

USAC-FI-2016-03-004
Budgeting Tool & Implementation Services
Questions & Answers

Q1: Would the USAC consider a cloud based solution or is on premise the only option?

A1: USAC will consider all viable options.

Q2: Has USAC evaluated any software solutions thus far? What are they?

A2: No.

Q3: There are no O&M or post deployment support services requested in the RFP. Is the solution intended to be supported by an internal team after deployment?

A3: Yes.

Q4: The requirements listed in Section VI. A are software capabilities for a budgeting, planning and reporting tool. For a fixed price estimation, can the USAC provide specific business requirements for example: "System shall" Such that they can be used for testing and acceptance evaluation ? Or would USAC be open to a Time & Expenses contract rather than fixed price?

A4: We are requesting an estimated firm-fixed-price for the implementation services, based on tool you propose and the requirement to have the tool ready to use by June 30th.

Q5: What are the driving forces for the deployment date of June 30th, translating to a two month very aggressive schedule for implementation of such a business critical software?

A5: USAC will kick-off the 2017 budget development process in July. We would like to have a new system in place by that time.

Q6: Is it USAC's intention for the service provider to deliver a train the trainer approach as the training listed in the RFP? Will an internal team drive change management activities and end user trainings?

A6: It is our expectation that the service provider will conduct training sessions for the IT team and end users. After the initial user training is conducted, the budget team will train new users on a going forward basis.

Q7: Would USAC consider extending the due date for submissions?

A7: See Amendment 001.

Q8: Can you please elaborate on USAC budget cycle and process? Please describe the key dates in the cycle and elaborate on the budget process that exists today.

A8: In July, Division leaders establish strategic priorities for the coming year and present a high level budget to support related activities to Leadership. In August, based on feedback from Leadership, Division managers prepare detailed budgets and submit them to Finance for review. The detailed budgets are based in part on a 12 month run rate for some accounts and on detailed assumptions for other accounts. The Finance Budgeting team reviews each budget, recommends changes (if needed), and prepares a consolidated budget for Leadership review in September. The Finance team works with Division leaders to finalize the budget based on feedback from Leadership in late September. A first draft of the annual budget is submitted to the Board of Directors for review in October.

Q9: Does USAC anticipate data conversion activities to get the newly implemented system in a “ready to use” state?

A9: It is possible, dependent upon the proposal selected.

Q10: With respect to the RFP response, do you require the 4 volumes to be separate documents, or can it be one PDF with 4 sections (volumes)?

A10: Separate documents.

Q11: Can you supply the bid form in word or fillable PDF as it's too small to complete as is.

A11: In Adobe, please choose “zoom in” option, then “tools”, and select “fill and sign”.

Q12: What is your fiscal year end?

A12: December 31

Q13: What is your annual operating (including Capital or CIP) budget?

A13: The annual operating budget for 2016 approved in January was approximately \$147 million and the 2015 annual capital budget approved in January was \$24 million.

Q14: Has the USAC viewed budget solutions before the release of the RFP document? (Within the last 2 years). If so, which solutions?

A14: No.

Q15: Has a budget been set aside for this project? If so, how much

A15: This project is budgeted; however it would be inappropriate to disclose the amount

Q16: Can you provide an overview your general organizational structure – as it relates to budgeting? For example, below is a common organization structure:

10 Divisions

50 Departments

200 Cost Centers (budgeting done at this level, then rolled up)

Can you describe your organizational structure in this manner?

A16: USAC has 12 budget divisions, approximately 20 cost centers, and 12 charge divisions

Q17: You indicated 30 users. Our licenses are provide as names licenses, eg. if a user needs to make adjustments to the Operating Budget and to the Salaries module, they would require a license for each.

Can you please provide the breakdown for licenses below:

- a. How many Operating licenses are required?
- b. How many Capital licenses are required?
- c. How many Salary / Position Planning licenses are required? (typically we find only a small subset of finance or budget manage the salaries information)
- d. How many Performance licenses are required.

A17: The following are estimates:

30 Operating budget users

20 Capital budget users

3 Salary/Position Planning licenses

40 Performance licenses (this is an estimate based on our assumption that we would have more users monitoring performance against the budget)

Q18: What is the total number of positions (staff) at the USAC expressed as FTE's

A18: Currently, USAC has 447 authorized FTEs.

Q19: For the majority of positions, are staffing costs calculated based on Steps and Grades (a matrix)? If not, can you explain how position costs are calculated.

A19: Staffing costs are estimated based on salary brackets for vacant positions, and on current rates adjusted by inflation and vacancy rates for filled positions.

Q20: During the implementation process, how many years of historical data does the USAC wish to convert from the existing solution into the new solution?

A20: TBD

Q21: Please specify the number of people to be trained initially for budgeting.

A21: 35

Q22: Do you want training to be performed onsite or done remotely? Remote (internet conferencing) is becoming more common and is more economical for USAC.

A22: We will consider all viable options.

Q23: Is the preference to have the software installed on your premise (your server) or, in a hosted environment? If your preference is to have an off-site hosted service, can the hosting site reside anywhere in North America?

A23: We will consider all viable options.

Q24: Are all of these users creating budgets or are some users only viewing/running budgets? Please give a number count for each kind of user?

A24: See the response to question A17 above.

Q25: Is annotations support a requirement? Please give an example of an annotation and what is being annotated?

A25: Yes, USAC will require annotations support. USAC does require users to submit brief descriptions to support their expense line submissions.

Q26: What does USAC consider a modifiable template to be?

A26: A template in which we can add and delete accounts as circumstances dictate.

Q27: "Ability to Add Line Item Details." - What does this mean? What are these details being added?

A27: We want users to be able to enter text explaining the assumptions/calculated used to develop the budget at a line item level. There may be multiple line items supporting the total in each account.

Q28: What does "real-time plan consolidation" mean? Please elaborate.

A28: We want the system to consolidate all inputs into a single data source.

Q29: Is USAC currently using or planning to use MDA?

A29: USAC has no plans on using MDA.

Q30: Is there a compelling event requiring the June 30, 2016 go-live date?

A30: See A5 above.

Q31: What type of integration to Great Plains is required? Is Great Plains the sole source of both data and metadata for actual history for the project? If not, what other data sources are required?

A31: We would like the ability to pull baseline spending data into the budget for certain accounts and the ability to import data from the budgeting tool into Great Plains without further manipulation.

Q32: How many accounts are in your Great Plains chart of accounts? How many fields are in the code segment combination and what do they relate to?

A32: We have a four part account structure:

Part 1 is a 5 digit natural account (we have approximately 75 natural accounts)

Part 2 is a 2 digit budget division (12 budget divisions)

Part 3 is a 3 digit cost center (we currently have approx. 20 cost centers)

Part 4 is a 2 digit charge division (we currently have approx. 12 charge divisions).

Q33: Please describe other dimensionality that is required (i.e., product, customer, LOB, etc).

A33: At this point no other dimensions (other than what was described above) will be required.

Q34: Please describe the yearly forecasting process. Is it performed monthly? Do you use a rolling forecast?

A34: Forecasting is done as part of our quarterly budget submissions. We do not utilize a rolling forecast.

Q35: What is meant by “Real-Time Workflow”, “Real-Time Calculations”, and “Real-Time Plan Consolidation”?

A35: We need approvals, calculations, and plan consolidations to be available immediately when changes are made to the budget.

Q36: What types of dashboarding and scorecarding are required? Do you require the implementation vendor to build these? If so, please provide specifics on the number and content.

A36: We will require high level dashboards on a consolidated and departmental basis.

Q37: What types of allocations are required? What are the drivers for these allocations? Do you perform a top-down planning model or bottoms up?

A37: Costs not directly assigned to one of four program charge divisions are aggregated and allocated to the programs based on a CAM.

Q38: Concerning capital expense planning, please describe the requirements and current process. What types of assets are planned? Do you require depreciation and amortization calculations? If so, how is depreciation calculated? What types of useful life models are used?

A38: We expect the system will draw information from Great Plains related to assets in service and to calculate depreciation and amortization for budgeted new purchases based on straight line depreciation over the useful life of the asset.

Q39: What is meant by “Initiative Planning”? What types of initiatives are planned? What is the dimensionality? What accounts are used?

A39: Initiative planning are large efforts that require financial reporting and analysis. Depending on the size and complexity of the initiative, we will track them in their own cost center or by distinct accounts

Q40: Is revenue forecasted? If so, how?

A40: No.

Q41: Regarding balance sheet, do you plan to budget balance sheet accounts? Please provide sufficient information. The same questions apply to cash flow.

A41: No.

Q42: Regarding strategic planning, please provide specifics on the financial models and scenario modeling you require.

A42: We would like a system that is financial modeling capabilities and scenario modeling capabilities. Since we have not had these capabilities with our current system, we will not implement this as part of this procurement.

Q43: Regarding workforce planning, do you require to plan employee expenses by individual? Please describe the specific expenses that you wish to plan at this level. Do you plan by employee, by department, or job category?

A43: Only personnel costs are planned at an individual level.

Q44: Is the date of June 30, 2016 a firm rollout date? Based on our experience this date is very premature to deliver the functionality that is described in the RFP.

A44: See A5 above.