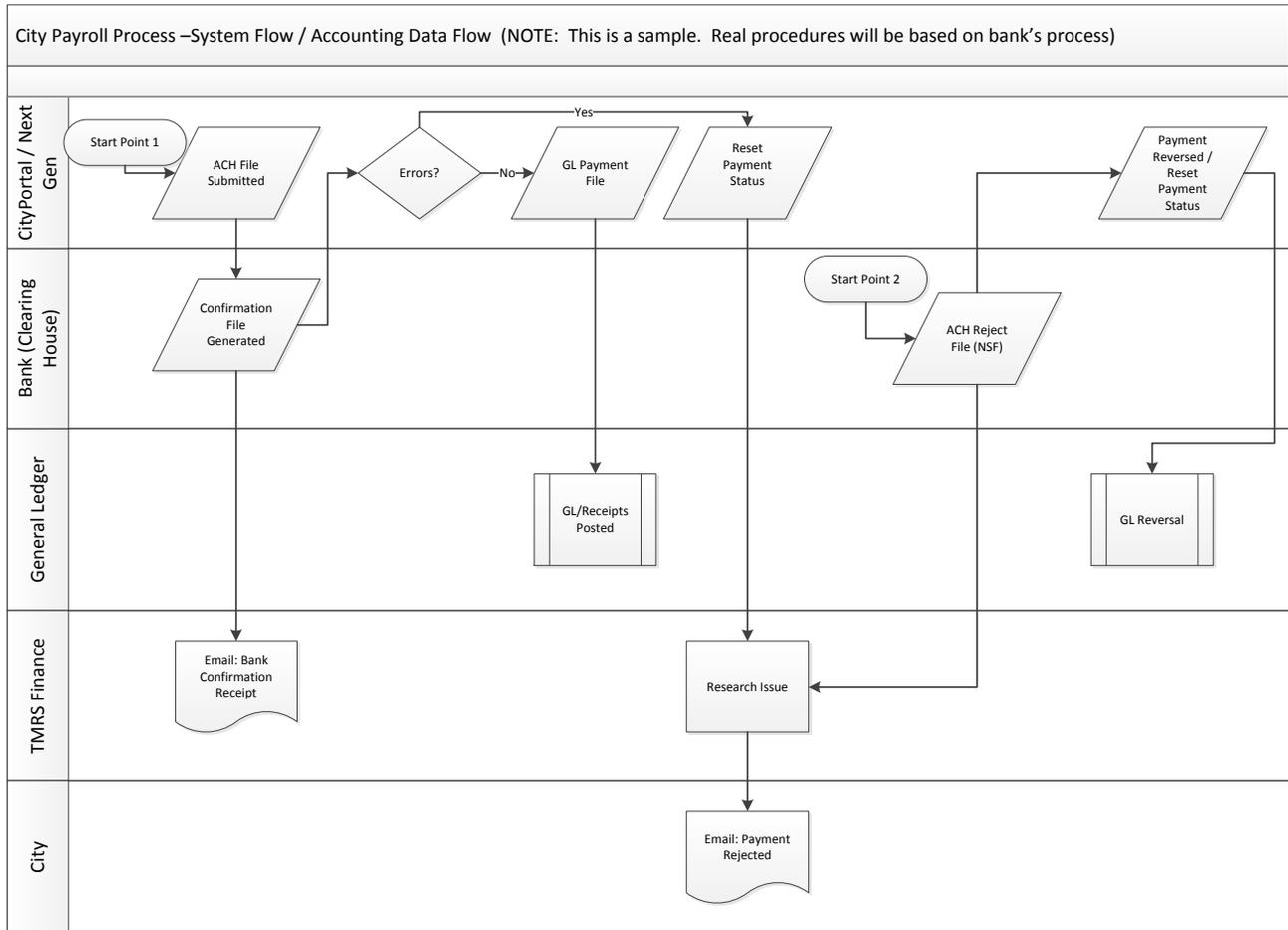
1.2.2.13 Termination Certification Queue

As previously documented for the processes in SOW 2 (e.g. Refund and Retirement Application) City Certification, on the City Portal, will be available only to authorized city users given access to this function. However, as part of the payroll process, if a missing member is identified they will be added to this queue ahead of receiving a refund or retirement application. It would be necessary, however to distinguish between those members who were simply missing from a payroll and those who have submitted the refund or retirement application. The latter would need to be processed first. Within the queue, missing members will be displayed in a grid/list allowing the authorized city user to review each member and select one or more members to certify. After the authorized city user is finished selecting the member(s) within the list, he/she will be required to certify/acknowledge the selection(s) before being allowed to move forward.

1.2.2.14 Online Payment Processing - ACH (“Pulling”/Drafting)

On a periodic basis (no less than daily), a file for payment processing will be submitted to the bank for those cities that remit payment via ACH. The flowchart below is a depiction of how that process may work, pending discussions with the TMRS bank.

Figure 4 Online Payment (ACH) Flow



1.3 ALTERNATE PROCESS FLOWS

The processes in this section will be the least common, and executed as an alternative to the “normal flow” and its supporting processes described in Section 2.2. However, in most cases some of the same functionality will be utilized.

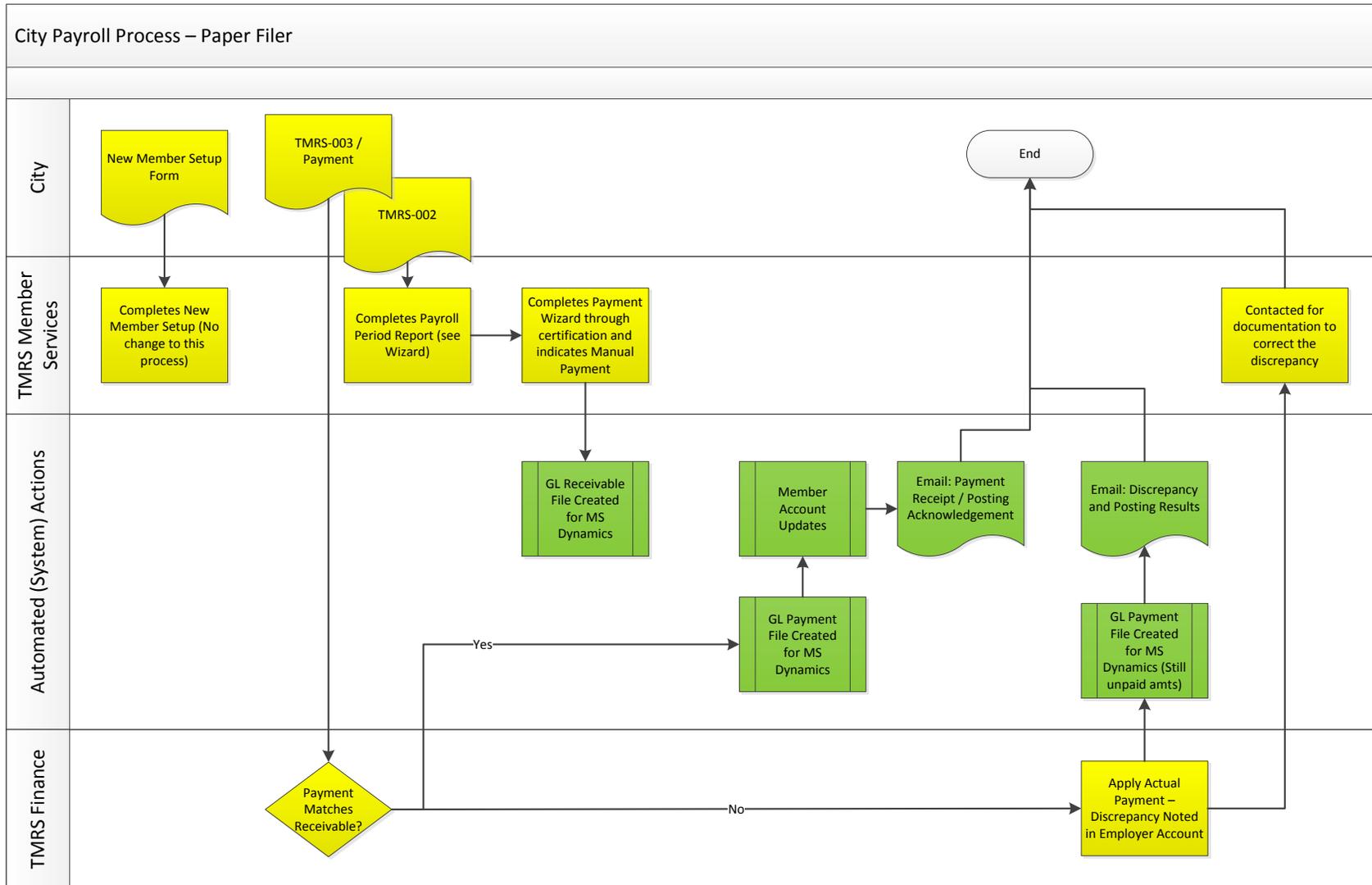
1.3.1 Payroll Reporting (Paper)

The ultimate goal of this project is to streamline the process for those cities that are City Portal users and eliminate paper filers. TMRS cannot restrict cities from mailing or faxing of payroll reports (e.g. TMRS-0002 and TMRS-0003 forms). TMRS would like all cities on board with the new solution; however, TMRS will not want to enter into this endeavor without a back-up plan. Under this model, the assumption is that the City has made the decision to not utilize the CityPortal at all.

As the requirements for this project indicate, the payroll reporting process on the CityPortal can be used by in-house staff at TMRS. From an audit history perspective, however, the system must record that the report was created via TMRS staff and not via a city user. The reports that will be available to city user will also be available to city paper filers (e.g., late payroll notification, termination and new members with NFM, adjustments, etc.).

The steps in the process are depicted in the figure that follows.

Figure 5 - Payroll Processing by Paper



The details of each step in the figure are as follows:

1. Since this city is still filing on paper, they will continue to complete the New Member Setup, the TMRS-0002 and TMRS-0003. These will be submitted to TMRS and scanned for processing. The NMS will follow the same process as it does today.
2. When the TMRS-0002 & 0003 arrives, each will be scanned and queued for processing by Member Services through Perceptive. Member Services will access the payroll wizard as discussed in Section 1.2.1.3, then follow the ‘data entry’ path and complete all steps in the wizard. Should there be problems with reconciling the details, the city will be contacted and the corrections will be made accordingly.
3. Member Services will then complete the payment wizard as discussed in Section 1.2.1.4, indicating the payments being made from the TMRS-0003 and identifying that the payment will be processed manually.
4. The TMRS-0003 and the payment will be provided to the Finance Department. They will log the payment in NextGen and make the deposit, following a similar process to that of the Normal Process flow when the city elects to pay outside of the system. If the monies match the receivable, the process will continue just as if it were the normal flow, with the eventual posting to the member’s account. (Not depicted in the flow chart is the daily steps for accounting to post files to the General Ledger)
5. Should the money not match the receivable/payroll report, the receipt will be posted, the discrepancy noted, and the Member Services staff will be alerted to contact the city. Any corrections or additional funds that come in will follow the process flow from the beginning.

1.3.2 Cities with no Deductions for a Given Month

It is possible that small cities will have a month where no members meet the requirements for reporting. When this occurs, the city will login to the CityPortal and the first step in the header setup, of the Payroll Report, will allow the city to indicate “No Deductions”. This selection will be made in lieu of indicating the report is a “Regular Monthly Report” or a “Prior Period Adjustment.” TMRS staff would need the ability to reset this field, if done incorrectly. When choosing “No Deductions” a reason field is also required to be populated by the City. This setting can be made up to two months in advance, but each month must be processed in order. Once the City elects to submit a “No Deductions” report, a workflow queue will be created for Member Services, along with a letter/email to the City Payroll Contact explaining that they must continue to pay the BAF. The TMRS Actuary will calculate the amount of the city must pay for Employer Contributions (BAF). Once the amount is calculated, it would be entered in NextGen by Member Services staff as part of an amount due from the city, and available in the CityPortal an email will be sent to the City Contact indicating the amount due and ability to pay using the Payment Wizard.

1.3.3 Payroll Reporting – Cities with multiple divisional reports (or a city that wants to send in multiple files per payroll)

Current statistics indicate that eleven (11) cities send in multiple reports. Note: this is not a practice that TMRS wants to encourage. It will require both entities within the city to work together to add their data to the portal. Both sites will have the ability to see the data the other site entered, they however could pay

separately, as long as they both pay before the due date. If this is allowed, the city can do this in one of three ways:

1. Both sites are Online Entry – site one will add and validate their entries and site two will login and continue adding their own. Only one user can submit the report for payment.
2. One site uses online entry and the other site uploads a file – as long a report is not submitted for payment, a file can be added to append the existing entered data (or vice versa).
3. Both sites submit a file – As long as a month has not been submitted for payment, an additional file can be submitted to append the data that has already been loaded. This function could be used by the cities with multiple divisions or for a city that wants to load multiple files in a single month. Part of the upload process, however will combine all data that is currently set to pending.

The payroll wizard will be setup to accommodate multiple files and the city can indicate this at the time of upload. When this is selected, a validation will run before the report is certified by the City alerting them that only a single file was uploaded, warning that if they proceed they cannot update the current month without filing it as an adjustment.

1.3.4 Payroll Reporting – Cities with Multiple Employee Contribution Rates (Wichita Falls)

Currently Wichita Falls has separate rates for civilian and police members. For those members who TMRS knows are police, the validation will look at the police rate. For others without the police flag, the validation will fail. When there are failing validations for Wichita Falls, they will be instructed to contact TMRS Member Services for support. TMRS will have the ability to override the validation for each member and make the request to the city that the police flag be updated as part of the New Member Setup.

1.3.5 Adjustments – Current or Prior Year (Any adjustments that takes place after a payroll has been certified)

As noted in Section 1.2.1.3, when a city elects to begin the payroll report wizard they can indicate if they are reporting for the current, regular reporting period or if they are reporting a prior-month adjustment (PMA). The user will go through the payroll wizard in a similar manner as with a normal monthly report, however all validations may not work the same. Global rules for a PMA:

- Cannot be for a month, not within the current or prior year (See Correction of Errors)
- Can be for a positive or negative amount
- Cannot be retired or refunded for more than one month from the current date.
- They are used to “append” a prior record and not replace it
- An adjustment to the contribution amount, results in a required adjustment to the salary/pay amount
- Negative amounts are not refunded. A credit can be applied to future reports, or will offset amounts owed on the current adjustment report if more than one record exists. Note: The BAF funds cannot be credited if it is a prior year adjustment.

The table below provides a number ways an adjustment can/can't be submitted.

Table 3 – Types of Adjustments

No.	Types	Description / Notes
1.	Made as part of a Regular Report (see 1.2.1.3), by member validation, where the wizard indicates an ‘overage’ and the user elects to apply it to a prior period.	<ul style="list-style-type: none"> • Must identify adjustment to salary by indicating the difference in amount previously reported
2.	PMA – One member, one pay period submitted via manual payroll report	<ul style="list-style-type: none"> • Must adjust prior pay in order to balance (a negative deduction requires a negative pay)
3.	PMA - One member, one pay period submitted via file	<ul style="list-style-type: none"> • See prior row. • This would be rare, and likely slower to do via file than online for a single member.
4.	One member, multiple pay periods (Manual Only)	<ul style="list-style-type: none"> • Occurs if a member received a retro pay spanning multiple pay periods. • At the point of entry into the Wizard, to create the header, they will be given a flag to indicate that the adjustment will span multiple pay periods • For each entry, they will need to designate which pay period the amount applies
5.	Multiple members, one month (manual and file)	<ul style="list-style-type: none"> • Follows same approach as a single member adjustment.
6.	Multiple members, multiple months: NOT ALLOWED in any automated form.	<ul style="list-style-type: none"> • Although rare, this would occur because of a bulk adjustment.

For each adjustment, the amounts due will be calculated for both the member and employer funds, and available by pay period in the payment wizard (see Appendix 1 for a sample of how Adjustments may be displayed). If more than one adjustment is entered for a month, they will be summarized in the payment wizard under the heading for that month. If a negative adjustment was created for a prior month, the credit will be shown by month and can be applied against the overall amount due, by Fund.

1.3.6 Correction of Error (Also: Adjustments > Prior Fiscal Year)

In the event a PMA cannot be submitted, a correction of error can be used. If this occurs, it will be handled in an offline manner. A COE form will be available online for submission. It will be routed to Member Services for review and submission. The Correction of Error policy sets the parameters for what falls into a Correction of Error by the number of months from the correction and the amounts.

1.3.7 USERRA – Posted as a Prior Month Adjustment

When choosing a PMA, as part of the payroll wizard, the wizard will give the city the ability to enter a single USERRA deposit, as part of a manually entered adjustment record. The adjustment form will provide a separate field for USERRA deposit. When posted, the payment wizard will calculate the amount due as a separate line item for the Adjustment period, identifying it is an USERRA record. Once the record is received, TMRS Member Services staff are informed by a workflow to review the amount and contact follow-up with the City on remaining balance/actions.

1.3.8 Worker’s Compensation – Posted as a Prior Month Adjustment

When choosing a PMA, as part of the payroll wizard the wizard, the wizard will give the city the ability to enter a single Worker’s Compensation deposit, as part of a manually entered adjustment record. The adjustment form will provide a field for Worker’s Compensation deposit that is non-deferred. Once the record is received, TMRS Member Services staff are informed by a workflow to review the amount and contact follow-up with the City on remaining balance/actions.

1.3.9 Manual Adjustments/Accidental Overpayment

Should the city overpay, typically this is because they pay via check, member services and accounting will need the ability to update their account, indicating a portion of the payment is being refunded. This would occur as a manual task and not part of the CityPortal. The amounts due/received however would be updated in the City’s historical reports for the month subject to the overpayment and refund. These corrections must be reflected in the interface with the general ledger.

1.4 MANAGEMENT METRICS – FUTURE

Please describe any steps that need to be taken during this process to ensure the quality, accuracy, and consistency of the data or information being provided to the member:

1. Month to Month comparison (trend report), filterable by MS analyst:
 - Payroll Reporting:
 - Number of City’s submitted Payroll Report Online
 - Number of City’s that uploaded a file, and submitted online.
 - Number of City’s not using CityPortal (reporting completed by TMRS)
 - Payment:
 - Number of City’s that Paid online

- Number of City's that submit ACH (but didn't pay online)
- Number of City's that submit Check
- New Member Setup
 - Number of New Members Setup through payroll wizard
 - Detailed list of missing New Member Setup
- 2. By Month, the duration of how long it takes a city to complete a payroll. (by city and average)
 - Date Header was created
 - Date payroll report was 'submitted' for payment processing
 - Date payment was received
 - Total duration of process
- 3. By Month, for all cities (and it can be further filtered by MS Analyst), a trend report showing
 - Days between starting a payroll (creating in the header) and submitting the report for certification and payment.
 - Days between starting a payroll and receipt of payment
- 4. By Month, for all cities, a trend report showing the percentage of cities that completed reporting/payment on time. This report should also be filterable by TMRS Analyst
- 5. Historical reporting, by month (filterable by City and by MS Analyst): demonstrating the number of cities that paid on time, in comparison to those that were late.
- 6. By Month, number of city reporting related phone calls received / made by TMRS Member Services
- 7. By month, number of new CityPortal users added
- 8. Anomaly reports – report run, by city, indicating the number of exceptions from month to month.
- 9. Monthly Adjustment reports - report run, by city, indicating the number of negative adjustments from prior year for potential updated service credit issues
- 10. Monthly Adjustment reports – by month, for all cities, a report indicating the total count of adjustments

1.5 ASSUMPTIONS

Provide a list of all assumptions applicable to the To-Be process:

1. The Oracle Forms application will be replaced in the immediate future.
2. The ECM can be configured to capture uploaded documents and correspondences related to the new online employer reporting process.
3. TMRS Legal Department has approved and the IT Department has configured the appropriate security roles to the Cities' designated portal users.

2 APPENDIX 1

City of Texans - Amounts due as of 09/25/2016

Regular Reports

Reporting Period	08/2016	Amounts Due	Amount Paid/To Pay	Paid On
Original Payment Due Date				
MM/DD/YYYY				
Total Gross Salary Reported	\$ 500,000.00			
Employee Contributions Reported	8%	\$ 40,000.00	\$ 40,000.00	
Municipal Contributions (Phase-In)	15%	\$ 75,000.00	\$ 70,000.00	

Display if City has a Phase-In Rate: You have the ability to pay a phase-in rate that is less than the full rate that is displayed. Your phase in rate in rate is <%>. More details are available in your annual rate letter <link>. If you are electing to pay an amount They can change the percentage to a number between the full and phase-in rate, which will auto-populate the amount due, or they can enter a different amount in the amount paid to the phase in rate and amount will re-populate.

Notes and Rules:

All yellow fields are auto-populated

Full rate will auto-populate and TMRS will allow them to pay a different % or amount, if Phase In rate; or more for any rate type (no credit)

If they enter an amount that is below the phase in (or full), they are alerted: You must pay the minimum amount due based on your rate schedule, or you can exceed the minimum amount due.

Interest (X Day Late*APR)	Will be calculated and available once payment is received.	<input type="text"/>
Report Total		
Due Amount	\$ 115,000.00	<input type="text"/>

The current month will not be displayed, this line will be provided saying this will be calculated once payment is received and due with the next report.

Reporting Period	07/2016	Amounts Due	Amount Paid/To Pay	Paid On
Original Payment Due Date				
MM/DD/YYYY				
Total Gross Salary Reported	\$ 500,000.00			
Employee Contributions Reported	8%	\$ 40,000.00	\$ 40,000.00	8/16/2016
Municipal Contributions	14.5%	\$ 72,500.00	\$ 72,500.00	8/16/2016
Interest (X Day Late*APR)	8%	\$ 24.66	<input type="text"/>	
Report Total		\$ 112,524.66	\$ 112,500.00	
Total Amount Due			\$ 24.66	

They did not pay full, so the Actual Phase-In amount they paid is populated, and the interest is shown as the only amount remaining.

Adjustments

Reporting Period	05/2016		Amounts Due	Amount Paid/To Pay	Paid On
Original Payment Due Date					
MM/DD/YYYY					
Total Gross Salary Reported		(\$1,000)			
Employee Contributions Reported		8%	\$ (80.00)	\$ (80.00)	8/16/2016
Municipal Contributions (Phase-In)		14.5%	\$ (145.00)	\$ (145.00)	8/16/2016
Report Total			\$ (225.00)	\$ (225.00)	
Total Amount Due				\$ -	

If the adjustment is a credit, then the amount will fund their Actuarial Liability. TMRS does not want to allow any adjustment to occur in the current month. A message will pop-up to contact TMRS if there are any questions. NOTE: TMRS has an admin right (internally) to override and apply to the current monthly report.

If a negative adjustment, this will show until applied, by city

Note: TMRS will not have the data to calculate the rate during the first months after go-live.

We need a short-term and long-term solution. Look back at what rate was used in this month

Other Amounts Due / Payments

Reporting Period	05/2016	Amounts Due	Amount Paid/To Pay	Paid On
Payment Due Date MM/DD/YYYY				
Excess Benefit Plan - 415B		\$ 10,000.00	<input type="text"/>	

This amount will require a separate payment.

TOTAL AMOUNT DUE By Fund
TOTAL AMOUNT TO BE PAID By Fund



MASTER SERVICES AGREEMENT

This **SERVICES AGREEMENT** (this "**Agreement**") is entered into by and between the Texas Municipal Retirement System, a Texas public retirement system ("**TMRS**"), and _____, Inc., a _____ corporation ("**Consultant**"), and will be effective for all purposes as of the date this Agreement is signed by the latter party to do so below ("**Effective Date**").

TMRS and Consultant agree as follows:

1. SERVICES.

1.1 Services to be Provided by Consultant. Consultant will perform the services ("**Services**") set forth in the attached **Exhibit A**, and any other Statement of Work ("**SOW**") as may be hereafter executed by the parties pursuant to the terms and conditions of this Agreement. Services shall be performed to the satisfaction of TMRS.

1.2 TMRS Information Required. TMRS will promptly provide to Consultant the information, resources, cooperation and other assistance reasonably necessary to perform the Services.

1.3 Consultant Personnel. Consultant personnel providing the Services will be identified in the Consultant's proposal as per the Request for Proposal ("**RFP**") requirements, terms and conditions.

2. TERM. The term of this Agreement shall commence on the Effective Date and shall continue for the duration of the services in the RFP unless otherwise terminated pursuant to Section 14 below. TMRS, may, at its option, extend the term of this Agreement for one year.

3. COMPENSATION. Consultant's fees for the Services are set forth in the SOW. TMRS shall pay Consultant compensation for performance of the Services within thirty (30) days after receipt of invoice with appropriate documentation. There will be no reimbursable travel or delivery expenses to provide the Services.

Invoices must include dates of Service and details of Services provided by individual personnel. Payment for delivery of Services rendered shall not be unreasonably withheld or delayed. If TMRS disapproves any amount submitted for payment by Consultant, TMRS shall give Consultant specific reasons for disapproval in writing. Upon resolution of any disputed charges, Consultant shall re-invoice such remaining charges to TMRS.

4. RELATIONSHIP OF THE PARTIES. For all purposes of this Agreement, and notwithstanding any provision of this Agreement to the contrary, Consultant is an independent contractor and is not an employee, partner, joint venturer, or agent of TMRS. As an independent contractor, Consultant is solely responsible for all taxes, withholdings, and other statutory or contractual obligations of any sort related to its business, including, but not limited to, workers' compensation insurance. Consultant is solely liable for the acts and omissions of its employees and agents. Consultant has no authority to make any statement, representation or commitment of any kind or to take any action binding upon TMRS, without TMRS's prior written authorization. Neither the Consultant, nor any employees or subcontractors of the Consultant, shall be deemed to be employees of TMRS for any purpose whatsoever. Consultant is solely responsible for all work performed under this Agreement and assumes prime contractor responsibility for all Services offered and delivered under this Agreement.

5. WARRANTIES, REPRESENTATIONS & DISCLAIMERS

5.1 Consultant. In this Section 5.1, the term "Consultant" includes all Consultant Personnel. Consultant warrants and represents the following:

5.1.1 Compliance with Laws and Policy. That Consultant shall perform the Services and conduct all operations in conformity with all federal, state, and local laws, rules, regulations, and ordinances applicable to Consultant in its capacity as a service provider.

5.1.2 Licenses and Certifications. That Consultant has or will obtain at its own cost, prior to providing the Services, any and all approvals, licenses, filings, registrations and permits required by federal, state or local laws, regulations or ordinances, required for the performance of the Services.

5.1.3 Performance. That the Consultant Personnel providing the services under this Agreement have the experience, and knowledge necessary to qualify Consultant for the particular duties to be performed under this Agreement. Consultant warrants that all services performed under this Agreement shall be performed consistent with generally prevailing professional industry standards.

5.1.4 Cooperation. That Consultant shall cooperate with TMRS and all TMRS Personnel in the performing the Consultant services, completing the project, and reasonably coordinating with other applicable modernization activities as contemplated by the TMRS RFP and requested by TMRS.

5.1.5 Authority. That if (i) it is a corporation or limited liability company, then it is a corporation duly organized, validly existing and in good standing under the laws of the State of Texas, or a foreign corporation or limited liability company duly authorized and in good standing to conduct business in the State of Texas, that it has all necessary corporate power and has received all necessary corporate approvals to execute and deliver this Agreement, and the individual executing this Agreement on behalf of Consultant has been duly authorized to act for and bind Consultant; or (ii) if it is a partnership, limited partnership, or limited liability partnership, then it has all necessary partnership power and has secured all necessary approvals to execute and deliver this Agreement and perform all its obligations hereunder, and the individual executing this Agreement on behalf of Consultant has been duly authorized to act for and bind Consultant.

5.1.6 Conflict of Interest. That Consultant has no direct or indirect personal or private commercial or business relationship, unrelated to the services that Consultant is providing through this Agreement, with any other party to a transaction with TMRS that could reasonably be expected to diminish the independence of judgment being provided in the performance of Consultant's responsibilities to TMRS. Consultant has no personal or private business or commercial relationship with any third party, including a TMRS Trustee or employee that has not been disclosed by Consultant to TMRS that would violate professional standards or create any appearance of impropriety.

That Consultant presently has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with Consultant's ability to perform the Services.

5.1.7 No Violations. The terms of this Agreement do not violate any obligations by which Consultant is bound, whether arising by contract, operation of law, or otherwise. This Agreement constitutes a legal, valid and binding agreement of Consultant enforceable against Consultant in accordance with its terms except as limited by bankruptcy, insolvency, receivership and similar laws of general application. The execution, delivery and performance of this Agreement have been duly authorized by all necessary action on the part of Consultant.

5.1.8 No Gifts. Consultant has not given, offered to give, nor does it intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a TMRS trustee or employee in connection with this Agreement, except as permitted under the TMRS Code of Ethics, Chapter 572, Government Code or Chapter 36, Penal Code.

5.1.9 Israel Boycott Prohibition. Consultant does not boycott Israel and will not boycott Israel during the term of this Agreement.

5.1.10 Other. Consultant agrees to notify TMRS immediately if any of the representations or warranties described in this Article 5 change or are no longer true.

5.2 TMRS. TMRS warrants and represents the following:

5.2.1 Authority. It is a public retirement system of the State of Texas and that it is lawfully authorized to enter into this Agreement. The Executive Director of TMRS has the requisite authority to act for and bind TMRS.

5.2.2 Information Accuracy. To ensure the most accurate and updated information, Client will submit to Consultant all information in Client's control necessary for Consultant to perform the services covered by this Agreement. Client is responsible for the accuracy and completeness of any and all Client information that is submitted to Consultant. In addition, Client will promptly notify Consultant of any material changes and shall respond promptly to requests by Consultant for information necessary to perform services hereunder.

6. DELIVERABLES AND USE OF DOCUMENTS.

6.1 TMRS Information. The documents and other tools furnished to Consultant by TMRS and used by Consultant in performing the Services shall remain the exclusive property of TMRS ("TMRS Information").

6.2 TMRS Licenses. TMRS grants to Consultant a license to use such TMRS Information to provide the Services. Any Consultant work product which is (a) created solely and exclusively to be owned by TMRS, (b) developed using TMRS's

equipment supplies, facilities or trade secrets, (c) results from Consultant's work for TMRS, or (d) related to TMRS's business or its current or anticipated research and development (the "Deliverables" or "Work Product") will be considered "work for hire" pursuant to the U.S. copyright Act, 17 U.S.C. §101 et seq. or if not considered "work for hire", Consultant hereby assigns all of its ownership, right, title and interest in and to all Work Product or Deliverables, however described in an SOW, including, without limitation: (i) all copyrights, patents, rights in mask works, trademarks, trade secrets, and other Intellectual Property Rights and all other rights that may hereafter be vested relating to such Work Product or Deliverables arising under U.S. or any other law, together with all national, state, provincial and common law registrations, applications for registrations, and renewals and extensions thereof; (ii) all goodwill associated with Work Product; and all benefits, privileges, causes of action, and remedies relating to any of the foregoing, whether before or hereafter accrued (including without limitation the exclusive rights to apply for such registrations, renewals, and/or extensions, to sue for all past infringements or violations of any of the foregoing, and to settle and retain proceeds from any such actions).

6.2.1 In addition to the foregoing transfers and allocations of rights, Consultant hereby irrevocably transfers and assigns to TMRS any and all "moral rights" Consultant may have in or with respect to the Work Product. Consultant also hereby forever waives and agrees that it will never, even after termination of any SOW or this Agreement, assert any of the following against TMRS or its employees, officers, directors, end users, licensees or sub licensees (direct and indirect): (i) any moral rights with respect to the Work Product; and (ii) any moral rights with respect to the Licensed Programs (defined below). "Moral Rights" include any rights to claim authorship, or to withdraw from circulation or control the publication or distribution of work of authorship, and any similar right, existing under judicial or statutory law of Texas or the United States or any subdivision of the United States or under any treaty, regardless of whether or not such right is described as a "moral right."

6.3 Return of Materials. Upon termination or expiration of this Agreement, Consultant shall surrender to TMRS all TMRS Information and Deliverables, whether complete or incomplete, on which Consultant worked prior to the termination of this Agreement.

6.4 Survival. The rights and obligations of this Section 6 will survive any termination or expiration of any SOW or this Agreement.

7. CONSULTANT LICENSING & ESCROW:

7.1 **Scope of License.** Consultant hereby grants to TMRS a nonexclusive, perpetual license to install, execute, modify, create derivative works of, reproduce, and use Licensed Programs in conjunction with the Consultant provided Employer Reporting System as defined in the TMRS Request for Proposal for its own internal data processing and computing needs and to make such copies of each component of the Licensed Programs as needed for such use, including copies for archival, disaster recovery, testing, training, and backup purposes. Such use extends to all TMRS Personnel, to TMRS participating employers, to TMRS plan participants (for example, active and inactive members and retirees), and TMRS contractors and agents. The license grant provided herein shall not be deemed to limit TMRS's ownership of any Work Product.

7.2 **Escrow.** TMRS requires that all Source Code for the Licensed Programs and Work Product (if any) be deposited in escrow with a mutually agreed upon escrow agent within 10 days of acceptance of any Licensed Programs by TMRS. Promptly after release of any update, upgrade, patch, bug fix, enhancement, new version or other revision to the Licensed Program, Consultant will deposit an updated Source Code, with the escrow agent. "Source Code," means all source code of the software, together with all commentary and other materials supporting, incorporated into or necessary for the use of such source code, including all supporting configuration and customizations for TMRS, documentation, and other resource files. TMRS will have the right to obtain the Source Code in the event:

- 7.2.1 The Consultant ceases doing business and its business is not continued by another corporation or entity;
- 7.2.2 The Consultant files a voluntary petition or has a voluntary petition filed against it under the United Bankruptcy Code, as amended or similar insolvency statute, makes an assignment for the benefit of its creditors generally or seeks the appointment of (or has appointed involuntarily) a receiver, becomes insolvent or bankrupt, admits in writing its inability to pay its debts as they mature or taken any action for the purpose of entering into winding-up, dissolution, insolvency, bankruptcy, reorganization or similar proceedings analogous in purpose or effect thereto, or any such action is instituted against it;
- 7.2.3 Maintenance and support for the Software is no longer commercially reasonable; or
- 7.2.4 The Consultant declines to provide any services that are essential to TMRS's use of the System.

7.3 Source Code. Upon delivery of each Phase of the System, Consultant shall provide TMRS with the then current versions of Source Code of the Licensed Programs, all proprietary tools required for use of the Licensed Programs under this Agreement, all Documentation, all open source code utilized with the Licensed Programs, and all operation

documents, including but not limited to documents describing the third party tools and the methods and procedures utilized for the installation, configuration and operation of the Licensed Programs, to the extent the same currently exist. Consultant hereby grants to TMRS a nonexclusive, fully paid up, royalty free, perpetual, and non-terminable license to install, execute, modify, create derivative works of, reproduce, and use the Source Code Materials. As part of such license, TMRS shall be permitted to allow its third party designees to do any of the foregoing solely on behalf of TMRS. During the term of this Agreement, Consultant shall update the Source Code Materials at least once per year and as frequently as a Release is made available by Consultant.

7.4 Defined Terms.

7.4.1 "Intellectual Property Rights" means the worldwide legal rights or interests evidenced by or embodied in: (i) any idea, design, concept, personality right, method, process, technique, apparatus, invention, discovery, or improvement, including any patents, trade secrets, and know-how; (ii) any work of authorship, including any copyrights, moral rights or neighboring rights; (iii) any trademark, service mark, trade dress, trade name, or other indicia of source or origin; (iv) domain name registrations; and (v) any other proprietary or similar rights. The Intellectual Property Rights of a party include all worldwide legal rights or interests that the party may have acquired by assignment or license with the right to grant sublicenses.

7.4.2 "Licensed Programs" means all tangible or intangible items or things, including the Intellectual Property Rights therein, created or developed by Consultant (a) prior to providing any Services or Work Product to TMRS and prior to receiving any documents, materials, information or funding from or on behalf of TMRS relating to the Services or Work Product, or (b) after the Effective Date of the applicable SOW if such tangible or intangible items or things were independently developed by Consultant outside Consultant's provision of Services or Work Product for TMRS hereunder and were not created, prepared, developed, invented or conceived by any TMRS personnel who then became personnel to Consultant or any of its affiliates or subcontractors, where, although creation or reduction-to-practice is completed while the person is affiliated with Consultant or its personnel, any portion of same was created, invented or conceived by such person while affiliated with TMRS.

7.4.3. "Work Product" means any and all deliverables produced by Consultant for TMRS under a Statement of Work issued pursuant to this Contract, including any and all tangible or intangible items or things that have been or will be prepared, created, developed, invented or conceived at any time following the effective date of the Contract, including but not limited to any (i) works of authorship (such as manuals, instructions, printed material, graphics, artwork, images, illustrations, photographs, computer programs, computer software, scripts, object code, source code or other programming code, HTML code, flow charts, notes, outlines, lists, compilations, manuscripts, writings, pictorial materials, schematics, formulae, processes, algorithms, data, information, multimedia files, text web pages or web sites, other written or machine readable expression of such works fixed in any tangible media, and all other copyrightable works), (ii) trademarks, service marks, trade dress, trade names, logos, or other indicia of source or origin, (iii) ideas, designs, concepts, personality rights, methods, processes, techniques, apparatuses, inventions, formulas, discoveries, or improvements, including any patents, trade secrets and know-how, (iv) domain names, (v) any copies, and similar or derivative works to any of the foregoing, (vi) all documentation and materials related to any of the foregoing, (vii) all other goods, services or deliverables to be provided to TMRS under the Contract or a Statement of Work, and (viii) all Intellectual Property Rights in any of the foregoing, and which are or were created, prepared, developed, invented or conceived for the use or benefit of TMRS in connection with this Contract or a Statement of Work, or with funds appropriated by or for TMRS or TMRS's benefit: (a) by any Consultant personnel or TMRS personnel, or (b) any TMRS personnel who then became personnel to Consultant or any of its affiliates or subcontractors, where, although creation or reduction-to-practice is completed while the person is affiliated with Consultant or its personnel, any portion of same was created, invented or conceived by such person while affiliated with TMRS.

8. CHANGE ORDERS.

8.1 **TMRS may authorize changes to the Services.** Such changes shall be made by written change order. Consultant shall not be entitled to payment beyond the Fees for any work performed work outside the scope of the Services without a written change order signed by TMRS. Only TMRS shall have the authority to issue a change order; however, Consultant may make reasonable requests for the issuance of a change order for work Consultant in good-faith believes is outside of the scope of the Services.

8.2 **Change Order Process.** In the event TMRS requests a change to the scope of the project, the TMRS project manager shall deliver such request (a "Change Order Request") in writing to the Consultant's Project Manager. Within five (5) Business Days of the receipt of such Change Order Request, Consultant shall provide a written change order proposal (a "Change Order Proposal") in response to the Change Order Request that shall include: (i) a description of the change, the tasks involved in completing the work requested, and the level of effort involved in implementing the

change; (ii) the estimated date by which such change will be completed; (iii) any consequential changes that will need to occur in the Project Work Plan; (iv) the total flat fee cost for implementing such change based upon the hourly change order rates determined in the Agreement; and (v) the latest day by which written approval can be given to Consultant so that Consultant can implement the change in line with Consultant's Proposal. In the event the Consultant desires to initiate a change to the scope of the project, it shall provide to TMRS a Change Order Proposal that meets the foregoing requirements and also clearly explains the basis under this Agreement that gives rise to the need for a change. Consultant shall bear all costs in preparing the Change Order Proposal. TMRS shall have no obligation to accept or agree to any Change Order Proposal. A Change Order Proposal that is acceptable to TMRS and Consultant shall be signed by the TMRS Executive Director (or designee) and the Consultant Project Director (or designee), and then submitted to TMRS. A Change Order Proposal shall not become effective until the Change Order Proposal is approved by TMRS. Prior to preparing a Change Order Proposal, Consultant shall first determine whether the proposed change can be reasonably accommodated within the existing level of and combination of resources, not including overtime or additional work nor detracting such resources from their existing responsibilities, then being used by Consultant in performing its obligations hereunder, and if so the charges payable by TMRS for the project shall not be increased. To the extent, a change proposed by either Party will reduce the Consultant's cost to fully perform its obligations hereunder, Consultant shall not be required to reduce its fee but will issue a credit memo that reflects the fees and costs associated with the Services and Deliverables that will not be provided. TMRS shall be permitted to apply such credits against future Change Orders. Consultant shall maintain a change request reporting mechanism and provide a change control plan/methodology for the duration of the project. The fees specified in a Change Order Proposal shall be tied to the payment points set forth in the Agreement.

- 8.3 **No Out of Scope Services.** Notwithstanding anything herein to the contrary, Consultant acknowledges that it will have no authority to perform services or incur expenses that exceed the scope of the Services or the scope of the Fees set forth in the Service Schedule and TMRS will have no obligation to pay for services or expenses that exceed such scope of the Services or the Fees unless, and then only to the extent, such service or expense is incorporated into a fully executed change order.
- 8.4 **Consultant Caused Delays.** All delays, to the extent caused by Consultant, shall be the responsibility of Consultant. No Change Order Proposals will be approved by TMRS that provide Consultant additional compensation or relief from any deadline to the extent such additional compensation or deadline relief is sought as a result of a delay caused by Consultant.
- 8.5 **TMRS-Caused Delays.** Except for TMRS's failure to pay undisputed amounts owed to Consultant under this Agreement, TMRS's failure to perform its responsibilities set forth in this Agreement shall not be deemed to be grounds for termination by Consultant. Consultant will not be liable for any default or delay in the performance of its obligations under this Agreement to the extent such default or delay is caused by nonperformance of TMRS's obligations under this Agreement, provided Consultant provides TMRS with reasonable written notice of such nonperformance and Consultant uses commercially reasonable efforts to perform notwithstanding TMRS's failure to perform. In addition, if TMRS's nonperformance of its responsibilities under this Agreement materially increases the time required for Consultant's performance or Consultant's cost of performance, Consultant may request an equitable extension or time and/or increase in fee via the Change Order process set forth.

9. CONFIDENTIALITY. Consultant acknowledges and agrees that certain information received from TMRS or from certain third party vendors, consultants, investment funds, and/or investment managers (individually a "Third Party" and collectively, the "Third Parties") relating to TMRS, its members (including retirees, annuitants and beneficiaries) or its assets or investments may be proprietary, confidential, or privileged commercial and financial property of TMRS or such Third Parties. Consultant agrees that all information relating to TMRS (including, without limitation, information relating to TMRS' assets, investments, or the operations of its investment program) received by Consultant (whether received from TMRS or from any Third Party) (collectively, "Confidential Information") shall be received in confidence and shall be considered and kept confidential by Consultant.

Confidential Information may not be used by Consultant except for the sole purpose of providing the Services to TMRS under the Agreement, as amended from time to time. Consultant covenants and agrees that it will not use any Confidential Information for any other purpose. Consultant agrees not to disclose any Confidential Information to any person (other than Consultant's employees responsible for matters relating to TMRS) or entity without the prior written consent of the TMRS Executive Director or his designee, provided that Consultant may disclose such Confidential Information to the extent that Consultant is required by law, regulation, or an order of a court of competent jurisdiction to disclose such Confidential Information, in which event Consultant shall provide TMRS with prompt notice, if legally permissible, of such requirement so that TMRS may seek an appropriate protective order or other appropriate remedy (as

to which Consultant agrees to reasonably cooperate). If any third person or entity requests or seeks to compel Consultant to disclose or produce any information, including without limitation any Confidential Information, provided to Consultant by, through, or on behalf of TMRS, or claims an entitlement to any such information on the grounds that such information is alleged or claimed to be generally available to the public or to constitute in whole or in part a public record, document or report under applicable law, Consultant agrees to notify TMRS within two (2) business days of such request and to provide TMRS adequate opportunity to request a legal opinion or to consent to or seek to prevent such disclosure through protective order or other appropriate remedy.

Consultant acknowledges that all reports created by it for TMRS and other information provided by it to TMRS are presumed to be public records and may be subject to public disclosure under the Texas Public Information Act, Chapter 552 of the Texas Government Code (the "PIA"), unless an exception applies, and that oral discussions regarding the reports, information, and advice rendered by Consultant may be conducted in meetings of the TMRS Board of Trustees or its committees that are open to the public under the Texas Open Meeting Act ("TOMA"), Chapter 551 of the Texas Government Code. Consultant acknowledges and agrees that TMRS shall have no liability to Consultant or any other person or entity for disclosing information in accordance with the PIA or the TOMA.

Notwithstanding the provisions of this Agreement regarding "Dispute Resolution," Consultant further acknowledges and agrees that any misuse of TMRS' Confidential Information would cause substantial and irreparable harm to TMRS and that a court of competent jurisdiction may immediately enjoin any material breach of the provisions of this Agreement regarding use of Confidential Information without requiring proof of irreparable injury as same should be presumed.

10. INDEMNITY. CONSULTANT SHALL INDEMNIFY, HOLD HARMLESS AND DEFEND TMRS, ITS TRUSTEES, OFFICERS, EMPLOYEES, AGENTS AND REPRESENTATIVES, FROM AND AGAINST ALL LIABILITIES, DAMAGES, CLAIMS, DEMANDS, ACTIONS (LEGAL OR EQUITABLE), AND ALL REASONABLE COSTS AND EXPENSES, INCLUDING WITHOUT LIMITATION ATTORNEYS' FEES, OF ANY KIND OR NATURE (COLLECTIVELY "LOSS" OR "LOSSES"), ARISING FROM CONSULTANT'S ACTUAL OR ALLEGED (A) PERFORMANCE OR NONPERFORMANCE OF THE SERVICES; (B) GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE CONSULTANT, OR ANY ONE OR MORE OF ITS EMPLOYEES, OFFICERS, DIRECTORS, AFFILIATES, CONTRACTORS, LICENSEES OR AGENTS; OR (C) INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS, OR MISAPPROPRIATION OR THEFT OF TRADE SECRETS BY CONSULTANT, ITS PRINCIPALS, PARTNERS, MEMBERS, DIRECTORS, TRUSTEES, OFFICERS, EMPLOYEES, AGENTS, OR REPRESENTATIVES RELATING TO THE PERFORMANCE OF THIS AGREEMENT.

Consultant shall (i) have the obligation to undertake the defense of such claim, process or other legal proceeding by representatives of its choosing, reasonably satisfactory to TMRS, at Consultant's expense; provided, however, that TMRS may participate in the defense with counsel of its own choosing and at its own expense, and (ii) pay any final judgment entered against TMRS or any settlement agreed to in writing by Consultant on such issue in any such suit or proceeding. In the event Consultant fails to defend such claim in good faith and diligently, TMRS shall have the right to undertake the defense, compromise, or settlement of such claim on behalf of and for the account and risk of Consultant and at Consultant's expense.

If all or any part of the Deliverables is the subject of any claim, suit or proceeding for infringement or misappropriation of any Intellectual Property Right, Consultant may, and in the event of any adjudication that the Deliverables or any part thereof infringes or misappropriates any patent, trademark, copyright or trade secret, or if the licensing or use of the Deliverables or any part thereof is enjoined, Consultant shall, at its expense do one of the following things: (i) procure for TMRS the right under such patent, trademark, copyright or trade secret to fully use the Deliverables or the affected part thereof; or (ii) replace the Deliverable or affected part thereof with another non-infringing Deliverable; or (iii) suitably modify the Deliverable or affected part thereof to make it non-infringing.

11. INSURANCE. Consultant shall, at its sole cost and expense, secure and maintain as a minimum, from the effective date and thereafter during the term of this Agreement, for its own protection and the protection of TMRS, the following insurance coverage with insurance companies:

- a. Errors & Omissions (professional liability) insurance with a limit of no less than \$1,000,000 per claim made and \$2,000,000 annual aggregate;
- b. Commercial general liability, on ISO "occurrence" form or its equivalent, with a limit of at least \$1,000,000 per occurrence and \$2,000,000 in the aggregate covering bodily injury and tangible property damage claims; this coverage shall not contain an endorsement excluding contractual or completed operations liability;

- c. Umbrella liability insurance with a minimum of \$5,000,000 per incident which shall be excess of commercial general liability coverage required herein; and
- d. Workers' compensation coverage – minimum coverage for employer liability as determined by law.

If the policy is a claims-made policy and such policy is cancelled or non-renewed during the term of this Agreement, Consultant also agrees to provide, at its sole expense, certificates evidencing continuing coverage or tail coverage, with extended reporting, under such insurance policy for not less than three (3) years after the termination or expiration of this Agreement. Consultant shall deliver or cause to be delivered to TMRS not later than the thirtieth day after the effective date of this Agreement, and annually thereafter, certificates of insurance, with ISO form endorsements (CG 20 10 or CG 20 37 or equivalent), evidencing the coverage, which includes products and completed operations, required herein. Consultant shall provide thirty (30) days' written notice to TMRS prior to any material alteration, reduction, cancellation or change by endorsement of the coverage evidenced by such certificate. Insurance coverages are to be provided by Texas admitted insurance companies with a Best's rating of at least A-: VII, unless otherwise approved in writing by TMRS. Consultant's insurance shall be primary and any insurance or self-insurance maintained by TMRS shall be excess and not contribute with the coverage maintained by Consultant. When any of the foregoing insurance coverages are required to remain in force after final payment, an additional certificate with appropriate endorsements evidencing continuation of such coverages shall be submitted along with the application for final payment. All coverages for subcontractors shall be subject to all of the requirements stated herein. The above are minimum acceptable coverage limits and do not infer or place a limit on the liability of the Consultant, nor has TMRS assessed the risk that may be applicable to Consultant, which shall assess its own risks and may maintain higher limits and/or broader coverages as it deems appropriate or prudent.

12. RIGHT TO AUDIT

Consultant shall maintain adequate records to establish compliance with this Agreement until the later of a period of seven (7) years after termination of this Agreement or until full, final and unappealable resolution of all compliance or litigation issues that arise under this Agreement. Consultant shall grant access to all paper and electronic records, books, documents, accounting procedures, practices and any other items relevant to the performance of this Agreement to the internal auditors or contract management of TMRS, and such other persons or entities designated by TMRS for the purposes of inspecting, compliance checking and/or copying such books and records during regular office hours at a mutually agreed time.

13. BUSINESS CONTINUITY AND DISASTER RECOVERY.

- 13.1** Consultant will, at its sole expense, establish and maintain written Business Continuity Plans for the Services and supporting facilities that shall include: (1) written disaster recovery plans for critical technology and infrastructure, including communications networks or manufacturing capability or capacity; (2) proper risk controls to enable continued performance under the Agreement in the event of a Disaster; and, (3) demonstrated capability to provide uninterrupted Services during the Disaster within the recovery time objectives specified by TMRS. For purposes of the Business Continuity Plan, it should address "Disasters" that are defined to include natural and man-made disasters, accidents, malfunction or failures of equipment and infrastructure.
- 13.2** The Business Continuity Plans must include information and advance procedures that are developed and maintained in readiness for use in the event of a Disaster. The Business Continuity Plans must focus on the core business processes, manufacturing facilities, communications networks, lines of supply, information technology systems, infrastructure, and related personnel that are required for delivery of Services to TMRS within the specified timeframe.
- 13.3** Consultant shall provide to TMRS, within fifteen (15) business days of request by TMRS, copies of the Business Continuity Plans for review by TMRS.

14. TERMINATION. TMRS may terminate this Agreement with or without cause upon thirty (30) days prior written notice to the Consultant, or, if there is any change in Consultant's personnel assigned to the TMRS account, immediately. Consultant may terminate this Agreement with Cause upon thirty days prior written notice and time to cure by TMRS. "Cause" shall mean failure to make payments as set forth in Section 3. TMRS will not be required to pay or reimburse Consultant for any services performed or for expenses incurred by Consultant after the date set forth in the termination notice that could have been avoided or mitigated by Consultant.

15. NOTICE. Any notices required under this Agreement shall be made in writing, postage prepaid to the following addresses, and shall be deemed given upon hand delivery, verified delivery by facsimile (followed by copy sent by United States Mail), or three days after deposit in the United States Mail:

If by hand delivery:
TMRS
1200 N IH 35
Austin, Texas 78701

If by hand delivery or US MAIL:
[Consultant] _____

Attn: _____

If by US MAIL:
TMRS
P. O. Box 149153
Austin, Texas 78714-9153

If by facsimile:
TMRS
Attn: General Counsel
512.225.3786

If by facsimile:

Attn: _____

16. MISCELLANEOUS PROVISIONS.

16.1 Governing Law & Venue. In any lawsuit or legal dispute arising from the operation of this Agreement, the parties agree that the laws of the State of Texas shall govern, without regard to the principles of conflicts of laws. Subject to TMRS' sovereign immunity, to the extent it is necessary to resolve in a court any dispute under this Agreement, and if resolution by a court is consistent with the provisions hereof, courts of the State of Texas shall have jurisdiction over any and all disputes between the parties hereto, whether in law or equity, and exclusive venue in any such dispute shall be laid in Travis County, Texas.

16.2 Dispute Resolution. The dispute resolution process provided in Chapter 2260, Texas Government Code, will be used by TMRS and Consultant to attempt to resolve any claim for breach of contract made by Consultant that cannot be resolved in the ordinary course of business. The Executive Director of TMRS or his designee will examine Consultant's claim and any counterclaim and negotiate with Consultant in an effort to resolve such claims. The parties specifically agree that (i) neither the execution of the Agreement by TMRS nor any other conduct, action or inaction of any representative of TMRS relating to the Agreement constitutes or is intended to constitute a waiver of TMRS' sovereign immunity to suit; and (ii) TMRS has not waived its right to seek redress in the courts or a jury trial.

16.3 No Waiver. No action or failure to act by a party hereto shall constitute a waiver of a right or duty afforded under this Agreement, or constitute approval or acquiescence in a breach of this Agreement, except as may be specifically set forth in this Agreement.

16.4 Entire Agreement and Order of Precedence. The following documents constitute the entire agreement of the parties, are incorporated by reference and in the event of a conflict between them, the following order of precedence shall control:

1. The applicable SOW, including an executed Change Order;
2. This Agreement and Exhibits;
3. TMRS's Request for Proposal;
4. Consultant's Response to Request for Proposal; and
5. Any purchase order, invoice or project sign off document prepared by Consultant.

No statement, promise, condition, understanding, inducement or representation, oral or written, express or implied, which is not contained in the documents listed in 1-4 above shall be binding or valid on TMRS. This Agreement cannot be modified or changed by any oral promise made by any person, officer, or employee of either party, nor shall any written modification of it be binding on TMRS until approved in writing by authorized representatives of both TMRS and Consultant.

16.5 Amendment. This Agreement may be amended only by a written instrument executed by the parties hereto.

16.6 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same agreement.

16.7 Severability. If any provision of this Agreement is held to be invalid or unenforceable in whole or in part, this instrument shall in all other respects remain in full force and effect as if the invalid provision had never been included, and the remaining provisions shall be construed as consistently as possible with the Agreement's original purpose.

16.8 No Assignment by Consultant. Consultant may not assign, transfer, or convey this Agreement or assign, transfer or delegate any of its rights, duties, or obligations hereunder, and any such attempted assignment by Consultant shall be void. This Agreement shall be binding upon TMRS and Consultant, and, their respective successors and permitted assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date(s) set forth opposite the signatures of their authorized representatives to be effective for all purposes on the date first written above.

CONSULTANT

BY: _____

NAME: _____

TITLE: _____

DATE: _____

**TEXAS MUNICIPAL RETIREMENT
SYSTEM**

BY: _____

NAME: David R. Gavia _____

TITLE: Executive Director _____

DATE: _____

EXHIBIT A
SCOPE OF WORK AND FEE SCHEDULE

Consultant will provide the following software license and consulting services to TMRS:

- 1.
- 2.
- 3.

Fees:

**TMRS Bid Summary - Implementation and Warranty Period
Offeror's Fixed Price Cost Proposal**

Offeror: _____

Project Element	Project Implementation Costs			Post Implementation, Maintenance and Support						Total Cost - Implementation Plus 5 Years
	Implementation Period	Warranty Period	Total Project Cost	Warranty Period - Other Costs	Year 2	Year 3	Year 4	Year 5	Total 5 Year Post Implementation	
Employer Reporting System										
Hardware - To be providedb by TMRS (Sched 1)	\$0.00		\$0.00							\$0.00
Commodity Software (Sched 2)	\$0.00		\$0.00							\$0.00
Implementation Services (Sched 3)	\$0.00	\$0.00	\$0.00							\$0.00
Recurring Costs (Sched 4)	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Optional Project Elements										
Option 1 – Employer Training Sessions (Sched 5)	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Option 2 – Employer Change Management (Sched 6)	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Option 3 – Full Replacement of CityPortal (Sched 7)	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL - OPTIONS	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GRAND TOTAL - MANDATORY + OPTIONS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Hourly Change Order Rate for any Change Orders	\$0
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TMRS - Schedule 3

Oferor's Firm Fixed Price Cost Proposal for Implementaion Services for Mandatory Project Elements

Service Related and Miscellaneous Costs and Fees

NOTE: All hourly rates quoted must be fully "loaded" to capture and be inclusive of all direct and overhead expenses, travel, per diem, and any other travel-related expenses.

Cost Element	Implementation Costs			12- Mo Warranty Period			Total Hours	Total Cost
	\$/hr	Hours	Total	\$/hr	Hours	Total		
Requirements Analysis								
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00
Software Modifications Development								
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00
Software Installation and Configuration								
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00
Integration								
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00
Data Integration								
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00
Training								
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00	\$0.00	\$0.00
Testing								
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00
Document Preparation								
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00
Project Management								
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00
Other Implementation Services								
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00
PROJECT TOTAL		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00

TMRS - Schedule 5
Oferor's Firm Fixed Price Cost Proposal for Option 1 - Employer Training Sessions & Transition Support
Service Related and Miscellaneous Costs and Fees

NOTE: All hourly rates quoted must be fully "loaded" to capture all direct and overhead expenses, travel, per diem, and any other travel-related expenses.

Cost Element	Implementation Period			Warranty period			Year 2 (Post Warranty)			Year 3 (Post Warranty)			Year 4 (Post Warranty)			Year 5 (Post Warranty)				
	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total	Total Hours	Total Cost
Option 1 - Employer Training																				
Position:	\$0.00	0.00	\$0.00			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00	0.00	\$0.00
Position:	\$0.00		\$0.00			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00
Option 1 - Employer Transition Support																				
Position:	\$0.00	0.00	\$0.00			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00	0.00	\$0.00
Position:	\$0.00		\$0.00			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00
SERVICES TOTAL		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00

TMRS - Schedule 6
Ofero's Firm Fixed Price Cost Proposal for Option 2 - Employer Change Management & Marketing Campaign for new ER System
Service Related and Miscellaneous Costs and Fees

NOTE: All hourly rates quoted must be fully "loaded" to capture all direct and overhead expenses, travel, per diem, and any other travel-related expenses.

Cost Element	Implementation Period			Warranty period			Year 2 (Post Warranty)			Year 3 (Post Warranty)			Year 4 (Post Warranty)			Year 5 (Post Warranty)			Total Hours	Total Cost
	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total		
Option 2 - Employer Reporting System Marketing																				
Position:	\$0.00	0.00	\$0.00			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00
Option 2 - Employer Reporting Change Management																				
Position:	\$0.00	0.00	\$0.00			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00
SERVICES TOTAL		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00

TMRS - Schedule 7

**Oferor's Firm Fixed Price Cost Proposal for Implementation Services for Option #3 - Replacement of existing CityPortal
See Section C.7.3 of the RFP**

Service Related and Miscellaneous Costs and Fees

NOTE: All hourly rates quoted must be fully "loaded" to capture and be inclusive of all direct and overhead expenses, travel, per diem, and any other travel-related expenses.

Cost Element	Implementation Costs			12- Mo Warranty Period			Total Hours	Total Cost
	\$/hr	Hours	Total	\$/hr	Hours	Total		
Requirements Analysis								
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00
Software Modifications Development								
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00
Software Installation and Configuration								
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00
Integration								
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00
Data Integration								
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00
Training								
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00	\$0.00	\$0.00
Testing								
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00
Document Preparation								
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00
Project Management								
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00
Other Implementation Services								
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Position:			\$0.00			\$0.00	0.00	\$0.00
Subtotal		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00
PROJECT TOTAL		0.00	\$0.00		0.00	\$0.00	0.00	\$0.00

Attachment F5 - Cost Proposal Template - Final

TMR5 - Schedule 8 Proposed Project Payment Schedule						
Phase	Title	Proposed Percentage of Implementation Fees	Proposed Payment Date	Proposed Cost	Holdback	Proposed Invoice
1	Project Setup / Administration; Workplan				\$ -	\$ -
2	Design Complete and Accepted				\$ -	\$ -
3	Hardware	N/A (included)				\$ -
3	Licensing and Software					\$ -
4	4A - UAT Exit Criteria Met				\$ -	\$ -
4	4A - 60 Day Acceptance				\$ -	\$ -
4	4B - UAT Exit Criteria Met				\$ -	\$ -
4	4B - 60 Day Acceptance				\$ -	\$ -
4	4XX - UAT Exit Criteria Met				\$ -	\$ -
4					\$ -	\$ -
4	Holdback Release 1 - Final Sub Phase (UAT Exit Criteria Met)	N/A				\$ -
5	Application Warranty					\$ -
5	Holdback Release 2 – Warranty Complete	N/A				\$ -
TOTAL					\$ -	\$ -