REQUEST FOR PROPOSALS
Elizabeth Glaser Pediatric AIDS Foundation, Washington, DC

Implementation of Enterprise Resource Planning (ERP) System
FIRM DEADLINE: January 21, 2022 at 6:00 PM Eastern time

INTRODUCTION

Elizabeth Glaser Pediatric AIDS Foundation (EGPAF) is seeking a cost-effective ERP system in order to integrate into one financial system many of the current processes performed by multiple separate systems. The ERP will be affordable; easy to use for trained users; configurable to support our current and evolving business needs; and able to easily generate data, reports, graphics, and analyses needed for internal decision making or external reporting.

BACKGROUND

The mission of the Elizabeth Glaser Pediatric AIDS Foundation (EGPAF) is to end HIV/AIDS in children, youth, and families. EGPAF is a U.S. non-profit 501(c)(3) organization that currently operates in the U.S., Switzerland, and in 12 African countries with a total headcount of nearly 3,000 and annual revenue of about $160 million. Our Strategic Plan is found at https://www.pedaids.org/wp-content/uploads/2020/02/Strategic-Plan-2-Pager.pdf

To carry out our projects and other activities, the vast majority of employees work from country offices or sub-offices in sub-Saharan Africa.1 EGPAF’s headquarters is in Washington, DC, and it also has a small office in Geneva, Switzerland. Most financial transactions occur in Africa and are executed within the countries where we work in the various local currencies, which are subsequently converted to U.S. dollars for final accounting. Internet bandwidth varies widely in the various offices across Africa where EGPAF operates.

EGPAF is mostly funded through competitively-awarded cooperative agreements and contracts issued by a variety of large institutions. The largest donors are U.S. Government agencies, principally CDC and USAID, which account for approximately 90% of EGPAF’s total business. Other donors include UN agencies, private foundations, and corporations. All financial and operational systems must meet the requirements of OMB’s Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (known as the “Uniform Guidance” found at 2 C.F.R. § 200) as well as the Federal Acquisition Regulation (FAR) and its cost accounting standards (48 C.F.R. § 9904) for the administration of U.S. Government contracts. EGPAF and its financial systems and internal controls are audited annually and throughout the year we are also subject to various project audits by donors or their representatives. For more information on EGPAF, please visit http://www.pedaids.org

1 We operate country programs in Lesotho, Eswatini, Mozambique, Malawi, Tanzania, Kenya, Uganda, Democratic Republic of the Congo, Cameroon, Cote d’Ivoire, Zimbabwe, and Nigeria.
CURRENT SYSTEMS

EGPAF currently uses the following systems that have a bearing on the ERP system:

Accounting: EGPAF’s country offices in Africa use QuickBooks Online. The Geneva office and the headquarters office in Washington, DC, use Microsoft's Dynamics Great Plains. QuickBooks transactions are summarized and rolled up into Great Plains, which is the general ledger. We currently have a US fringe benefits pool and one indirect cost pool, although the system needs flexibility to add or modify indirect pools and bases of allocation on an ongoing basis. The Geneva office and Headquarters also use the Chrome River system for their accounts payable function (expense reports and invoices). Chrome River provides automated workflows and the data are uploaded into the general ledger.

Timekeeping: Our timekeeping system is Replicon Online, used via separate instances in each country where we operate by all employees. Over half of our expenses are for labor, which we have to allocate directly to projects, unrestricted funds, or to the indirect pool.

Procurement: We have a custom-made online Grants and Procurement System (GPS) that manages procurement processes globally across all countries. The GPS provides tailored automated workflows, from planning (including requisition generation and approval), solicitation of vendors/contractors/consultants, evaluation tools for selection process (e.g., best value), single source justification, purchase order/contract generation (with applicable flow down clauses based on the relevant prime award), multi-year and basic ordering contracts with multiple task orders, generation of amendments, and contract management tools.

Sub-award management: The GPS is also used to manage all of EGPAF’s sub-awards. Sub-awards resemble contracts in some ways, but are legally and conceptually different. Subawards cannot earn profit and are mission-oriented partnerships to help achieve programmatic goals in our prime awards. Sub-awards contain many of the terms and conditions found in the prime awards issued to us by our donor/client. The GPS provides tailored automated workflows from sub-award initiation, amendment, to close out as well as subaward management tools like report tracking and financial monitoring.

Financial Planning, Analysis, Forecasting and Reporting: We use a cloud-based data warehouse and the BI360 reporting tool to analyze and report data drawn from several different systems, including GPS, Replicon, multiple QuickBooks, Great Plains and budgets and forecasts loaded directly into the warehouse in Excel spreadsheets.

EGPAF also uses the following applications which are outside the scope of the ERP:

- Overall IT Ecosystem: The Foundation uses a full suite of Microsoft products as its ecosystem, including Office 365, SharePoint, and PowerBI.
- HRIS and Performance Management Processes: EGPAF uses ADP’s system globally for HRIS. All personnel records are recorded in ADP, which is used to feed other systems.
- CRM: We use SalesForce for all Customer Relationship Management activities.
Those systems are hosted using various methods, ranging from software as a service (Replicon and QuickBooks), self-hosted (BI360), and cloud hosted (Power BI, GPS and Dynamics GP). EGPAF’s globally disbursed staff (U.S., Switzerland, and Africa) use personal computers running Microsoft Windows 10 operating systems. Files are stored, managed, and shared internally using Microsoft SharePoint and we use Microsoft Outlook and Teams for emails, chats, calendars, etc. All EGPAF locations have stable bandwidth enabling SaaS/cloud hosting; however, bandwidth-light applications are desirable given the variations and limitations in various ISP bandwidth in different countries.

**MOTIVATION FOR SWITCHING TO ERP SYSTEM**

EGPAF has several important motivations for switching to an ERP system. These include:

- Lower lifecycle costs and staff effort compared to current system architecture
- Faster decision-making support and external reporting than the current approach
- Easier access to systems for staff connecting from a variety of office and home locations with varying internet bandwidth in the U.S. and across Sub-Saharan Africa
- More robust financial analysis capabilities, such as the ability to code and report on financial data in a variety of ways and with multiple dimensions
- Better support for projects, which range from large U.S. Government five-year cost contracts or cooperative agreements to small, short, fixed-priced consulting engagements.
- Gaining significant efficiencies and improving data integrity due to eliminating numerous Excel-based manual steps, multiple entry of same data into different systems, and need to cross-reference and reconcile same or similar data from multiple systems. Examples of such manual inefficiencies include:
  - Preparing payment vouchers in hard copy (in Africa)
  - Calculating indirect rates
  - Allocating payroll costs
  - Allocating fringe benefits
  - Allocating central services costs across active projects in proportion to labor hours incurred for each project in that month in each country
  - Reconciling purchase commitments (requisitions) with executed purchase orders, contracts, or leases and with payments made to fully or partially liquidate a purchase order, contract, or lease
  - Generating financial statements at global level
  - Generating project-level financial reports, including budget-to-actual reports, used by over 40 project managers and other staff
REQUIREMENTS / SCOPE OF WORK

1. **Project overview.** We are seeking a cost-effective ERP system in order to integrate into one financial system many of the current processes performed by multiple separate systems. The ERP will be affordable; easy to use for trained users; configurable to support our current and evolving business needs; and able to easily generate data, reports, graphics, and analyses needed for internal decision making or external reporting. We anticipate selecting a system no later than March 2022 and plan to spend the remainder of the calendar year to configure, set up, test, train users, and load data into the new system. We will go live on January 1, 2023 (the start of our fiscal year) with the ERP system in the U.S. In Africa, we plan to transition from using QuickBooks to the ERP during Phase 2, a timeframe to be determined.

2. **Expected number of users.** Subject to further analysis, our estimate is that the ERP system will be used initially by 40-45 users in the U.S. In addition, starting in January 2023, we plan to have all employees (currently about 2,800) enter their time worked into the timekeeping component of the ERP system. In Phase 2 of the ERP implementation, we plan to expand use worldwide with additional users of the system in Africa. Throughout the life of the system, the number of staff using the ERP will change, particularly as country programs are added, grow, or shrink, and the successful vendor’s licensing approach and cost proposal will take this reality into account.

3. **Legacy integrations.** The ERP system will need to efficiently import QuickBooks data from multiple online QuickBooks systems in our country programs until such time as EGPAF phases out QuickBooks. This is a major requirement and we will need to carefully understand your technical approach to importing and integrating QuickBooks data. In addition, if the ERP system does not provide all of the desired sub-award management capabilities and procurement management functionality that we need, then the ERP system will need to integrate with the GPS.

4. **Invoicing and Reporting.** The ERP system needs to generate a variety of standardized financial reports for use by project managers, department/country leaders, executives, internal and external auditors, U.S. and non-U.S. government agencies, and donors/clients funding our work. See Appendix 1 for a listing of typical reports that system needs to generate. Note that in addition to traditional budget-to-actual reports by object class, our large institutional donors often require special financial reports to show spending by program areas (e.g., by type of medical intervention and/or patient group served) and by geographic areas (e.g., districts or provinces within a country).

5. **Customization.** We anticipate having to customize the ERP system to account for our workflows, compliance and internal control requirements, required reports, types of funding sources and indirect pools, etc. However, we appreciate extensive customization has its own risks and costs. Therefore, to the extent that an ERP system requires less customization “out of the box” to meet our needs and/or is extremely easy for end users to tailor, that is preferable to a system that require massive customization and/or large effort by software programmers. Offerors must describe your approach as to how the customization of the system’s data fields, workflows, and reporting capabilities will be accomplished and how much effort on your part is included in your base price.
6. **IT requirements.** The ERP system will be provided and maintained by the vendor as software as a service. Please specify where the software will be hosted, who operates those servers, and warranties offered as to the safety and security of our data as well as the reliability and availability of the software service.

Discuss your approach for planned downtimes for maintenance, bug fixes, and upgrades and describe your service level agreement for response times to problems you identify or ones we identify. Address how often your ERP system is upgraded to add new features and how that is handled for your clients, including training on new features.

Specify the minimum bandwidth load the system requires for “acceptable” use and the higher bandwidth for “optimal” use. Note that after the ERP system’s initial deployment in the U.S., we plan to expand usage to many different locations across Sub-Saharan Africa, which have varying available bandwidth that the system must accommodate.

The ideal system will allow approvals of transactions to be given via common mobile devices, such as phones and tablets.

We require that our data is protected and available at all times, 24/7. Discuss how our data and documents in the ERP are backed up, to where, and how easily and quickly data or files can be retrieved from a backup location if the primary location is off line. Discuss your security approach to prevent ransomware, viruses, and other malware. Discuss whether your company’s systems, including all instances used by your clients, have ever been victimized by malware and what you learned from these experiences.

In accordance with Section 889 of the National Defense Authorization Act for Fiscal Year 2019, you understand and agree that if awarded a contract by EGPAF, you will not procure or use any equipment, system, or service that uses “covered telecommunications equipment or services” as a substantial or essential component of any system, or as critical technology as part of any system under the resulting contract. “Covered telecommunications equipment or services” includes telecommunications or video surveillance equipment or services (including, but not limited to, cell phones, security cameras, network switches, and routers) manufactured by or with components from these Chinese companies or their subsidiaries or affiliates: (1) Huawei Technologies Company; (2) ZTE Corporation; (3) Hytera Communications Corporation; (4) Hangzhou Hikvision Digital Technology Company; or (5) Dahua Technology Company. You further agree to insert the substance of this clause in all of your subcontracts or purchase orders funded by EGPAF.

7. **Functional requirements.** See Appendix 2 for a listing of the functions we require or desire the ERP system to perform.

8. **Initial and ongoing training, support, tools, and resources.** Describe how you will work with us during the initial set up and testing phase, and thereafter, including support for version upgrades that you deploy to all clients. What training resources do you provide? Documentation? Video instruction? Do you have a live help desk; if so, what are the hours of operation? What is the typical waiting time for customer assistance? Do you have a user community forum online?
9. **Warranty & liability.** Provide a copy of your warranty and liability coverage, including all client benefits and any limitations.

10. **Pricing approach.** At this stage, we are not yet asking offerors to provide detailed prices. That information will be solicited from a few short-listed vendors and will weigh heavily in our final decision. At this stage, we want to know your pricing approach, including answers to questions noted below in the Evaluation Process section.

### EVALUATION PROCESS

Interested firms should submit a proposal containing the information requested in this RFP. A cross-functional committee will review all proposals and develop a short list of firms/systems. Short-listed firms will be contacted and invited to demonstrate their system for the committee during a lengthy meeting that will allow ample time to showcase system features and respond to questions. After demonstrations, the most competitive firms will be asked to submit a pricing proposal and any supplemental information.

If you have questions or seek clarification about information in this RFP, please send them to [USprocurement@pedaids.org](mailto:USprocurement@pedaids.org) no later than January 10, 6:00 p.m. Eastern time. Do not call or contact any employee. We will compile all the questions and publish answers no later than January 12 on our website.

All proposals will be evaluated against the following Evaluation Criteria, which are listed in descending importance, starting with the most important:

1. **Price** (pricing approach initially evaluated; actual costs to EGPAF subsequently solicited and evaluated for short-listed providers)
2. **Functionality of the system without customization**
3. **Additional desired functionality with customization**
4. **Reliability, maintainability, servicing, security**
5. **Your firm and past performance with international NGOs or other similar clients**

Each proposal must contain the items listed in the Submission Requirements table below or otherwise requested in this RFP. Please submit your information in the order below.

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Submission Requirements</th>
</tr>
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<tbody>
<tr>
<td><strong>Pricing approach</strong></td>
<td>How are one-time or annual fees determined? Can prices increase over time and if so, based on what? Do you charge a fee while we are setting up, but not using, the ERP system? If you charge based on the number of users of the system, will you differentiate between core users of the system and other employees who will only submit or review timesheets? Will you offer us discounted rate as a non-profit organization serving the public good?</td>
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<tr>
<td><strong>Functionality of the system without customization</strong></td>
<td>The extent to which your system will meet or exceed each of the functional requirements listed in Appendix 2. The extent to which your system has the data fields and capabilities required to produce the reports listed in Appendix 1.</td>
</tr>
<tr>
<td>Task</td>
<td>Description</td>
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<tr>
<td>Carefully explain your system’s integration capabilities at a generic level as well as a detailed level for integration with multiple online QuickBooks.</td>
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<tr>
<td>Additional desired functionality with customization</td>
<td>Propose how additional functionality could be added and how that process works. For example, does it depend on whether you choose to add the feature for all of your clients in a software update or can the enhancement be made immediately just for us? How do you notify, and prepare clients for, additional enhancements to the ERP system?</td>
</tr>
<tr>
<td>Reliability, maintainability, servicing, security</td>
<td>Please addressed the requirements included in Section 6, “IT Requirements.” Summarize your Warranty and Liability requirements and provide the text of your proposed terms.</td>
</tr>
<tr>
<td>Your firm and past performance with international NGOs or similar clients</td>
<td>Provide general information about your firm (can be written and/or a short video) so we can assess your technical and business expertise, longevity, stability, financial position, and future prospects in the marketplace. Provide references for at least three (3) clients for whom you have provided similar services, preferably including international NGOs. For each reference, include a contact name, title, phone number, and email address at a minimum.</td>
</tr>
<tr>
<td>Project Management Approach, Timeline &amp; Training approach</td>
<td>Describe your staffing and approach to partnering with us on ERP implementation – describe the phases of the process and whether you offer this as a direct service or whether we have to retain a third party to assist us in product implementation. Include brief biographies of key personnel who would work with us on this project. If included as a direct service, please describe your project management approach and the expected role of EGPAF during implementation. Note typical timeframes for ERP set up, customization, data loading, testing, and training. Address the training questions in Section 8.</td>
</tr>
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</table>

Compiled submission packages must be delivered electronically to the email address noted above in this section. Receipt of proposals will be confirmed via email no later than the next business day after submission. The deadline for submission is as stated on page 1. We reserve the right to not consider any late submission.

**ETHICAL BEHAVIOR**

As a core value to help achieve our mission, EGPAF embraces a culture of integrity and ethical business practices and expects its business partners to do the same. Specifically, our procurement processes are fair and open and allow all vendors or consultants equal opportunity to win our business. We will not tolerate fraud or corruption, including kickbacks, bribes, undisclosed familial or close personal relationships between vendors and EGPAF employees, or other unethical practices. If you experience or suspect unethical behavior by an EGPAF employee, please contact our Fraud Team at fraud@pedaids.org or EGPAF's Ethics Hotline at www.reportlineweb.com/PedAids. Any vendor or consultant who attempts to engage, or engages, in corrupt practices will have their bid disqualified and will not be solicited for future work.
Appendix 1 -- Examples of reports the ERP system needs to generate

Underlined reports have embedded hyperlinks to the form

2. Standard Form 424A, Budget Information, Non-Construction Programs
3. Standard Form 270, Request for Advance or Reimbursement
4. Standard Form 1034, Public Voucher for Purchases and Services Other than Personal (example of supporting schedules separately provided, upon request)
5. Schedules supporting indirect pools
6. Project expenditure report: Budget vs. Actuals at varying levels of detail (summary, major expense category, program areas) for current project year, calendar year, or life of project with the ability to select from various project budgets (example provided separately, upon request)
7. Project pipeline report with commitments, obligations, and forecasted expenses (example provided separately, upon request)
8. Country Program pipeline report with commitments, obligations, and forecasted expenses (example provided separately, upon request)
9. Financial reports for non-USG donors (example provided separately, upon request)
10. Status of month-end close, broken down by business unit
11. Report on adjustments & corrections
12. Outstanding Advances Aging Report
13. Report on accruals for vacation, severance & “13th Month” payments
14. Payroll Reconciliation
15. Payroll Withholdings Compliance (correct amounts withheld & submitted to relevant government authorities in multiple countries)
16. Report of procurement commitments made and their amounts, and the extent to which each one has been partially or fully paid off
17. Report of sub-award obligations made and their amounts, and the extent to which each one has been partially or fully paid off
18. Local VAT/Duties Refundable Due and Paid
19. Project labor distribution reports
20. Profit and Loss reports at project and portfolio level
21. Trial balance at a summary level and at a transaction/detailed level
Appendix 2: Desired Functionality

We anticipate that no single system will be able to meet or exceed all of the requirements listed below. However, to the extent that a specific system has more of the desired functionality than another system, it will be scored higher on the functionality criterion. The bullets below describe the desired functionality of the ERP system grouped into major categories: Accounting, Timekeeping, Financial Analysis & Reporting, Inventory/Asset Management, Sub-agreement Management, Procurement Management, and System-wide Requirements. If your ERP system has additional built-in capabilities above and beyond these categories, or the details listed below, please note them briefly in case we wish to ask for further information.

A. Accounting

- System must be capable of supporting compliance with all of the following:
  - Generally Accepted Accounting Principles
  - U.S. Government cost principles required by OMB’s Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (known as the “Uniform Guidance” found at 2 C.F.R. § 200) as well as the Federal Acquisition Regulation (FAR) and its cost accounting standards (48 C.F.R. § 9904) for the administration of U.S. Government contracts
- Data entry tasks are efficiently accomplished by end users and are intuitive to them for the most part
- Calculate multiple indirect pools (e.g., different clients/donors have different rules and/or we may shift to multiple indirect pools in the future)
- One-time project set up that flows through to all applicable modules of the system, but also allows for flexibility (e.g., reaching a project’s end date might mean that some transactions can no longer occur, while other transactions can still occur)
- Work breakdown flexibility: provide for the identification of costs by contract line item and by units if required by the client’s contract to EGPAF
- Online request & approval of cash advances by staff
- Easy access to report on “raw” (transaction-level) data at the project detailed level
- Ability to automatically allocate staff labor hours to projects as costs when payroll is completed
- Ability to automatically allocate pools of costs based on a variety of methodologies (ex. headcount, square footage, etc.)
- Ability to code transactions or sub-transactions to one or more programmatic areas that our donor/client wants to track & report on separately
- Ability to handle task orders under indefinite quantity or similar contracts, such that each task order has its own budget and can be separately reported against

B. Timekeeping

- Ability to track time by projects and sub-tasks (such as programmatic areas)
- PTO and other leave balance accruals and tracking
- Flexibility in approval paths, such as routing to direct supervisors, project managers, and/or human resources staff based on local variations in different countries or business units
- Integrated with our HRIS, including staff set up and termination, billing rates, etc.
C. Financial Analysis & Reporting

- System has capability to store multiple budgets (for the same project or department) with on-demand reporting against selected budget(s)
- Deliverables management that tracks donor/client’s reporting requirements
- Ability to report level of effort expended (in hours/days/FTEs) and associated salary costs
- Ability to generate graphs, user-defined dashboards, color-coded tables and/or other visualizations to enhance data analysis and provide insights
- Ability to generate alerts to specified users when one or more criteria are met or not met

D. Inventory/asset management

- Ability to track items ordered, received by EGPAF, and delivered to third parties (e.g., medical or program supplies ordered in large quantities and delivered to multiple non-EGPAF sites/organizations)
- Ability to track assets (such as computers, vehicles, etc.) above a certain dollar amount that EGPAF retains. The system should allow for an efficient periodic verification that we still have the asset (e.g., via a bar code scanner that would upload its data into the ERP)
- Ability to connect items received with ordering data in EGPAF’s Grants & Procurement System (GPS)

E. Sub-agreement Management

Sub-agreement Creation
- Users will be able to enter sub-agreements with a variety of data fields that can be efficiently searched
- Users will select sub-recipient entity from a centrally managed list in the system. Limited users will have ability add/edit/remove sub-recipient organizational profiles maintained in system.
- User will enter funding ceiling, prime award, donor, period of performance, obligation amount, and sub-agreement type as well as have the ability to attach documents and email documents into the system. Documents to be tagged as internal-only (only to be viewed by EGPAF staff) and external (OK to share with sub-recipient). Certain data pertaining to donors and EGPAF’s prime award should be pulled from a centrally stored place within the system. Limited users will have ability add/edit/remove donors and prime award data maintained in system.
- Sub-agreement templates will be system generated based on user entered criteria including sub-agreement type selected, donor, country, and other data that will influence sub-agreement terms. The data that will populate the sub-agreement terms will be imported from existing Foundation templates.
- A unique sub-agreement number will be generated.
Approval Workflow

- Dynamic approval workflows will be based on criteria such as location, prime award, value, and sub-agreement type (including amendment types) and can easily be changed throughout the year due to staff turnover or changes in business processes.
- Approvers will be able to view manually entered data, summary of loaded data, and generated templates.
- Approvers will be able to edit certain fields based on permissions.
- Upon final approval, an e-signature will be added to the sub-agreement by the Foundation’s signatory.

Sub-agreement Management

- Status of the sub-agreement (e.g. in approval, pending, active, expired, closed out) will automatically be determined by the system based on status in approval workflow, document types uploaded, end date of the period of performance, or updated manually.
- Users will have the ability to upload/email documents (including bulk upload) to the system and to filter documents by type. Document uploads will have the capacity to trigger additional system notifications and/or actions.
- Users are able to submit requests for amendments to sub-agreements. This will trigger an approval workflow and new required documentation, including generation of an amendment (based on amendment templates).
- Original sub-agreement and amendment key data (financial and dates) to be summarized and displayed clearly in the system.
- Each sub-agreement will have a summary of previous sub-agreements for the sub-recipient when multiple sub-agreements are issued under the same prime award.
- Each sub-recipient will have an organizational profile which includes links to any sub-agreements issued to the sub-recipient and summary data of sub-agreements.

Financial Management of Sub-agreements

- Ability to track payments made by EGPAF against financial ceilings established for each sub-award
- Ability to recognize a sub-award ceiling as a financial commitment that will require EGPAF to make subsequent payments if the sub-recipient or sub-contractor performs and spends appropriately as intended in the sub-award
- Funding ceilings and obligations will be updated based on amounts entered in sub-agreement creation or amendments (amounts will be “pending” until counter-signature from sub-recipient then change to “obligated” (based on document upload).
- Ability for sub-recipients or EGPAF staff (on behalf of the sub-recipient) to enter and sub-agreement expenses directly into the system or via an upload from a standard Excel template.

Compliance Monitoring

- System will allow for tracking of key sub-recipient compliance information to include sub-recipient risk levels, dates of compliances actions, who completed the compliance actions, key findings and recommendations, etc.
- System will capture key compliance data from Excel reports (including pre-award assessments and compliance visits) that are uploaded into the system and allow for data aggregation and reporting on this compliance data.
Sub-recipient Access (optional)

- Sub-recipient will have limited access to the system and receive approved documents (including sub-agreement with e-signature).
- Sub-recipients able to submit documents which would initiate approval workflows.
- Sub-recipients able to see summary financial information and status of sub-agreements
- Sub-recipients will have the ability to enter monthly expenses

F. Procurement Management

Overall context

The system must be able to account for different types of procurement activity and purchases that have varying levels of complexity. The system must be dynamic and allow for different fields, templates, and workflows depending on selections made. The key distinctions that will drive differentiated processes are:

- Buying goods versus services
- Ongoing needs and vendor relationships versus one-off need/purchase
- Procurement value -- we use multiple value thresholds for efficiency and risk management
- Selection Method: Lowest Price Technically Acceptable, Best Value, or Noncompetitive
- “Standard” Purchase Orders (they can vary by country) versus detailed contract or lease (of varying types)

Planning

- Robust online Procurement Planning functionality to allow for planned procurements to be entered and moved into the requisition state when ready

Requisition

- Allow users to request goods or services from a centrally managed list of generic available item/service types to be purchased. Users will also have the option to enter free form text as an alternative to the provided items.
- Allow users to choose between buying goods or services. Different entry requirements will populate depending on what is being purchased. Depending on the item type or services selected, prompt users to enter additional information, such as specifications, scope of work, period of performance, or item type specific requirements.
- Allow users to attach documents, assign expense coding by line item (including the ability to split costs across multiple accounts), add due dates, and save their requests for later use. Key data fields for expense coding must be pulled from an up-to-date system resource
- Users have the ability group or split their items across multiple requests.
- The system will assign unique requisition numbers for tracking purposes.

Requisition Approval

- Dynamic approval workflows will be based on criteria such as office location, EGPAF’s prime award, value, and procurement type (including amendment types). Approval workflows will be updated based on changes made during the procurement lifecycle, including changes to price, expense coding, or staffing
- Approver will be able to view line level details entered by the original requesting user, documents attached, history of the requisition including change log and approval history.
- Approver has the ability to approve/decline/hold at the line level.
• Based on permission level, certain approvers will be able to modify the quantity, price, attach/delete documents, changes item or service specifications or add additional approvers.

• Users are able to submit requests for amendments to previously issued contracts or purchase orders. This will trigger an approval workflow and new required documentation.

Sourcing

• Procurement staff will be able to view, filter, and sort all approved requests.

• Procurement staff will have the ability combine or split requests into Request for Quotations (RFQ) or Request for Proposals (RFP) based on similar vendors being targeted.

• Staff specifying the procurement Selection Method – Micro-purchase, Lowest Price Technically Acceptable, Best Value, or Noncompetitive – will determine the correct system-generated template (RFQ, RFP, or no requisition required), and attachments.

• The system will assign unique numbers to outgoing Requests for Proposals (RFPs) or Requests for Quotations (RFQs) sent by EGPAF for tracking purposes.

• RFQ/RFPs (with attachments) will be system generated based on data inputted and be able to be delivered to vendors directly from the system via email or saved as a single PDF package to be sent to the vendor by other means. Ability to customize RFQs/RFP, with foundation terms and approaches.

• Depending on the Selection Method, procurement staff will be required to enter different compliance justifications:

<table>
<thead>
<tr>
<th>Lowest Price Technically Acceptable</th>
<th>Best Value</th>
<th>Noncompetitive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bid analysis where price can be analyzed by lowest overall bidder and lowest bidder by item. Bid analysis and quote entry may be performed entirely within the system or data may be loaded via import template. The system may also offer the ability for bidding vendors to directly enter their own quotes and documentation.</td>
<td>Selection Memo with ranked criteria scored by bidder</td>
<td>Noncompetitive Justification with pre-defined fields</td>
</tr>
</tbody>
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• Procurement staff will be able to receive and enter quotations/proposals, attach documents, and select winning vendor(s) depending on the process for each Selection Method. “Standard” Terms and Conditions (which vary) will be generated as an automatic attachment in .doc format based on the procurement mechanism selected (Purchase Order, Contract Type (Fixed Price, Labor Hour, Time and Materials, Cost Reimbursable, Basic Ordering Contract)), expense coding, and other factors entered in during the requisition and sourcing phases.
• A contract cover sheet, varying by type of contract, will also be generated by the system with unique items including payment terms or payment schedule, attachments, notes at the line item level, delivery due dates, addresses for billing and shipping, and additional line items such as tax, shipping, warranty, or specific contract deliverables that may not have been captured on the original request.

• Items assigned to vendors during the sourcing phase can be transferred or consolidated onto a Purchase Order or Contract template.

Order Approval
• Dynamic approval workflows will be based on criteria such as location, prime award, value, and procurement type (including amendment types).

• The system generated Purchase Order (PO) or contract will be reviewed, along with the attachments, compliance justification, an RFQ/RFP summary, and links back to the original related request(s) and RFP/RFQ(s).

• Approvers will have the ability to approve the entire order or return it EGPAF’s procurement staff for revision. When returning, the approver will be required to enter in a note with explanation.

• Upon final approval, an e-signature will be added to the order and assigned a unique Order/Contract Number.

• The order will then be placed in a queue for procurement staff to deliver to the vendor – either directly from the system via email or saved as a single PDF package to be sent to the vendor by other means.

Contract and Amendment Generation
• Ability to generate custom contract templates for various types of contracts to include: purchase orders, fixed price, labor hour, cost reimbursable, basic ordering, and indefinite quantity. This will include custom payment schedules and terms based on contract type.

• Ability to generate purchase orders and task orders from basic ordering contracts and indefinite quantity contracts.

• Ability to generate amendments for various contract actions to include extending the period performance, increasing contract value, changing payment schedules, changing terms, exercising options, as well as adding/modifying line items.

Receiving
• Users will be able to search by either order request or purchase order/contract number to mark items/deliverables as received, while attaching packing slips or other proof of delivery.

• The system will track the quantities/services ordered, received, and the outstanding balance.

• The system will allow items to be marked as returned and calculate the resulting received and outstanding balances accordingly.

• When items are received, they can be added to inventory for future tracking.

• See also requirements for Inventory/Asset Management, above.

• For Blanket Contracts, user will be able to enter in free text for goods/services purchased against that contract with value. This may trigger an approval workflow.
Invoicing
• Users will be able to attach documents, and enter the amount invoiced either against receipt of items or payment schedule as well as have the capacity for a workflow approval of the invoice.
• The system will track payments made and outstanding balances against the previously created payment terms or schedule.
• The system perform a 3-way match between the Order, Invoice(s), and Payment(s)

Management and Tracking
• Each phase – request, sourcing, purchase order/contract, receiving, and invoicing – will have its own set of Management and Tracking tables accessible to users with the appropriate permissions.
• These table will use the respective system assigned tracking numbers and provide high level details, status, and links to any related request, RFP/RFQ, or PO/Contract.
• Ability to track status of purchase orders, contracts, and leases, and whether these commitments (in various local currencies) are partially or fully liquidated; if partially, what is the remaining balance owed upon successful delivery of goods or services

Items Under Contract
• In addition to the above mentioned centrally managed list of available item types to be purchased, the system will also support Items Under Contract (IUC). IUCs will also be centrally managed with a catalog of items, but with pre-assigned vendor, price, and a related Contract.
• Items tagged as an IUC will skip the sourcing portion described above, but still be processed through the remaining phases.
• IUC items will be able to have distinct approval routings.
• All purchase orders, including IUCs, will be linked back to the original [master] contract.

Donor compliance
• Ability to initially configure the system, and easily make subsequent changes, to account for and monitor changing funder requirements.

Systems Integration
• If your system’s sub-agreement and procurement management capabilities do not address the requirements in Categories E (Sub-agreement Management) and F (Procurement Management) well, please include how you would approach the integration of your ERP with our existing Grants and Procurement System.

G. System Wide Requirements
General
• User Profiles: Each user will have a unique profile linked to their EGPAF email address and Single Sign On password. User profiles will be managed centrally and based off existing profiles from our Outlook database. Permissions will be dynamic so that user settings can be limited to only see activity for their assigned countries and/or projects and role within the Foundation.
• Vendor/Sub-recipient Profiles: Each vendor and sub-recipient will have a unique profile. The profiles will include data such as contact information, bank information, and be linked to past history of purchase orders, contracts, or sub-agreement including vendor/sub-recipient performance, contracts, or sub-awards.
• **Multiple Language Support**: System will be able to support English, French, and Portuguese on user interface screens. Backend/system management screens only required in English.

• **Multiple Country Support**: System will be utilized in the US, Switzerland, and multiple countries in sub-Saharan Africa. Number formatting (dates and units) should match user selected regional settings.

• **Browser Support**: System should support all common web browsers including, Edge, Chrome, and Safari

• **Currency**: System will allow for different international currencies based on user location and preference. Exchange rates may be manually entered or connected to update automatically via integration with third-party service. USD will be used as the default/master currency and system will displayed alongside selected foreign currency.

• **Internal Messaging**: System will support an internal messaging system for collaborative work including saving communications in the system.

• **External Messaging**: System will support email messaging of actions required by users (approvals, documents to be submitted, POs to be issued, etc.).

• **Filtering**: The systems will have dynamic filtering capabilities so users can filter by data pertinent to their portfolio, country, project, role, etc.

• **Multiple Instances**: The system should allow for two different instances to run. (1) Production. This is the live system used to process actual transactions. (2) Training. Mirror of the productions system that is used for training of users. Used by system admins to troubleshoot, test changes, etc. Both systems should be able to be copied from one instance to another.

• **Mobile use**: The ideal system will allow approvals of transactions to be given via common mobile devices, such as phones and tablets.

**Approval Workflows**

• The system will make extensive use of approval workflows.

• These workflows must be dynamic (i.e. will update and reroute with each action taken by users).

• Must be rule-based. Each rule may take into account multiple criteria such as value (either USD or foreign currency), location, user entering, expense coding, etc.

• They must be flexible, allowing for easy changes to the tested criteria and selected user after launch of system.

• Must allow for email-based approvals.

• Workflows must allow for sequential or parallel routing

• If a single rule routes to multiple users, workflows must allow for 1) **all** users to approve or 2) **exactly one** user to approve

**Change Logs, Auditing, and Document Retention**

• All actions within the system will be logged. The complete log (or audit trail) will include all information necessary to view what changes were made, when those changes occurred, and by whom.

• Access to the complete logs will be permission based. Complete logs will be exportable in Excel format and backed up on a regular basis.
• All user-entered and system-generated data, approval histories, data from all phases, and attached files must be saved and maintained. The ability to permanently delete data will be permission based and restricted.

Permissions
• Access to different parts of the system can be assigned individually to user groups.
• Permissions will control what is viewable or editable to a given user.
• Permissions must be able to be granted or removed from users by system admins.