Request for Proposal (RFP)

SE Microsoft Dynamics 365 Integration Services RFP

Solicitation RFP #: 230559-0000

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Argano Response Date: October 19, 2023

Prepared for: SMITHSONIAN ENTERPRISES

I. Background

A. About the Smithsonian

The Smithsonian Institution is a non-profit trust instrumentality that was created by act of Congress of the United States in 1846. The Smithsonian is the world's largest museum and research complex consisting of 21 museums and galleries, the National Zoological Park and nine research facilities. In 2019 more than 22 million people from around the world visited the museums and the National Zoo. The total number of objects works of art, and specimens at the Smithsonian is estimated at nearly 155 million. The Smithsonian collections are the basis for research, exhibitions and public programs in the arts, history and culture, and the sciences. The Institution's mission is the "increase and diffusion of knowledge."

B. About Smithsonian Enterprises

Smithsonian Enterprises (SE), which includes the Institution's Retail, E-commerce, Media, Travel, Consumer and Education Products divisions, offers a range of products and services that help to generate funding for Smithsonian's core mission, museums, and research, while remaining consistent with the Smithsonian mission, culture, governance, and status as a trust instrumentality of the United States and a tax-exempt organization. By providing products and services that reflect the mission of the museums and research centers, Smithsonian Enterprises plays a critical role in advancing the Institution's mission: the increase and diffusion of knowledge.

C. About the Project

Smithsonian Enterprises (SE) is requesting proposals from qualified and experienced integrators to lead, manage and fully execute the implementation of the Commerce, Financials & Operations, Supply Chain, and POS components of Microsoft Dynamics 365 (D365).

As a medium sized, non-profit organization, Smithsonian Enterprises is looking for a vendor that can perform this overall function, at a reasonable price, including all aspects of the overall implementation, maintenance and on- going support. The work is anticipated to be completed in two phases as set forth below.

Phase 1 will include:

- Replacing the Island Pacific Merchandising software (this includes Items/Pricing/ Purchase Orders/RTVs/Allocations and Transfers/Replenishment/Inventory Receiving and Physical Inventory) This system must be Smithsonian Enterprises inventory system of record.
- Bar code label ticketing
- Sales Audit
- Replacing the Lawson Financial System, Including General Ledger, AP/Cash, Receipts, Project Activity, Accounting, Cost Allocations and Fixed Asset modules.

- Replace Easy Access OCR Invoice software
- Integrations to current WMS

Phase 2.A will include:

- Point of Sale
- Payment Systems

Phase 2.B will include:

This phase is optional and will be exercised at Smithsonian's discretion. This phase may include some or all of the following possible component replacements:

- Order Management
- Customer Service

For Phases 1, 2.A, and 2.B (if exercised) the selected vendor(s) will be responsible for:

- Providing project management for the overall implementation process
- Implementing a test environment for each component
- Implementing the production environment for each component
- Migrating historical data from the existing systems to the new system (3 to 5 years of financial data and 5 years of merchandising (Sales, item, and PO ordering and receipt data).
- Creating all needed integrations and interfaces
- Providing options for data archiving and retention
- Setting up robust reporting functionality that allows consolidating new and historical data seamlessly.
- Performing end to end testing.
- Training administrators and users on the new system
- Providing ongoing technical support and an account representative
- Working with Smithsonian personnel to ensure FISMA and PCI compliance.

SE businesses have individual Go-Live blackout dates and deadlines to meet regarding this integration. The information provided should be used when developing a plan for the project.

- Phase 1 Financials integration: Blackout dates
  - October 1 – November 1
- Phase 1 Retail Merchandising System: Blackout dates
  - February 1 to April 30 and June 1 to September 1
- Phase 2.A POS and payment integration: Production systems changes blackout dates:

- March 1 – May 1
- June 1 – September 30 (Physical inventory is completed during the month of September)

- Phase 2.B Ecommerce: Production systems changes blackout dates:
  - October 1 to January 31

D. About our Current Infrastructure

Smithsonian Enterprises (SE) manages and supports 43 stores and 150 Point of Sale ("POS") registers primarily in Washington DC with additional locations in NYC and Dulles, VA. The SE Ecommerce website is currently not integrated with the physical stores and operates as a stand-alone business. We are looking to implement physical stores and ecommerce stores on the same D365 platform but as independent businesses. The SE technology team is relatively small. As such, we are looking for a vendor to lead and execute the overall implementation work. As a mid-sized non-profit business, SE is price sensitive and looking for the best value when evaluating the services provided with respect to the given price point.

SE currently utilizes Island Pacific Merchandising software in support of the physical stores run by SE. The POS running in the SE supported physical stores provides nightly sales batch updates to the Island Pacific System with sales transaction data. The Island Pacific system provides Item (stock-keeping unit and/or sku), inventory, and pricing data to the Point-of-Sale system. Warehousing operations are provided by PBD, a third-party warehouse company, currently utilizing SE Island Pacific Warehousing software but migrating to their in-house Logiwa software.

SE will continue to use the Big Commerce platform for ecommerce operations.

- Order Management is provided by Ability Commerce, a third-party vendor
- Picking, Packing, Shipping, and Returns are completed by PBD using their Logiwa software

1. Current Systems

Island Pacific Retail Merchandising System:

- Island Pacific Retail Merchandising Software version 3.3
- Inventory/Merchandising (this includes Purchase Orders/Allocation/Replenishment)
- Island Pacific is the current Inventory system of record.
- Merchandise Bar code label ticketing
- Transaction management
- Price management

- Accounts Payable for payment to Vendors for merchandise purchased.
- Sales Audit
- Warehousing (receiving, distribution and location/bin storage)
- Physical Inventory and Cycle Count
- IBM iseries P9 model E41 hardware
- Faxstar server to email POs to vendors.
- Island Pacific and In-house Reporting

Retail Stores Warehouse:

- Third Party using Island Pacific Warehouse module

Inventory management: GEM Software:

- 70 - Motorola Handheld Devices, WinCE OS
- 18 - GEM Servers running GEM Inventory Software: Windows Server OS
- Supports annual inventory requirements.
- Daily Spot counts (Cycle Counts)
- Bar code labels
- Mark down labels
- Fixture labels
- 25 - COM Port Connected QL420 Ticketing printers
- 10 - Wi-Fi Connected QLN420 Ticketing printers

Note: The hardware and software listed above is in use but must be replaced. The numbers above are anticipated to be similar post replacement, but the hardware may be supplied by a different vendor.

Point-of-Sale Platform:

- GK SAP OmniPOS Point of Sale (POS) Software
- 100 - NCR 82 XRT POS: Windows 10 OS
- 30 - NCR 72 XRT POS: Windows 10 OS
- 20 - HP 2000 Series POS (Touch screen POS): Windows 10 OS
- 5 - Panasonic Mobile POS: Windows 10 OS
- 5 Wi-Fi Ingenico ISMP4 Transarmor Encrypted pin pads
- 150 – Verifone MX 915 Transarmor Encrypted pin pads connected via USB to NCR hardware

- 18 – GK Transaction Plus Servers (middleware) running batch processing and encrypted tokens for enterprise
- SE Point-of-Sale servers:
  - 4 Windows Servers using VM technology. Database on MS Enterprise SQL Server

Note: The hardware listed above will be up for replacement during this vendor selection process. The numbers above are anticipated to be similar post replacement, but the hardware may be supplied by a different vendor.

Financials:

- Infor Lawson on-premise version 10.0.10
- IBM iseries P9 model 41A hardware
- EZ Content Manager – Accounting document storage
- Easy Access – invoice receipt and storage

Ecommerce:

- BigCommerce
- Authorize.net and PayPal payment processing
- Order Management System:
  - Hosted by third party - Ability Commerce
  - Ability Commerce CCS version 5.0.5
  - Marketing Concepts Call Center
- Amperity Customer Data Platform
- Ecommerce Warehousing
  - PBD, a third-party warehouse vendor, using Logiwa software
- Marketing
  - Direct Mail / Catalog
  - Email and SMS
  - Paid Advertising Channels
  - Web Analytics

2. Retail Transaction Data

Physical Stores

- Annual revenue estimates: post-pandemic

- $60M to $70M Annual transaction estimates: post-pandemic 2.1M transactions
- # Skus on file: 60,000

Ecommerce

- Annual revenue estimates:
- $6M-$10M merchandise sales Annual transaction estimates: 66K orders
- # Skus on file: 2K-5K active skus

II. Scope of Work

A. General Description

Smithsonian Enterprises seeks vendors with extensive D365 implementation experience specifically in retail merchandising, POS, Financial, and ecommerce platforms. The technical resources within Smithsonian Enterprise are limited. The vendor is expected to lead and execute the implementation plan. The vendor shall provide all resources required for the implementation including professional services, and ongoing support through Go-Live.

We are seeking proposals from qualified solution providers who can demonstrate that they possess the functional and technical capabilities to furnish all resources required for the implementation including technical labor, training, and ongoing support and maintenance that meet SE's business needs.

For Phase 1 and Phase 2, the following work shall address the project goals noted in Section 1C of the RFP.

1. The selected vendor shall develop a project plan for Phase 1 and 2 that includes a transition plan from the existing platforms for the implementation of the agreed upon Microsoft D365 components, with a Phase 1 targeted go-live date of May 1, 2024. Phase 2 will begin upon the completion of Phase 1. The transition and implementation plans, subject to SE review and approval, must have clearly set forth timelines and deliverables.

2. The selected vendor is responsible for the overall implementation of the D365 platform and any required on-going support and maintenance for the contract term.

3. The selected vendor shall provide a Data Conversion Plan for assisting SE in the conversion of historical data to the new system. Please consider data storage, consolidated reporting that includes historical data, system performance and ongoing storage and processing costs that must be kept to a minimum when creating the plan.

4. In its proposal, the vendor shall describe the migration strategy options and provide

the associated costs.

5. The selected vendor shall describe the proposed technical architecture that would best suit SE's business needs. Provide an architecture diagram showing the different D365 components that need to be included.

6. The selected vendor shall develop, and test all required integrations.

7. The selected vendor shall establish a test environment for the new Microsoft D365 platform and a test environment for the POS/Payment processing system as well as any other agreed upon components.

8. The selected vendor shall test the system using test plans that will ensure accurate implementation. Tests must include all D365 functionality, POS, and payment processing functionality as well as a bank certification. Test plan will be presented for verification.

9. The selected vendor shall configure a production environment for the new D365 platform.

10. The selected vendor shall provide comprehensive training on all aspects of the D365 platform to SE business users and IT staff. The vendor shall describe user manuals and online help as part of the initial training and on-going operational support.

11. The Smithsonian Technical Review Board ("TRB") must approve the selected vendor's proposal and its systems for security, privacy, and accessibility. Approval requires adherence to standard industry best practices and applicable federal guidelines. The TRB is responsible for improving the overall level of project success, system quality, and productivity by ensuring that information technology projects comply with Smithsonian policies and architecture. Completing assessments at key project milestones in accordance with life cycle management methodologies will be used to determine compliance.

12. The selected vendor is required to work with the Smithsonian Information System Security Officer (ISSO) to document all FISMA (Federal Information Security Modernization Act) security controls as required by the Assessment and Authorization process.

B. Contract Term

Smithsonian Enterprises anticipates a contract term of three (3) years with options for two (2) three-year extensions to encompass the completion of Phases 1 and 2 with extended support as needed to support the new installation. Phase 2.A and Phase 2.B (if exercised by the Smithsonian) would take place during the overall potential contract term. Please note that, under Exhibit A: Key Terms and Conditions, Smithsonian Enterprises shall have the right to terminate the contract for convenience if it deems it would be in its best interest not to continue operations pursuant to the contract.

C. Functional Requirements

Our goal is to implement Microsoft D365 in a phased approach with built-in integrations to other key components. Our recommended phases are listed below. We are open to modifying the phases if the chosen integrator has a more effective and efficient recommendation.

Phase 1 will include:

- Inventory/Merchandising (this includes Items/Purchase Orders/Reporting/Allocation/ Replenishment/Inventory Receiving/Markdowns & Price changes/RTVs and Physical Inventory). This system must be our inventory system of record
- Barcode label ticketing
- Sales Update and Audit
- Financial System, including General Ledger, Budget Ledger, A/P, Cash Receipts, Project/Activity Accounting, Cost Allocations and Fixed Asset modules
- Integration to third party warehouse vendor

Phase 2.A will include:

- Point of Sale
- Payment Systems

Phase 2.B (if exercised by Smithsonian Enterprises):

- Order Management
- Customer Service

As a part of your proposal submission, please provide responses to the corresponding RFP Functional Requirements sections below. Provide descriptions and technical explanations with sample screenshots wherever applicable as to how your methodology and implementation process will meet the requirements listed below.

D. Retail Merchandising System Requirements

SE requires an implementation of Microsoft D365 that supports inventory visibility across all locations in real-time. These are the features that must be implemented:

- 100K skus with multiple cost and retail levels. Must include roll up of master skus, sub skus for vendor changes on the same item while maintaining item history. Must support mark down and mark up plans including those with future dates.

D365 product information management module has comprehensive product management capabilities including setting up global products that can be released to multiple legal entities. Product attributes can be defined for released products. Product categories can be set up to create a hierarchical classification of products an organization purchases. Additionally, a catalog of items and services that can be purchased for an organization's internal use can be set up and extends procurement categories. Catalogs control items that a legal entity can use.

Vendor cross reference allows maintaining vendor part numbers for a given item.

Item history can be accomplished in multiple ways including use of Engineering change management module. ECM module allows versioning of products, change management using change orders and requests, extended-release functionality and readiness control for products. Alternatively, solutions such as database logging or Argano's intellectual property solution "Audit and Security Manager" can be used for data monitoring that provides extended data modification history with reports. Exact solution will be defined during implementation.

Trade agreements can be set up to define selling prices with effective dates. Features to mass update prices across multiple items by a fixed amount or percentage as well as an individual item will allow marking up and down prices as needed for specific time periods including future dates.

- Support merchandise (available for sale inventory) and non-merchandise items (for example, carousel rides, memberships, shipping, donations, and postage).

D365 product type supports both inventory and non-inventory (i.e., service) items. Inventory items carry perpetual inventory in the sub-ledger, allow operational functions such receiving, picking, packing, shipping, transfers, replenishment and planning in the supply chain modules, and integrate to financial inventory in the General Ledger. Non-inventory items, while not tracked in perpetual inventory, can be used in procurement and sourcing modules, and integrate to General Ledger in P&L

- Ability to import new items and purchase orders.

D365's native office integration allows importing data in Excel files using Data Entities. Data imports can be batched/scheduled or performed on demand. Robust and automated data import, orchestration and automation solutions exist with the Power Platform technology stack in the Microsoft Dynamics Eco System.

- Store at least 15K vendor profiles. Allow multiple vendors per item. Support minimum and maximum item levels in the stores and warehouse.

D365 vendor master allows creating unlimited number of vendors. Vendors can be created with multiple addresses (e.g., Business, Remit-to etc.,), contacts and contact purpose (e.g., Business, Invoice etc.) vendor profile data (e.g., small business, minority owned, woman owner, veteran owner etc.), purchasing demographics (e.g., line of business, segment, sub segment etc.), payment terms and other data required to use vendors in procurement and sourcing functions.

Vendors can be associated to procurement categories and designated as preferred vendor for the category. Sourcing processes like purchase requisition and RFQ's use this to limit only vendors approved for a category. Additionally, items can also be set up with a primary vendor (preferred vendor) as well as a set of approved vendors. Approved vendor check method can be used to control outcomes when purchase orders are created for non-approved vendors to prevent creating purchase orders not approved or allow with warning.

Item coverage (planning policies) allows setting up minimum and maximum levels by warehouse. Master planning will generate planned orders (purchase and transfer) when inventory falls below the minimum (safety stock level). Demand more than the maximum level will create multiple planned supplies each up to the maximum defined in the item's coverage/planning policies

- Real time sales update from POS to Retail merchandising system (once all the phases of the implementation are complete)

POS transactions update to back office-reporting with native pre-build D365 integrations run on a schedule. These occur within minutes of the transaction (near real time), on the schedule determined by SE. Most of our customers have these integrations processed on a scheduled repeat of 5–15-minute recurrences.

- Support merchandise ordering, receipt, preset allocation per purchase order as well as distribution and storage in a warehouse location, dynamic replenishment for purchase orders (POs), as well as store stock levels). Support transfers of merchandise between stores.

D365 Finance & Supply Chain, (F&SC) has several options for supporting merchandise ordering. Purchase orders for merchandise can be created manually from All purchase orders list page. Purchase orders can be created for stocked products from planned purchase orders generated by master planning. Purchase orders can also be created through releases from purchase agreements (blanket purchase orders). D365 also supports purchase requisitions for merchandise ordering and can be created by authorized users for items and services they require. Purchase requisitions can be created for direct and indirect purchases. Purchase requisition workflow routes these requisitions for approval based on spending limits before it is assigned to a buyer for action and will be converted to a purchase order when approved.

D365 F&SC Also supports Punch-out feature for merchandise ordering. Punch-out feature allows adding items from an external vendor catalog which can also be directed to vendor's web site to purchase items added to a shopping cart.

This shopping cart is then transferred back to D365 as Purchase requisition lines.

Purchase orders (direct ship to store) as well as transfer orders (ship from warehouse to store) can be received using mobile devices with configurable receiving workflow. Materials received into an inbound receiving location can then be put away to locations that are configurable using location directives.

Instructions to warehouse for pre-set allocations i.e., quantities to be distributed to stores by warehouse and place remaining in stock can be achieved by using document attachments. Document attachments allow attaching notes, files, etc. for internal use to a purchase order header and can be printed on a products receipts list.

Item coverage (planning policies) allows setting up minimum levels by warehouse (store) along with replenishment rule to refill store warehouse from a main warehouse. Master planning will generate planned transfer orders when inventory falls below the minimum (safety stock level) at the store.

Safety stock levels can be set for items against the main warehouse. Master planning will generate planned purchase orders when inventory falls below the minimum (safety stock level).

A buyer/planner can review these planned orders and firm them into firm purchase orders/transfer orders or planning parameters can be set to automatically firm them if automation is desired. Additionally Master planning workspace has views to display planned orders that would result in delayed safety stock to provide buyer/tools with critical information needed to maintain adequate stock levels both at the warehouse as well as stores.

- Support purchase orders shipped directly to stores and purchase orders shipped to a warehouse and receiving for stock and or pre-assigned distribution to stores.

Purchase orders can be set up with a store (warehouse) as the delivery warehouse to have them shipped directly to the store. Main warehouse can be setup as the Default warehouse to support shipping to warehouse.

Purchase orders (direct ship to store) as well as to the main warehouse can be received using mobile devices with configurable receiving workflow. Materials received into an inbound receiving location can then be put away to locations that are configurable using location directives.

Distribution to stores can be done using transfer orders. Replenishment rules for refilling stores from main warehouse and master planning to generate planned transfer orders can support this distribution to stores with consolidated purchase to main warehouse model.

- Support exporting data via interface to third party warehouse vendor.

D365 F&SC offers multiple integration methods to integrate with 3PL systems. Integrations can be Synchronous using OData V4 (RESTful API) or Custom Web Services, vs Asynchronous using DMF

(Recurring & API Based). Integration strategy can be defined during implementation based on requirements such as data to be exchanged, volume, frequency, and the external systems ability to utilize common integration protocols listed above.

- Fulfillment from multiple locations, i.e., customer pickup from store, ship from store, and capability for multiple warehouses

D365 has no limits on the number of warehouses. Main warehouse or distribution centers as well as stores can be setup as warehouses. Different types of warehouses such as Default, Transit, Quarantine support setting up warehouses for different purposes.

Each store is a warehouse in D365. From POS, we can default to use the store 'shipping' warehouse, or if we prefer ship from store or ship from central warehouse? The user can also select which warehouse to ship from, based upon where inventory resides. Customer pickup from the originating store OR another store that has inventory is also an option.

- Generate bar code label item tickets for merchandise in multiple sizes/types.

Item labels, including bar codes, can be printed at product receipt (the most common process) or upon demand. D365 F&SC provides the framework for this label printing, with a single out of box format. Multiple formats for labels will require some development for the different label layouts. Our most recent customer organized label formats by product type, with 4 available formats produced.

- Support a process to return merchandise to vendors, track history, and charge vendors either within the system or export to external financials.

RTV (return to vendors) is supported by purchase order type Returned order. Processing this returned purchase order will automatically generate the vendor debit (charge the vendor within the system). If the requirement is to charge the vendor outside of the system, returned orders can be set up with a purchase price of 0. Once these return purchase orders are processed, they can be exported using standard D365 data export capabilities and journal entries can be processed to offset any purchase price variance that may be generated as well as the vendor debit entries.

Return purchase order history can be tracked using standard purchase order creation date fields as well as return product shipment journal dates.

- Robust system for price management with real-time communication of changes to stores' POS.

D365 trade agreements allow setting up prices for items by different properties such as customer types (customer groups), quantity breaks and store locations. Discounts can be set up in addition by customer types, product types, quantity breaks and store locations. Additionally, multi-line discounts can be set up for discounts across lines for a particular order/store transaction based on customer types (customer groups), groups of items with rules when more than one discount applies.

Prices and discounts can be mass updated using trade agreement journals.

For complex price management beyond trade agreements, D365 provides advanced pricing capabilities with a versatile price attribute framework that utilizes attributes and data from customer, products, and order segments. With this framework, pricing can be constructed using a sequenced set of pricing components and rules.

Commerce Scale Unit (CSU) based pricing API for D365 Commerce enables pricing calculations to be retrieved by the POS system. These prices can be changed immediately by updating the stores via native integration (usually only when a pricing mistake happens) or on a schedule. Price updates 1X a day or week is most common.

- Process to manage and pay vendors for merchandise ordered, or export to financials.

D365 accounts payable module supports processing and paying vendors. Multiple invoice matching principles (2-way/3-way matching) are supported. These matching principles can be set up at legal entity level or mixed and matched by item/vendor combination.

D365 allows managing vendor payments using a vendor payment proposal option to select vendor invoices to be paid using multiple criteria such as due date and cash date. One off vendor invoice payment is also possible.

Centralized payments when there are multiple legal entities for operations and each legal entity managing its own invoices, Bridge payments (2-step posting to GL), Pre-payments, partial vendor payments, settling vendor credit notes, taking cash discounts for early payments are some of the additional capabilities within the accounts payable module to support paying vendors for merchandise ordered

- Physical inventory capability for cycle counts by item, class, dept, etc, as well as full system inventory counts using RF (or similar) technology.

D365 supports cycle counting based on established cycle count plans / thresholds or spot cycle counting. Cycle count plans can be set up using a variety of parameters such as ABC classifications, and fields available in item master such as item group (class), dimensions (department) etc.

Cycle counting work can be generated based on the last counted and the cycle count plans, which then can be processed on a mobile device. Cycle count results that result in deviations outside the acceptable deviation limits can be directed to authorized personnel for resolution.

- Ability to compare results of current fiscal periods to prior periods, inventory reporting, inventory aging, unmatched receipts, sales audits, etc. Ability to distribute and archive reporting. Reporting must include a standard suite of reports and the ability for Smithsonian users to easily design their own reporting.

D365 has a financial reporting solution to build, maintain, deploy, and view financial statements to compare results of current fiscal periods to prior periods. This tool has a report designer that allows users to build report definitions consisting of rows, columns, and trees. In addition, report definitions also contain parameters for base period, rounding, location to create the reports / publish in Excel etc.

D365 also a large set of standard reports and inquiries that provide both financial and operational information such as inventory aging, purchase orders received but not invoiced (unmatched receipts) etc.

- Sales Audit refers to the ability for accounting to audit and review cash register sales, cashier deposits, and store deposit reconciliation. In other words, the sales audit capability is used for verifying in person store purchases, not ecommerce orders which are managed the Ability Commerce software for now.

Different options exist for distribution of reports generated within D365. Reports can be scheduled to run and printed in batches, with options to specify users / distribution list to email to. Printed or emailed reports can optionally be archived in D365.

Users can use different personalization features to create grid views that can be exported to Excel.

Power BI can also be used to build rich interactive dashboards, reports with drill down capabilities and flexible filtering options. Several options are available for leveraging Power BI reporting capabilities off data in D365. These include but are not limited to utilizing Power BI content available in Microsoft Dynamics Lifecycle Service (LCS), Power BI content packs that are distributed in the Power BI marketplace / imbedded in D365 workspaces, modifying ready-made reports, extending the ready-made reports using Power BI authoring tools such as Power BI desktop, creating new Power BI reports using entity store (operational data store built specifically for Power BI integration) or using Power Tools in Excel to create visualizations. Excel options include exporting data from D365 into Excel and using Power View to visualize the data, using Power Query extension to combine the data with external data and using Power Pivot to ingest large volumes of data.

It should be noted that Argano has a Retail Sales & Analysis Dashboard powered by Power BI that also contains a loss prevention view that reports on most or all of the requested metrics. Please refer to page 21-24 for more information regarding Argano's Retail Sales & Analysis Dashboard functionality.

In addition to the above options, Argano recommends a modern data estate approach to build Data warehouse using Data Lake (ADLS) for data storage, analytics service Azure Synapse and Power BI for reporting and visualizations.

- Tools for Accounting to manage transactions and audit store sales effectively. Support SE fiscal calendar and current 4-4-5 balanced period accounting. System that supports 3-way match with invoice, PO, and receipt. Support operational accounting (i.e., adding freight or ticketing costs to item cost). Export financial data to Infor Lawson.

Support SE fiscal calendar and current 4-4-5 balanced period accounting. - D365 supports creating one or more fiscal calendars in a legal entity containing one or more fiscal years and multiple periods within each fiscal year. 4-4-5 periods can be created using the divide periods option.
D365 invoice matching policy allows setting up 3-way invoice matching at legal entity level or a combination of item/vendor with configurable rules when deviation occurs including requiring approvals.

Support operational accounting (i.e., adding freight or ticketing costs to item cost). - Freight and other costs can be handled using miscellaneous charges / landed cost. These costs can be automatically applied as an estimate when the purchase order is created and then reconciled to actual additional costs upon receiving invoices from the vendors for these charges.

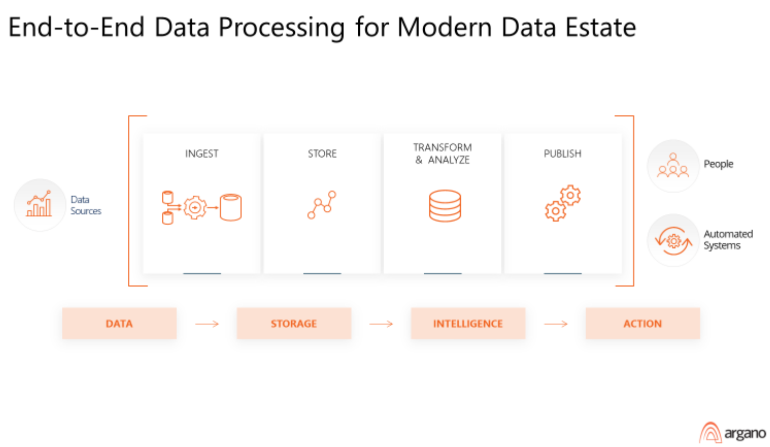
- Export financial data to Infor Lawson.

N/A as confirmed by SE in question responses provided to RFP responders.

- We currently store many years of data on our system and this historical data needs to be imported into the new system. Please include a plan for the conversion and import into the system of at least 5 years of historical data that can be accessed via standard reporting.

General ledger historical data can be imported into D365 as monthly summary balances which then can be used by financial reporting solutions for financial statements as well as built-in inquiries/ reports in general ledger module.

Additionally, Argano has a data first strategy when it comes to projects like this for non-general ledger historical data. The data first strategy would utilize the Well Architected Framework to immediately provide data value to the organization. This framework takes into account cost optimization, reliability, security, operational and performance excellence. With this framework in place the data can be prepared, processed, and shaped to Dynamics entities, which allows the data to be used for historical and near-real-time reporting and analytics immediately with Go-Live.



- Provide options for historical data storage and reporting; and implementing a mutually agreed upon solution.

Please refer to section K for more information on our data migration approach.

- Effective, defined strategy for managing data retention and clearing old data.

While using the data first strategy, you can align your data retention policy with the data in the well architected framework and depending on the retention policy, either archive it or remove it all together based on the rules.

- Integrations to ACOM (Accounting record storage – POs, Invoices, freight bills, returns to vendor) - if needed

Documents can be stored in D365 using document attachments. Available options are Azure storage or optionally in SharePoint with native integration D365. This integration will not be required.

- Recommend a replacement for our current OCR technology - Easy Access (invoicing)

There are a couple of different options for replacing Easy Access invoicing that uses OCR technology.

  - D365 invoice capture solution that creates invoices from digital invoice images. This solution uses Artificial Intelligence (AI) and Machine Learning (ML) for OCR and Robotic Process Automation (RPA) along with other components in the MS Eco Systems such as Form builder, Power Automate, Power Apps and Dataverse
  - ISV (Independent Software Vendor) solutions in Microsoft App Source that perform AP

automation including scanning vendor invoices and flexible workflow to process the scanned invoices.

- Import from UPS (for freight bills), Import from Brinks for deposit data. Support ability to send Purchase Orders to vendors via fax, email.

Automatic import from Brinks for deposit data can be done using data entities in DMF (Data Migration Framework) and scheduled import jobs.

Manual import of freight bills from UPS can be done using Dynamics Excel Add-in or data entities import job and executing it manually.

Argano recommends an online fax service that uses an email address to transmit the document as fax. Ring central and eFax are some of the industry's leading online fax service providers.

E. Retail Warehouse System Requirements

SE needs an integration to the Logiwa software in use by our third party.

Warehousing Basic Integration Requirements:

- Send all required data to and from the Logiwa software and D365

D365 F&SC offers multiple integration methods to integrate with 3PL systems. Integrations can be Synchronous using OData V4 (RESTful API) or Custom Web Services, vs Asynchronous using DMF (Recurring & API Based). Integration strategy can be defined during implementation based on requirements such as data to be exchanged, volume, frequency, and the external systems ability to utilize common integration protocols listed above.

F. Retail Mobile Inventory Management Requirements

SE is looking for a vendor to provide D365 integration to a hybrid, modern inventory control platform running D365 from installation on Zebra handheld computing devices, such as the MC9300 with Android OS. An out-of-scope project for hardware replacement will run in tandem with the D365 Commerce/ Operations integration. We seek an inventory management integration with the requirements listed below:

- Integration with handheld computing devices such as Zebra's MC9300

D365 supports commonly used warehouse processes such as receiving, inventory tracking, cycle counting etc. using a warehouse mobile app that is available on any mobile device with Windows, Android or iOS operating system installed. There are minimum OS requirements for each of the operating systems. Recommended devices and compatibility of existing devices will be done during implementation.

- Reporting and Reconciliation

Several inventory reporting options are available in D365 including on-hand list, on-hand inventory report, physical inventory by inventory dimension to track inventory by warehouse/location/license plate, inventory aging, inventory value etc. Inventory reconciliation can be done using inventory value report storage to compare general ledger and sub ledger values.

- Shipping and Receiving acknowledgement.

Shipping acknowledgement can be achieved using status inquiry of transfer order shipments (warehouse to store) as well as setting up alerts to go to specific users/distribution list when transfer order shipments are updated to shipped status. These alerts can be set up as notifications in the notification area or can be emailed.

Receiving acknowledgement can be achieved using status inquiry of transfer order receipts (store receipt of transfer orders) as well as setting up alerts to go to specific users/distribution list when transfer orders are updated to received status. These alerts can be set up as notifications in the notification area or can be emailed.

- Physical Inventory and Cycle counts

D365 supports cycle counting based on established cycle count plans / thresholds or spot cycle counting. Cycle count plans can be set up using a variety of parameters such as ABC classifications, and fields available in item master such as item group (class), dimensions (department) etc.

Cycle counting work can be generated based on the last counted and the cycle count plans, which then can be processed on a mobile device. Cycle count results that result in deviations outside the acceptable deviation limits can be directed to authorized personnel for resolution.

- Item price look up

Item prices can be looked up from released products form.

- Item (price & barcode) ticket printing

D365 supports printing custom labels from any form. Custom label layout can be created to print label from the item form that includes sales price and item number in a barcode format.

- Stock replenishment capabilities

Item coverage (planning policies) allows setting up minimum levels by warehouse (store) along with replenishment rule to refill store warehouse from a main warehouse. Master planning will generate planned transfer orders when inventory falls below the minimum (safety stock level) at the store.

Safety stock levels can be set for items against the main warehouse. Master planning will generate planned purchase orders when inventory falls below the minimum (safety stock level).

G. Financial Systems Requirements

SE will implement D365 for our financial transactions. We will require the ability to import up to 5 years of summary data from our current Lawson system.

The D365 system implementation must support the following features:

- Implementation of OCR Technology to replace Easy Access invoice workflow functions.
- Fiscal period functionality –

This functionality is provided out of box. Fiscal periods can be any length of days or weeks defined (no limitation in the software). Additionally, the system does not lock posted transactions to any specific fiscal period, allowing easy fiscal year change, if this ever becomes necessary.

- Open/Close/Reopen functionality

This functionality is provided out of box Open, on hold or permanently closed.

- Standard General Ledger with hierarchical accounting units/departments

This structure is fully configurable, and we will work with SE to determine the proper structure, which is usually driven by reporting requirements. Multiple hierarchies can be defined for multiple purposes and all these hierarchies can be used for different reporting views of financial results.

- The ability to support statistical Accounting – reporting in units and dollars

This functionality is provided out of box.

- Cost Allocation functionality

This functionality is provided out of box. Allocations can be calculated based on percentages, statistical accounts, calculations, and balances in other accounts (such as pro rata based upon each store's sales).

- Fixed Asset tracking and management in a future implementation

There are 2 flavors of this in D365. The first is simple financial fixed assets tracking, depreciation, and reporting (which is likely sufficient for SE). For more complex requirements, a full asset lifecycle management option exists. Argano would be happy to further discuss SE's needs and the ability to satisfy such requirements for a future phase at any time during this RFP process or in the future.

- Project Accounting/Activity management

This functionality is provided out of box. Project accounting can be as simple as an alternative fiscal tracking, similar to Lawson activity management, with separate budgets or as full featured as building construction with percentage of complete billings. Argano would be happy to discuss further details and SE requirements and the best option for meeting these requirements in subsequent discussion as part of this RFP process or in future discussions.

- Manual Billing and Cash Receipts

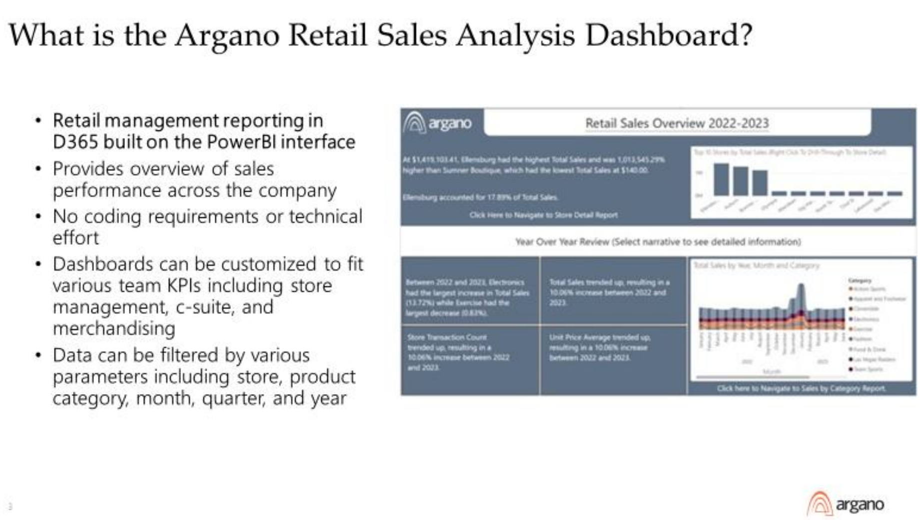
This is provided out of box.

- Reporting module for a full suite of standard financial reporting, as well as the ability to export and email reports in multiple formats, including Excel. Reporting must include a standard suite of reports and the ability for Smithsonian users to easily design their own reporting.

A fully functional integrated tool exists within D365, very similar to Lawson report writer from a setup perspective, but superior functions regarding export to Excel and electronic reporting. Most of our customers use this Financial Reports tool for financial statements. This is the tool accountants use (does not require technical skills).

For store metrics and day-to-day reporting. Argano has IP, "Argano Retail Sales Analysis Dashboard", (available as an optional offering), related to store daily reporting, including sales audit. This IP, which runs against a D365 store database and/or an external store database, uses PowerBI as a framework.

Examples of the Retail Sales Analysis Dashboard:



Overview of Store Performance

- Operational reporting is critical for store leadership to run their stores efficiently and allows leadership to make decisions in near real time
- Store management is able review performance daily and evaluate product sales
- Dashboards support the creation of various KPIs including average daily sales, Sales MoM, Product Returns, transaction count, and more

4

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Overview of Category Performance

- Provides merchandising insight into sales performance by retail category and sub-category
- Identify high and low performing products across specific locations or categories
- Compare item or category specific sales results across a group of stores, region or the entire company

5

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Meets needs of key decision-makers

- Customizable Dashboard to fit needs of each Role (**Senior Leadership, Store Manager, Merchandising**)
- No coding requirements, so costs are fixed, plus no wasted time finding outside or inside resources
- Retail Management reporting in D365 built on the PowerBI interface
- Easily sort data, like store, product category, day, month, quarter and year
- Graphs and maps to more easily visualize data

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Value to SENIOR LEADERSHIP

Overview Tab
- Provides key metrics like sales results, avg daily sales, and sales per location
- Insights into how each store is performing

Maps
- Filters to view the data you want to see (dates, stores, regions, categories)
- see the location of each store and relative store results to compare to nearby stores, regions, etc

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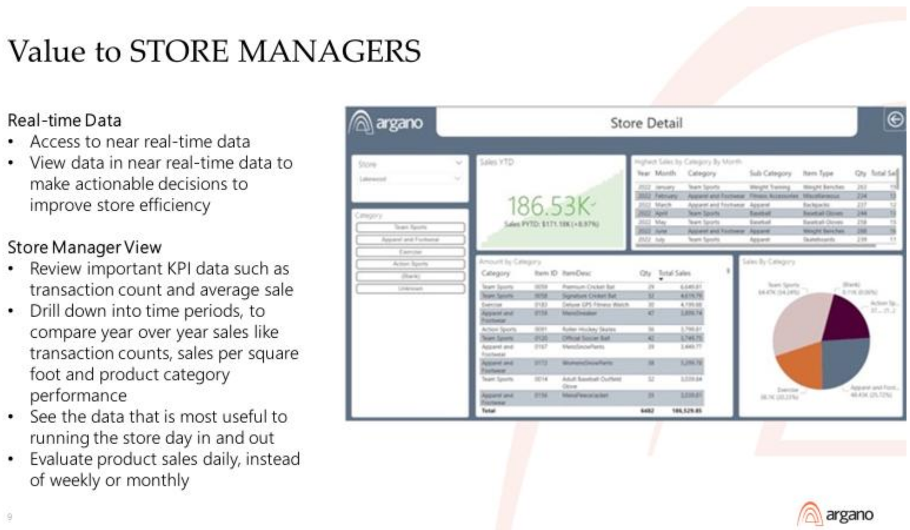


- Reporting tables to hold budget data

This functionality is provided out of box. Multiple budget forecasts per year can be saved and all can be reported using the financial reports tool discussed further above.

- Up to 60 concurrent users (only 20 users for the GL package)

- Interfaces/download/upload capabilities to/from external software packages, i.e., Cognos, Peoplesoft, Concur, ADP, ProVenue, and or ability to upload csv/excel files

D365 comes standard with a robust Data Migration Framework (DMF) that allows integration to almost every table within the D365. Additionally, our team has written integrations to most of these systems for other customer engagements in previous projects.

H. POS System Requirements

SE Retail Stores operates multiple locations within museums throughout the Smithsonian Institution (SI) and remote locations such as airport locations. Although admission to most museums is free, retail merchandise sales provide vital financial support to host museums and the SI as a whole. These operations require the support of a “state of the art” Point of Sale (POS) platform that can provide real time sales operations across multiple sales channels for multiple SI museums, specialty stores and include robust statistical and financial reporting; and provide superior product support to this varied and physically wide- ranging operation. SE is looking for a vendor to provide D365 integration to a hybrid, modern POS hardware platform running D365 from installation. An out-of-scope project for hardware replacement will run in tandem with the

D365 POS integration. We seek a front-line POS integration with the requirements listed below:

- Fully functioning offline mode (describe how this works and what network connectivity is required to function) non-merchandise sales

Offline mode is enabled with installation of a standalone D365 commerce application, to seamlessly switch between offline and online functions, as system connectivity varies. This functionality was developed with the intent of allowing store users to operate and serve customers, without concern about online and offline. When network conditions allow online operations to resume, the system reconnects automatically. A nice summary of options in this area is listed in this article: https://learn.microsoft.com/en-us/dynamics365/commerce/dev-itpro/implementation-considerations-offline

https://learn.microsoft.com/en-us/dynamics365/commerce/dev-itpro/store-commerce

Regarding network connectivity. https://learn.microsoft.com/en-us/dynamics365/commerce/dev-itpro/store-commerce

- Gift Certificates sold and redeemed (Stored Value Functionality)

Provided out of box for a solution hosted by D365. Additional gift card vendors are available, according to the payment provider SE selects for the POS.

- Check refunds based on value of refund: Sales refunds by central office (Financial system integration)

This is a workaround, but not an egregious one and we have accomplished this before with other customers.

Workaround: Initiate customer refund on POS, logging customer details as regards mailing address. Refund amount captured automatically. This transaction is pulled to back office for accounting access, automatically. Daily or weekly, accounting accesses the requested refunds and processes check payments to the customers.

- Item SKU lookup with sell from functionality

Provided out of box. Once an item is retrieved via search (multiple search fields are available, including SKU), the item can be sold with one click.

- Mobile POS (describe this implementation including required connectivity/supplemental hardware to function)

Mobile POS and pop-up store functions are some of the selling features of D365. These are usually accomplished with cloud-based installations of D365 commerce and can allow both or either tablet applications (handy for ship from store and clienteling functions) and phone size devices (which are great for line-busting and wandering checkout functions).

Microsoft is hardware agnostic as a goal, so no specific brand is required. Hardware requirements are located at this link: https://learn.microsoft.com/en-us/dynamics365/commerce/get-started/system-requirements

- Line busting (describe this implementation including required connectivity to function)

Provided out of box, discussed in the segment above.

- Merchandise Provenance: Detailed information about the merchandise presented to associate and/or customer (describe this implementation including required connectivity to function)

Sources of goods have emerged as a requirement in more recent implementations. This is satisfied with several tools in D365, including tracking source of goods and presenting to cashier in item details. These details can also be published on the customer's receipt (optional) and the cashier can be prompted or permitted to print additional details on any specific items.

- Multiple tills per POS (provision for 2 associates to share 1 POS station in tandem, separate tills)

Provided out of box.

- Send-Sales: In-store fulfillment

Provided out of box. Options include ship from this store, ship from the warehouse, ship from another store, hold for pickup, hold for pickup at another store.

- Donations: including automated round-up per transaction

Argano has IP that allows native round up per transaction donations.

These round ups are very lucrative for our other customers. Donations are posted to a configured GL account provided by SE accounting. Customer can round up to the next even dollar amount OR select a different amount of donation.

- Loyalty programs: i.e., museum membership sales and redemption based on levels (ability to enter, manage and export customer data)

D365 has a best-in-class out-of-box loyalty program, which was enhanced in partnership with one of our customers. Argano has expanded D365's native functions, which already cover different tiers, earning calculations and data export, with a reporting function PowerBI overlay, which is part of the Argano Retail Sales & Analysis Dashboard. While data export of customer data is available, the Argano Retail Sales & Analysis Dashboard may cover reporting, rendering export unnecessary.

- Customer PII collection: customer facing displays will be included in the POS hardware selection. Integration to allow customers to enter email address/contact information on the front facing display is required

Customer-facing entry functions are enabled by the D365 commerce payment device, which relies upon the payment connector selected. Multiple payment connectors are available for D365. Once SE selects the payment connector, or what payment connectors are acceptable, we can provide specifics on this requirement.

- Loss Prevention (LP): Provide best practice integration of D365 LP tools: Flags, alerts, drawer monitoring, audits, cash balance reporting (over/short, excessive refunds, voids, discounting)

The Argano Retail Sales & Analysis Dashboard (optional and described with screenshots above, pg. 21-23) has a loss prevention reporting section. This dashboard is updated with data on an hourly (or more frequent) basis, showing most or all the metrics noted above. Additional metrics can be added as part of the implementation of the Retail Sales & Analysis Dashboard, at no additional cost, as long as the metrics desired are available for calculation in the standard tables (for which Argano has prebuilt integrations). (see page 21 for Retail Sales & Analysis Dashboard information)

- Discounts and promotions (Provide step by step process of how these are managed/configured)

D365 has deep discount-building capabilities. Discounts can be a simple percentage or dollar amount off, a 'free' item when specified other items are purchased, a 'kit' price when items are purchased together, or a total discount applied to a transaction over a specified amount (tiered). Discounts can stand alone or compound together, according to configuration. It's rare that a customer's marketing team desires a promotion that we are unable to configure in D365. A nice summary of the options here are contained in this link: https://learn.microsoft.com/en-us/dynamics365/commerce/retail-discounts-overview

- Emailed Receipts (provide what, if any, additional system configuration and/or third-party resources are required to implement)

Basic emailing of receipts, using Outlook, is out of box (no additional cost or 3rd party resources). Configuration details are contained in this link:

Send email receipts from Store Commerce - Commerce | Dynamics 365 | Microsoft Learn
https://learn.microsoft.com/en-us/dynamics365/commerce/email-receipts

If SE requires more complex presentation and formatting for emailed receipts, that is available with a cost commensurate with effort.

- Reconciliation of daily revenue and inventory sales

Revenue and inventory sales are part of the standard 'end of day' process for the point-of-sale system. The system summarizes expected cash receipts for the day (alongside other receipts such as credit card, that the system tracks), and calculates any over or shortage according to manager confirmation of collected cash. Inventory is automatically decremented when sold and incremented when received, so a perpetual inventory for each store is maintained by the system.

Finally, the sales audit portion of the Argano Retail Sales & Analysis Dashboard points up unusual outages (cash and inventory) that require investigation.

I. Payment System Requirements

SE requires that our credit card processing environment is not only PCI DSS v4.0 compliant, but also encrypted on entry with P2PE compliance. Smithsonian does not store or transmit credit card data which significantly reduces our PCI scope of responsibility. What experience do you have integrating with different payment processing solutions?

We have experience with both the Adyen out of box payment connector, as well as the 2 most common ISV payment connectors (Retail Realm and Freedom Pay). While we have found the Adyen solution to be the most seamless, all are encrypted and should be compliant with the stated requirements. Please find details on each below.

Adyen (POS and Ecommerce omnichannel):

https://learn.microsoft.com/en-us/dynamics365/commerce/dev-itpro/adyen-connector?tabs=10-0-31

Retail Realm (POS and Ecommerce omnichannel):

https://retailrealm.com/rr-max/pay/
Freedom Pay (POS only, no omnichannel)

We understand that Adyen is supported out of the box with D365. What experience do you have implementing Adyen?
We worked with the Microsoft product group to develop the first version of this connector, alongside our customer team. Our customer was one of the first retailers of scale to go live with the Adyen connector. We also worked directly with Microsoft installing the Adyen connector at the Microsoft stores.

Have you integrated with Freedom Pay or other P2PE credit card solutions that process through Bank of America Merchant Services?
Yes, both Freedom Pay and Retail Realm can link with Bank of America.

Please specify if you are a Qualified Integrator and Reseller (QIR) and/or a Secure Software Lifecyle (Secure SLC) Assessor as defined by the PCI Security Standards Council.
Argano is not a QIR or Secure SLC.

For Phase 2.B, ecommerce may choose to continue to use Authorize.net.

J. Ecommerce Systems Requirements

Smithsonian requires implementation of the following:

Merchandising and Inventory Management

- Ecommerce would function as a separate line of business / company within the D365 software

This is enabled with the standard product. Ecommerce can share configurations or not, according to company policy. Reporting for Ecommerce as a business unit can be accomplished regardless of whether configurations are shared.

- Interface to Logiwa software transferring all the Ecommerce data need to pick and ship orders.

We have completed several similar projects. The usual flow is:

  - Customer orders integrated to D365, either with native D365 commerce integrations to a D365 Ecommerce site or via integrations to a non-D365 Ecommerce site.
  - Picking requests sent to warehouse for fulfillment, valid authorization on card ensured
  - Warehouse sends details of picked-packed shipments to D365
  - Sales orders updated; card amounts captured
  - Shipping details made available at Ecommerce site (for customer)

- Interface to D365 software transferring receipt and inventory data from Logiwa

Yes, we have done this both via EDI and via non-EDI integration.

- Inventory solution must support having some products that are unique to Retail and some unique to Ecommerce businesses, while at the same time supporting some products that exist in both business's product catalogs (ideally the same product, not a duplicate record, may have different pricing or other attributes).

Each store has an assortment, which can contain a subset of the products for sale. It is very common for products to be for sale in a retail brick and mortar store, via Ecommerce or both. That is the purpose of store assortments: flexibility and crossover of selling channels, where desired. The same product is designated for sale in what channels.

Regarding pricing, prices can be consistent across channels or different between Ecommerce and retail stores. Pricing can even be different between retail stores (so more expensive in more expensive markets such as New York City, etc.)

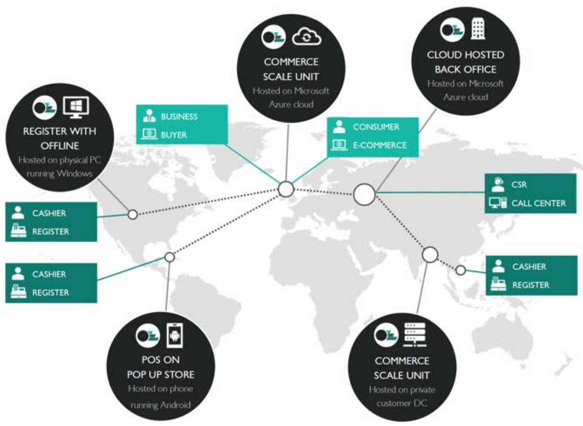
- The ability to support Ecommerce in a separate physical warehouse location.

This is a common model: a separate warehouse serving the Ecommerce site. Warehouses, such as a distribution center, may also serve the Ecommerce site, but this is optional.

- The software solution will supply inventory management, purchasing, replenishment, and sales audit functions for all the above bullets.

As noted in finance and retail store POS, the same framework system serves all these functions. It's integrated out of the box by Microsoft, so inventory management, purchasing and replenishment all flow through the system (with demand feedback from store-Ecommerce sales). For sales audit, as noted further above, we have a loss prevention reporting page included with the Argano Retail Sales & Analysis Dashboard. Some pictorial representations of the integration are below.

One Commerce Engine Everywhere



Breaks Down the Silos Across the Business

Order Management and Customer Service

Smithsonian Enterprises plans to have its Ecommerce line of business use the new D365 software. When this happens, the Ecommerce business will replace some functionality provided by the current Ability Commerce Order Management System (OMS).

Smithsonian Ecommerce needs the following features:

- Support of direct-to-consumer business including:
    - Order entry by customer service rep (phone orders)

      Yes, via call center functionality, which is fully integrated as an omnichannel with POS and Ecommerce. Customers can be shared across all channels and pricing-promotions can be consistent across channels or individual by channel.

    - Capture orders from Ecommerce website

      Yes, with native D365 commerce integrations to a D365 Ecommerce site or via integrations to a non-D365 Ecommerce site.

    - Total order management

      Yes, via call center.

    - Payment integration

      There are multiple options for call center payment connectors. If omnichannel payment integration is desired, our experience is Adyen or Retail Realm work best.

- Live customer service functions via email, phone, SMS, or chat; or have ability to tightly integrate with a customer service platform.

Email and phone customer service options are available in the D365FSC product, which might be a great starting point. More full-featured customer service options are available using Argano CX Connect or Microsoft CRM.

- Integration with inventory systems for near-real time inventory availability.

Fully integrated to inventory as described further above. Via configuration, we choose how much inventory availability to display on the Ecommerce site.

- Integration with warehouse management system.

Yes, both a simple inventory-warehouse option is available or (if more functionality is needed), an advanced warehouse option.

- Order distribution capabilities to send order fulfillment to one or multiple distributors, including drop-ship support

Drop ship payments with automatic vendor PO creation for specified items, is included out of box. Further, each order (purchase and sales) can have different shipping addresses per line.

- Seamless integration via interface with the BigCommerce ecommerce platform

We have integrated to Ecommerce providers multiple times, different providers, both using a D365 connector (if applicable and practical) and via custom integrations. We have provided an estimate for integrations in our quote and will work with SE on specifics of the integrations.

- Seamless integration with customer service platform.

Yes, with either D365FSC call center as the customer service platform OR with Argano CX Connect as the customer service platform.

K. Data Migration and Reporting Requirements

- Migrate at least 5 years of historical data into D365. Data will include summary sales, summary financial and merchandising data, and historical purchase order data and receipt history.
    - For our operations to function, our staff needs the ability to see at least 5 years of history on a single report
    - For example, a buyer makes decisions based on item performance over the past 3

years and because of the impact from the pandemic additional years of data are needed

Discussion on the Smithsonian Enterprises data strategy and data retention/historical data is highly encouraged to ensure the optimal approach is developed for current and future business needs.

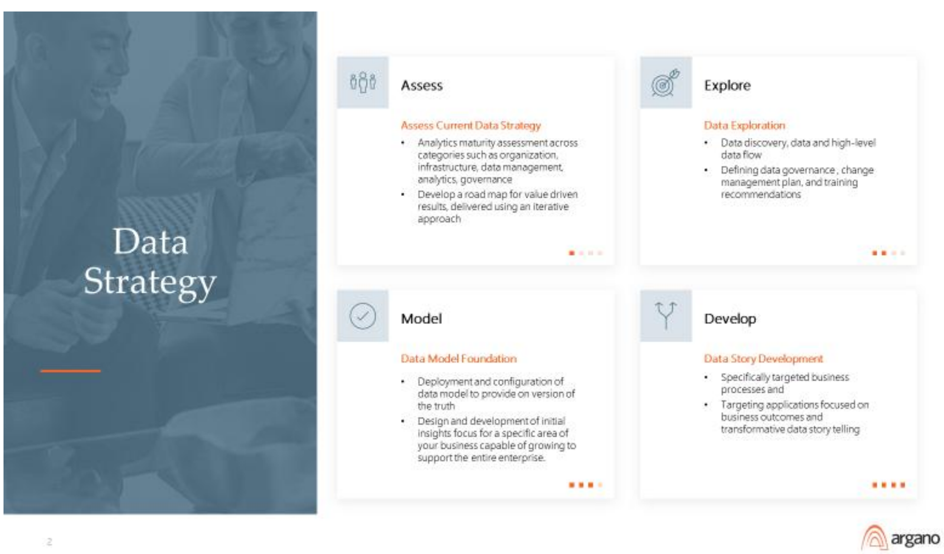
Thus, we'll want to discuss actual data needs for/with SE to land at a mutually agreeable and right sized history to migrate.

More typical implementation data requirements usually load 3 yrs. of financial transactions, (GL only), for financial reporting. All other history (sales etc.) is typically not loaded in D365 but in a data lake or data warehouse.

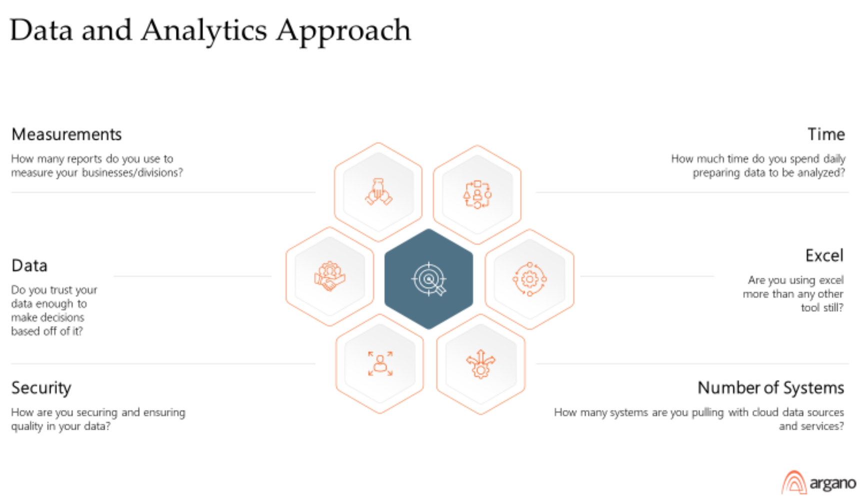
Moreover, Argano takes a programmatic approach to data migration to ensure our customers are able to access the data they need when they need it. Our approach is outlined in the following slides:

Argano Data Strategy

It is essential to determine, define and outline your data strategy.



Determine essential data needs.



- Import selected legacy data to reporting database

Please see our response above.

- System must provide robust reporting that includes the ability to see consolidated new and historical data, and the capability to compare results of current fiscal periods to prior periods

D365 has a financial reporting solution to build, maintain, deploy, and view financial statements to compare results of current fiscal periods to prior periods. This tool has a report designer that allows users to build report definitions consisting of rows, columns, and trees. In addition, report definitions also contain parameters for base period, rounding, location to create the reports / publish in Excel etc.

D365 also a large set of standard reports and inquiries that provide both financial and operational

information such as inventory aging, purchase orders received but not invoiced (unmatched receipts) etc.

Additionally. KPI reporting, week over week and day over day reporting, is the function of the Argano Retail Sales & Analysis Dashboard. It can also report on historical data (data not within D365) as it has the ability to combine D365 data with other data sources.

- The ability to distribute and archive reporting

Reporting distribution: Fiscal reporting, Financial Reports, while they can be made available in D365 on a self-serve basis, they are usually downloaded to a SharePoint site for users to self-serve or distributed by Finance-Accounting.

Via the Argano Retail Sales & Analysis Dashboard, users access the reporting via a link; they can also drill down on the reports and narrow-direct the focus of reporting, from that link.

- For each component included in your proposal, provide exhibits of the standard reporting available

Microsoft Dynamics 365 provides hundreds of out of the box reports. Please refer to the Appendix for a list of these reports.

- Describe in your proposal your general approach toward data conversion and how you would work with SE to conclude what should be converted.

Argano has a data first strategy when it comes to projects like this. The data first strategy would utilize the Well Architected Framework to immediately provide data value to the organization. This framework takes into account cost optimization, reliability, security, operational and performance excellence. With this framework in place the data can be prepared, processed and shaped to Dynamics entities, which allows the data to be used for historical and near-real-time reporting and analytics immediately with go-live. This data conversion plan has been utilized by small and large enterprise organizations.

Typically, the implementation team will provide templates for loading the data in D365. We assist the customer in mapping these templates to their existing data. The customer will create repeatable processes to populate these templates. The data is then loaded by the implementation team for testing and validation.

Data will be loaded four (4) times (2 test, 1-UAT and 1-Production) to test the process and fine tune the mappings.

Note: Customer is responsible to validate migrated data, while Argano will be responsible for data that is migrated.

Data and Analytics Survey

This Strategic Insights Survey takes 10-15 minutes to complete. We ask that it be distributed to a minimum of 30% of staff who will be impacted. These inputs are critical to determine your organizations readiness for change.

The survey contains questions to help Argano make the best recommendation for your project in scope, approach, and change management.

Assess

Assess Current Data Strategy

- Analytics maturity assessment across categories such as organization, infrastructure, data management, analytics, governance
- Develop a road map for value driven results, delivered using an iterative approach

Explore

Data Exploration

- Data discovery, data and high-level data flow
- Defining data governance , change management plan, and training recommendations

Model

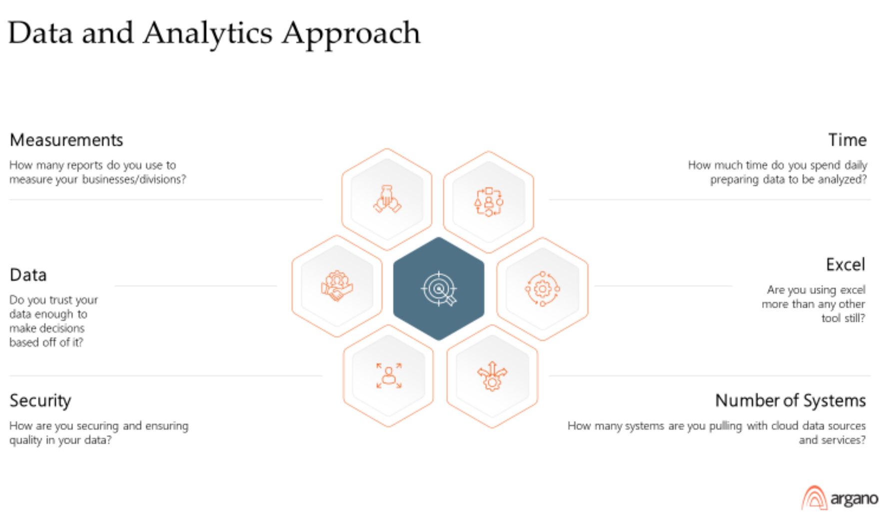
Data Model Foundation

- Deployment and configuration of data model to provide on version of the truth
- Design and development of initial insights focus for a specific area of your business capable of growing to support the entire enterprise.

Develop

Data Story Development

- Specifically targeted business processes and
- Targeting applications focused on business outcomes and transformative data story telling


Data and Analytics Approach
Measurements
How many reports do you use to measure your businesses/divisions?
Time
How much time do you spend daily preparing data to be analyzed?
Data
Do you trust your data enough to make decisions based off of it?
Excel
Are you using excel more than any other tool still?
Security
How are you securing and ensuring quality in your data?
Number of Systems
How many systems are you pulling with cloud data sources and services?
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Data and Analytics Workshop
Data and Analytics Survey
Define Project Roadmap
Assess Current Maturity
Finalize Roadmap
Data and System Exploration
Surveys
• Stakeholder Surveys
• Data Source Gathering
• Reporting Identified
Current State
• Assess Current Analytics
• Data Exploration
• System Exploration
Roadmap
• Phase breakdown
• Project roadmap
• Identify Data Opportunities (industry trends, efficiencies, optimization)
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- We will need the ability for users to be able to create their own reports. Is there a built-in tool for creating reports, if not, what is the process to create new and different reports?

For financial reporting there is a dedicated tool called 'Management reporter', for other custom reporting typically PowerBI/Datalake is used.

- Will we have the ability for our developers to access the database directly and use reporting & BA tools to query and analyze the data?

The production instance of the oltp DB is not directly accessible, but data can be exported to a datalake near real time.

a. Data Archival and Retention Requirements

The vendor will recommend a strategy for data retention and archiving of historical data. Provide options for reporting on archived data.

Currently, there are no out of the box solutions available for data archiving. Microsoft is working on building this as part of D365, but an ETA is not yet available.

However, by utilizing the Well Architect Framework, data will easily be able to combine historical data and Dynamics data for reporting and be able to provide YoY metrics.

L. Integration Requirements

The vendor will build all required automated integrations with external systems and provide the source code. The vendor will also advise about options for the export and import of data for interaction with external systems.

D365 has several options for integration with external systems. What toolset is used is determined by the requirements of the integration, data volume, data structures, frequency, etc.

For large volume integrations, automated file-based imports and exports are available via the built-in Data Migration Framework. Typically, these are augmented with Azure logic apps and Azure functions to build a solid automation of the integration.

Real-time integrations or full-custom integration services can also be developed if required. All source code and artifacts will be available to the customer.

Integrations

- Logiwa
- GK POS to D365 (temporary)
- ACOM document storage, if needed

Imports/Exports

- Brinks
- UPS
- Customer Database Platform
- Service Bureau

M. Security Requirements

The Smithsonian's security requirements are set forth in Section II.A.11 and 12 and in Exhibit B, attached hereto.

In order to confirm the implementation is reliable, redundant, and secure, please provide answers to the following questions:

- The selected vendor is required to adhere (and shall require its subcontractors to adhere) to the requirements set forth in Exhibit B, Smithsonian Privacy and Security Clause, attached hereto

- Please specify the security controls that will be in place for protecting Smithsonian data while it is being migrated to D365. Will the data ever be stored or processed in an alternative location (such as a staging area) during the migration process?

Since D365 is a cloud-based solution, the data will need to be transferred from its current location to the cloud. We can work with Smithsonian Enterprises to make sure this is done in a controlled and secure manner.

Utilizing the well architected framework, data will be encrypted at rest and in transit and Azure AD with necessary RBAC roles will be implemented. Key Vault will be used to ensure full encryption as well.

If the data needs to be manipulated or loaded in temporary databases for transformation and/or cleanup functions, then this will be done in an approved and secure way. This applies to both the data that is to be migrated to D365, as well as the historical data that needs to be fed into the data lake.

- Throughout the engagement, the selected vendor will provide technical documentation specifying the implementation details, and the security controls in place that protect Smithsonian data during the migration and final implementation.

Please see the above response. Argano will set up, document and adhere to secure processes when handling the data. The setup and documentation will be developed at the start of the project once the security requirements are gathered and agreed upon with the customer so that the process can be approved.

Argano Audit and Security Manager (ASM) Intellectual Property (IP).

Argano has IP built around Audit and Security, which may be of interest and value to SE. This IP is an extension of D365 that improves how you manage security internally while helping you be proactive and prepared for external audits of security systems and processes.

ASM key features:

70+ Pre-packaged Segregation of Duties (SoD) rules based on SOX Section

- Natively built and operated within Dynamics 365 Finance
- Proactive SoD rule validation at time of role assignment
- Task recorder based – role fit security management
- Built-in reporting for security and audit preparation

We will include this IP as "optional' with our total comprehensive solution and will list the pricing separately for your consideration.

Please refer to the Audit & Security Manager Fact Sheet in the Appendix.

N. Support Requirements

In order to help us understand the scope and strength of your platform support services, please provide answers to the following questions:

- Does your firm offer comprehensive, 24/7 support for D365 solutions and integrated technology? What SLAs are in place? When can staff expect answers to their inquiries?

Argano Client Care support has an average of 11.5 years of experience and the managed services team consists of functional and technical consultants who will assist with best practices, industry expertise and case resolution.

Answers to inquiries vary based on the nature of the inquiry. Our client care services are not just break/fix, and encompass also smaller enhancements etc., and may also require escalation to Microsoft in certain circumstances, or code fixes to resolve reported issues.

We have team members monitoring our inbound queue during our opening hours, and a lead assigned to each account to help ensure progress of tickets. Tickets are triaged as they are acknowledged when received per the SLA. We also meet with clients on a weekly basis to continue updating and aligning on priorities etc.

Service Level Agreements ("SLA")

Client Care coverage hours are from 8 AM to 8 PM (United States Eastern time zone) - Monday through Friday, excepting Argano holidays for North America, as posted on MyArgano.com.

Weekend and Holiday Support: Argano is open to having discussions with SE re: any retail/store weekend support needed to determine the level of support, hours, etc. and provide the best pricing options for this if we are selected or shortlisted. Holiday support can also be arranged with advance notice and is typically double the base rate with a 1 hour minimum.

SLA is based on initial response time only. Resolution time varies based on the case and cannot be guaranteed.

Issue Priority Definition/Levels

Critical - Production system not operable. Note: This priority is only applicable for a production environment. The client accepts that they should use the Critical classification judiciously so that valid emergency incidents receive the necessary resource allocation from Argano.

Major - Major loss of function in production system or environment. System up, major function impaired, multiple people affected, ability to conduct business in an efficient manner is impacted. Unplanned activities or issues not affecting the production systems directly. Application, content, or other issues that impair delivery or reporting. Issues which halt one single department of the organization etc.

Minor - Minor loss of function, non-production system problem, or other problem where easy workaround is present. System up, single user impaired, no showstopper, but the issue needs to be resolved. General technical or policy inquiries; documentation requests.

Trivial - Cosmetic problem like misspelled words or misaligned text.

- How do end users’ interface with your support team? Do you provide phone or email options to contact the support team? Describe the hours of operation and location of support team and the full breadth of their support capabilities. Is your support team onshore or offshore?

Users enter their queries via a portal – myargano.com - for general support. The Argano Client Care lead also provides their phone number in the event of a critical issue/out of hours support escalation.

We leverage ADO/ our CE ticketing system to capture details on support requests and will have Teams calls for screen sharing etc. as required and during weekly status calls.

Current hours are 8am EST through 8pm EST, with a provision for critical care via a phone call if a need arises outside of this window.

Our team is primarily onshore, augmented with resources in other geo-locations that include North America, South America, Europe, and India.

The Managed Services team is staffed to cover a wide variety of skills and expertise, including Finance, Supply chain, Technical/Development/Integrations, Project Accounting, Power Platform, CE, reporting to name a few. The Managed Services team can also draw on the larger Argano delivery team if other expertise may be required.

MyArgano portal

All managed services, client care and support requests are tracked in Argano's web-based ticketing software (www.MyArgano.com). The MyArgano portal is a ticketing system used by clients to submit tickets and requests through to the Client Care and Managed Services team.

The MyArgano portal is used by Argano Client Care and Managed Services consultants to track notes, documents and correspondence for incidences or work requests. The MyArgano portal provides Clients with a list of their open and closed incidences or work requests, as well as communication history.

The MyArgano portal provides Clients with the following benefits:

- Creation of new tickets
- Correspondence with Client Care and Managed Services consultants
- Addition of notes to existing tickets
- Addition of attachment to existing tickets
- Unlimited number of client users
- Visibility into the work performance and notes/attachments by the consultants
- Visibility into the status of all existing tickets

Client must identify the appropriate user(s) who may approve requests for adding users to the MyArgano portal.

If a critical escalation is required outside of standard hours, a case must first be created using the MyArgano portal. Next, the authorized user will contact their assigned after-hours contact by phone.

- Please describe the account management team structure that would support this relationship.

Where does the account team report within the organization?

All clients are assigned a Client Success Manager (CSM) (reporting to VP of Sales) and Director of Strategic Engagement (DSE) (reporting to VP of Strategic Client Engagement) who help with strategic planning and road map.

For managed services clients, they also interact with a Managed Services lead, who oversees week to week and tactical issues.

Executive sponsorship is also in place for each client (typically a VP, reporting into the President of Microsoft tower in Argano).

- How does your firm ensure efficient bug fixes and system maintenance minimizes impact on system access?

We work with your IT team to ensure that service windows are scheduled and communicated ahead of time. Ensuring that notifications are sent for required windows and that clients have been consulted and approve the maintenance window prior to work being started.

- How are clients informed of updates and changes to the platform once the system has gone "Live"? How much notice do you provide?

Once the solution is live, we ensure that we have mapped out when published updates are coming from Microsoft to ensure we are planning and aligned on resource needs for regression testing/future release versions etc.

We do monthly (7x/year) D365 F&SC what's new sessions to educate our clients on changes and new features coming that they might want to be ahead of.

During weekly status calls, leads will also inform clients of any features or changes they may want to consider or may be impactful for them.

- What are the escalation procedures for major issues?

Escalations can be made via email or phone call to the Client Success Manager, Director of Strategic Engagement, or Director of Client Care.

- System Upgrades – frequency and upgrade process, describe how upgrades impact the production environment, typical duration to perform an upgrade. Are the upgrades covered in the services agreement or are there additional costs for the upgrade?

After going live on Microsoft D365, the client must take a minimum of 2 software updates per year. A maximum of 3 consecutive updates can be paused. Along with these updates, proactive quality updates are also released that must be taken.

The typical duration to perform an update (I say update, as this is not an upgrade), varies. There are opportunities to review and deploy automated regression testing that we would recommend reviewing once stability is reached following the initial deployment.

If regression testing for an update is done manually, we would typically require business process owners to assist with a regression testing cycle, scheduled for a couple of hours per business process to occur over a week. From there, the window to move the update into the production environment is usually 2-3 hours of downtime. This is pro-actively scheduled.

Assisting in project management, technical code deployments are included as part of the managed services offerings.

- After the initial implementation phases are complete, what types of end user support can we expect from your firm?

The Argano managed services team can provide end user support as well as support for the IT team. This would be determined based on your actual needs.

Our typical working model is issues are triaged by our customer's IT team first, determined to be issues, and then escalated to the managed services team.

In this way, we can be sure that requests that are being made for enhancements etc., have been vetted and approved. If there is a need to meet with users to advance issues/understand steps taken to find issues or provide training etc., then we would work with the client to schedule or work directly with the end user.

If there is a need to provide end-user support, this can be arranged as part of the agreement, as well as aligning on an approval path for requested modifications or enhancements.

- The vendor shall provide in its proposal an overall description of training methods, including general timeframes, nature, level, amount of training and cost.

Argano will provide Smithsonian Enterprises with onsite end-user training addressing the education, understanding, and practical application end users require to be confident and comfortable with the core functionality of the solution in their areas of responsibility. This is done in a role specific approach to optimize and reinforce their learning experience.

Argano Training Method

Argano will lead an End-User training initiative as requested in this RFP for the Dynamics 365 platform. Argano will perform the following Training activities:

Training Planning and Strategy

It begins with an assessment of the Smithsonian Enterprises users in conjunction with the project scope to determine the final course curriculum (ensuring the right courses are delivered) and further define the details of the delivery approach. A Training Plan document will be created to outline the deliverables needed, general schedule, and roles and responsibilities that will contribute to successful training sessions. Due to recommended class size limitations, the number of users in each class will have a direct impact on the number of iterations of each class and the overall schedule.

The Training Plan will include the following content:

- Training Curriculum
- Training Roles and Responsibilities
- Training Delivery Methodology
- Training Material Types
- Training Location(s)
- General Training Dates
- Number of users, user groups, and user locations

Argano is considered the author of the Training Plan deliverable. Smithsonian Enterprises will be responsible for providing input and completing the final review and approval of the Training Plan. Smithsonian Enterprises must approve the Training Plan before the training content development can begin.

Training Content Development

Argano will provide custom training materials to facilitate the training sessions. Materials for facilitation would include Slide Decks, Quick Reference Guides, and Learning Lab, which are further defined below. Content is created from a blend of standard Dynamics 365 content as well as business process-specific information relevant to the Smithsonian Enterprises D365 solution. Smithsonian Enterprises is responsible for content input and final review of the training materials.

Training Delivery

Argano will be responsible for training SMEs on how to complete their work efficiently and accurately in the new D365 system. Instructor-led classes will contain a visual or demonstration component and a hands-on component with time for questions, answers, and troubleshooting.

Slide Decks: provide visual and conceptual overviews of class content before the instructor leads a demonstration.

Quick Reference Guides (QRGs): are a key training deliverable to this project. These deliverables will serve as step-by-step job aides for users. These overviews or “cheat sheets” will highlight steps of key processes to provide a quick, easily accessible reference. These reference materials can be printed and placed at work points where step-by-step instructions can be reviewed as needed. SE can combine the QRGs into a single User Manual if they find that helpful. However, these QRGs will not be designed to provide a comprehensive task-based manual for employees to reference all process permutations and exceptions across the entire D365 system.

Learning Labs: will provide hands-on exercises for End-Users to practice the processes required by their job within a training environment. Learning Labs do not provide a step-by-step guide on completing the process. Rather, End-Users will be encouraged to use the Quick Reference Guides if they need step-by-step instruction to complete an exercise.

Please see Appendix for Examples of Slide Decks, Quick Reference Guides, Learning Labs.

Training Courses in Scope (subject to revision at the start of the project if/as needed)

Argano recommends the following 14 training classes, delivered on-site at the Smithsonian Enterprises project location, to be advised. Classes will be further detailed in a Curriculum Design Document as user groups and functions are more clearly defined through the Analyze Phase of the project.

Smithsonian Enterprises and Argano will work together to build a finalized list of classes and their individual topics and demo/lab content before training content development begins for End-User Training.

1. Basics & Navigation of D365
2. General Ledger
3. Accounts Payable
4. Accounts Receivable
5. Cash & Bank
6. Product Information Management
7. Inventory Management
8. Inventory Costing
9. Procurement
10. Purchase Pricing
11. Purchase Order Management
12. Projects
13. Master Planning
14. MRP for Buyers

These sessions take the End User “day in the life” approach, are processed based and modular focused. End users will need to attend only the classes relevant to their role. Class limit is a maximum of 30 End-Users in an on-site classroom with a single Argano trainer. If for whatever reason classes require more than 30 participants, these require additional trainers and/or repeated over multiple iterations.

Smithsonian Enterprises will assist in the management of training logistics, which includes the room setup, scheduling and disbursement of invitations, training document distribution, and determining which users should be present during each class.

All above classes will be facilitated using the following 3 training deliverables: Slide Decks, Quick Reference Guides, and hands-on Learning Lab exercises. Examples are provided in the Appendix, as previously noted.

All classes will include visual instruction, followed by demonstration and hands-on learning. Hands-on learning will occur in a training environment populated with user's appropriate role, training user Ids, and relevant data.

Argano is responsible for the development of all training deliverable content. After go-live, Argano will provide Smithsonian Enterprises editable versions of all the training materials used in each class. This will allow Smithsonian Enterprises to reuse and update materials for user onboarding and ongoing training and reinforcement.

Training Assumptions

- Content is created using common platforms like Microsoft PowerPoint and Word so that the Client may easily update training in the future as new team members are onboarded, and business processes change.
- The client will provide an SME to assist in the facilitation of each training class to moderate the classroom and to answer client business-specific questions the Argano trainer may not be able to answer.
- No greater than 1 Slide Deck, 1 set of Learning Labs, and 5 Quick Reference Guides will be made for a single class.
- All hands-on (Learning Lab) components of end-user training will take place in a training environment. Learning Labs will be no longer than 2 pages per lab and will be general in nature to give users basic hands-on practice in the environment.
- Quick reference guides will be no longer than 10 pages per guide.
- All custom training materials created by Argano will be in English with no translation to other languages.
- Client will invest in a dedicated D365 Training environment with training data if there is an expectation that training shall include hands-on practice for users.
- Client is responsible for the creation of any training content related to Integrations or ISVs.

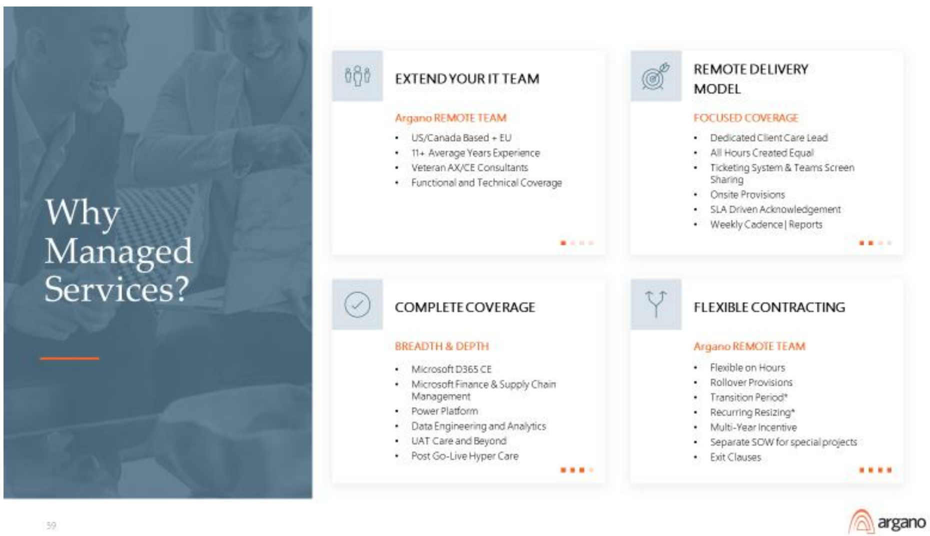
- When someone in our organization starts wondering "How do I ... ?" will SE have your responsive expertise on tap or is end user support outsourced?

The Argano managed services team are dedicated resources and are not outsourced. Requests for “how do I” or other issues are submitted to the managed services team via a ticket, and either a response would be issued, or time would be scheduled to review the request and provide feedback or guidance.

- Are support costs calculated annually based on estimated hours required to keep the business functioning or is the cost calculated in some other way?

Argano Managed services agreements are typically one or two years in duration and have an outlined invoicing schedule and amount per quarter defined, based on the number of hours.

There are roll-forward provisions if all hours in the quarter are not consumed, and there are overage provisions that are invoiced separately if additional assistance is needed in a quarter over and above what is invoiced and outlined in the agreement. Argano and SE will meet to discuss the hours per quarter and together determine the ‘starting’ hours, or ‘base’ per quarter for your first year. During the first quarter of the first year, referred to as ‘transitional quarter’, there will be no overage hours or associated fees and you have the opportunity to ‘resize’ or change the hours for the remaining quarters in the first year, based on the actual hours consumed /needed during that first quarter. There are also cancellation clauses allowing you to cancel should you so desire.



O. Staffing Requirements

The vendor shall provide a staffing plan as part of its proposal, including the designation of the Principal or Project Manager, who will have direct and continued responsibility for the project. This single-point-of- contact will be SE's vendor contact on all matters dealing with the project and will handle the day-to-day project management activities through completion. The vendor must detail in its proposal all personnel assigned to the proposed implementation team, including a listing of their individual job responsibilities for this project. Resumes should be included for all personnel that will be assigned to the project.

Project Manager Qualifications are as follows:

- Be a permanent employee of the firm
- Oversee all aspects of the project
- Serve as the constant primary point of contact for SE
- Minimum of ten (10) years of relevant experience
- Project Management Professional (PMP®) certification through the Project Management Institute (PMI) is preferred
- Key Team Members Qualifications
- Minimum of five (5) years of relevant experience
- The vendor shall also provide an overall project management approach as part of

its proposal, including a project organizational structure, which identifies anticipated SE staff involvement during the project. Identify the roles and responsibilities of each component of this structure.

Our project team will be comprised of Project Governance and Architecture resources and Consulting resources. Consulting resources generally include Functional Consultants per functional area or workstream as needed e.g., Finance Consultant, Supply Chain Consultant, Warehousing Consultant etc. In addition, there will be Technical Consultants that perform technical tasks such as enhancement and report development, a Security Consultant assigned to implement role-based security, a Data Consultant for BI and data related tasks and QA Consultants for regression and quality testing.

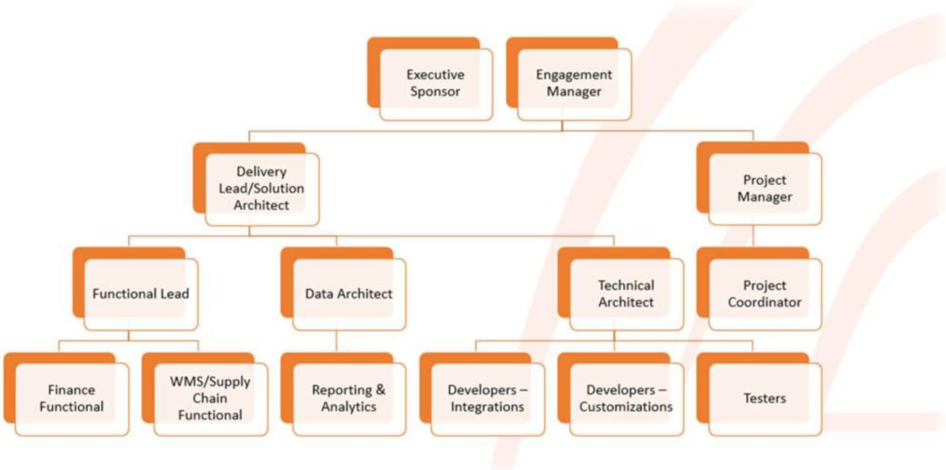
Project Governance team will consist of a seasoned Project Manager, Project Coordinator, and a set of architects – Technical Architect, Solution Architect, Data Architect. In addition, there will be a System Engineer responsible for environment management and other system engineering functions.

An Executive Sponsor will be assigned that will oversee the project at an Executive level. Detailed roles and responsibilities of the roles can be provided during the Project Initiation Phase. A typical organizational chart of the deployment team is shown below for illustration purposes. Roles are provided without committed names at this time.

Ideally, we generally expect a mirroring of our project team from our clients. Ultimately, we want Smithsonian to own the solution implemented. By dedicating a project team to work with us, we end up with a system more tailored to your needs and the transition of ownership of D365 to Smithsonian is much smoother. We are open to discussing any challenges Smithsonian may have regarding your project team as well as review the ideal/recommended roles and responsibilities for both Smithsonian and Argano as outlined in this RFP response.

Named resources are part of the Argano on-boarding process to ensure that they align with the final formal Statement of Work (SOW). However, the project leadership team structure below is a recommended example and will be assigned at this point in the process (once a SOW has been signed and a start/end date identified) to the extent that they are available upon SOW execution and project start

Argano Example Project Team



It is Argano's practice to identify and name specific team members when the project SOW has been signed/executed and project start dates/kickoff have been finalized. Please see below for several sample bios for SE's review. Included below are bios for a Project Manager, Sr. Solution Architect, VP of Technology Services (also Technical Lead), and Sr. Application Consultant, representing potential team members and reflecting the seniority and experience of Argano's implementation team. Another key differentiator for Argano is that the consultants have all spent time in customer roles – so the roles of you and your team members – thereby having an appreciation, insight and understanding of industry/business needs, pain points, terminology, business processes, and best practices based on real time experience as a customer. We hire this customer experience by design, in support of our mantra "business process first, technology second'. When you couple the customer experience with the technology and software solution experience, you, our client, gain tremendous benefit.

Kathy Burkett

Project Manager

argano

HIGHLIGHTS

- PMO Oversight and Governance
- Project Management
- ERP Software
- Non-Profits

SPECIALTIES

- Effectively planning and managing strategically aligned projects
- Successfully implement business process innovation and organization transformation
- Implement new technology and improve user adoption

CERTIFICATIONS

- Microsoft Dynamics AX2012 Financials Certified
- Project Management Professional (PMP), Project Management Institute

EDUCATION

Business Administration

Accounting And Computer Science

1

SUMMARY

- 25+ years of experience managing complex, multi -year projects throughout the technology delivery life cycle; 8 years of Kathryn's experience was spent working directly for Microsoft.
- Worked closely with over 120 companies spanning various industries in the careful selection, planning and implementation of integrated business management solutions.
- Directed multi-disciplinary project teams of consultants, developers, partners, business leadership, and customer staff.
- Vast knowledge and experience envelops many areas of the enterprise business services delivery needs including being project/ program manager, business advisor, mentor, and team -building coach.
- Kathy works closely with customer's PMO at the start of the project to determine how to leverage customer's existing PM tracking and scheduling tools – and combined with ITK's Solution Delivery Framework, traceability tools and process model.
- Adapts the project approach, governance and controls to fit the size, scope and complexity of the project and the solution being implemented.
- Familiar with traditional PM tools, methodologies and Agile PM techniques, tools, and technologies.
- Collaborative PM team approach.

RECENT PROJECT EXPERIENCE

- Worked closely with Solution Architect and Customer's internal PM, project sponsor and key stakeholders -- to align overall project priorities, scope and expectations through -out the entire project life cycle for a complex project, across multiple geos
- Complex multi-country/entities, multi-currency and international compliance requirements
- Complex internal and external system integrations – including working directly with Unit 4
- Solution Tailoring and Custom Extensions required to meet customer -specific requirements
- Worked with internal PM to establish and adapt existing SharePoint project team site hosted by IT.
- Adapted and aligned it with Unit 4's implementation methodology
- Blended with internal IT/PM methods and business processes.

Tyler Barron

D365 F&O Sr. Solution Architect

argano

HIGHLIGHTS

- Microsoft Dynamics AX/D365 F&O
- Finance
- Retail
- Trade & Logistics

SPECIALTIES

- Multi-Channel Retail
- Manufacturing
- Global Distribution
- Network Services
- Publishing
- Restaurant / Dining Retail

CERTIFICATIONS

Microsoft Dynamics D365 Commerce

Microsoft Dynamics D365 for Finance & Operations – Finance

Microsoft Dynamics D365 for Finance & Operations – Fundamentals

Microsoft Dynamics AX 2012 Trade & Logistics, Finance

EDUCATION

Bachelor of Business Administration in Finance

SUMMARY

- Seasoned Solution Architect for complex Dynamics 365 Finance & Operations, and Commerce projects
- Develop and support e-commerce integrations.
- Retail Call Center and POS experience
- Extensive experience with DevOps/VSTS and LCS
- Business analysis: profit and loss (P&L) by revenue stream, and various combinations of financial dimensions
- Financial statement preparation and multi -entity consolidation
- Lead migration and integration effort
- Challenge conventional thought to present new solutions using standard product offerings
- C-level presence with conceptual, hands -on demo and training presentations
- Provide value to customer by understanding core business processes and adapting needs into efficient results.
- Reconciliation: cash, credit card, account balance and calculated P&L versus actual
- Treasury services: tracking, reporting, forecasting and reconciliation. Banking services and integration to ERP
- Budgeting and forecasting, actual to plan gap analysis
- Multi-dimensional ledger, consolidation, multi -currency.
- Microsoft Dynamics AX/D365FO implementation including requirements gathering, process design and system configuration

RECENT PROJECT EXPERIENCE

- Dynamics 365 Commerce POS, 500+ stores, global company with complex integrations and industry specific process adaption.
- Dynamics 365 For Finance & Operations, Commerce. Large retailer with 120 US stores and 14 Canadian stores selling kitchen cookware.
- Retail and Commerce Delivery Architect
- Upgrade from highly customized AX 2012 R2
- Standardize business processes utilizing new features through version .30
- Complex competing discount concurrency scenarios
- Distributed order management for location -based warehouse routing of Sales Orders
- Functional Finance and Supply Chain Consultant
- Trade & Logistics, finance and Finance support for preparation to go -live

Rob vanBrandenburg

VP of Technology Services

HIGHLIGHTS
- Technical leadership
- Wide technical experience

SPECIALTIES
- Hands on integration design and development
- D365 SCM/Finance/Commerce technical implementation and management

CERTIFICATIONS
- Microsoft Dynamics Management & Implementations
- Microsoft Dynamics AX Installation & Configuration
- Microsoft SQL Server 2008, Implementation & Maintenance
- Microsoft SharePoint 2010, Application Development
- Axapta 3.0 Installation & Configuration
- Axapta 3.0 Programming
- MBS SQL Server Foundation 7.0 Oracle DBI
- Oracle SO2 Oracle DBA7

1

SUMMARY
- 20+ years of IT experience including significant international implementation and development experience in Microsoft Dynamics AX/Dynamics 365 for Finance and Operations. (Finance, Supply Chain, Commerce)
- Held various functions with increasingly higher responsibilities at organizations delivering ERP consulting and development services.
- Participated in at least ten full cycle AX implementations over the past six years, starting with AX3.0 up to and including Microsoft Dynamics 365 for Finance and Operations. He is a motivated problem solver and quick learner who prefers hands-on management.

RECENT PROJECT EXPERIENCE
- Assist with design and setup of Export to Datalake
- D365 Commerce technical lead for large retailer, multi system integration using DMF and Logic Apps
- D365 Ecommerce development lead
- Developed Unit4 Budget integration using Unit4 Extension Kit
- D365 F&O Entity Store/PowerBI/F&O Analytics workspace development for internal project
- Integration development using Azure Logic Apps / Azure function Apps for integrating D365 F&O with non-Microsoft POS systems
- MPOS development related to Payroll Deduction Integration
- Technical Architect on large outdoor sportwear retailer
- Assisted with design of MPOS customizations and integration between HR system and F&O
- AX2012 Integration with WMS system
- Technical architect/developer at aircraft manufacturer. Designed and build integration between existing service system and F&O
- Technical Architect at large retail implementation, assist with reporting architecture (PowerBI/Entity store), DMF for integrations & reporting.
- Hands-on Technical Lead on multiple D365 F&O implementations
- Technical Architect for custom POS integration
- Provided system admin overview training for new AX2012 and Dynamics 365 for Finance and Operations implementations.
- Develop custom Dynamics 365 for Operations interfaces using Data Entities and OData.
- Assist with internal IT management and processes.
- Oversee and develop several AX2012 interfaces for a retail implementation.
- Manage offshore resources delivering customization

Kyle Rouzer

D365 F&O Sr. Application Consultant

HIGHLIGHTS
- Accounting
- Financial analysis and planning
- Budgeting
- Development of training materials and training programs

SPECIALTIES
- ERP system design & implementation
- Accounting procedure design including process analysis and improvement
- Reporting design & implementation
- System integration, data migration

CERTIFICATIONS
- Microsoft Dynamics AX2012 Financials
- Microsoft Dynamics AX2012 R3 Trade & Logistics

EDUCATION
Bachelor of Science Business (Emphasis Finance)

1

SUMMARY
- Experienced D365 F&O financial consultant and business finance professional with 20+ years of retail experience
- Project accounting lead, providing in-depth guidance on interpreting critical elements of current processes, transitioning these processes to more standard best practice processes, drafting these future processes in Dynamics AX, providing the configuration to support these processes, and transitioning the knowledge to our client team to successfully run these processes.
- Ability to relate to clients is his foundation of client-side business experience, which allows him to recommend workable solutions the client business team understands and supports.
- Defining, testing and refining custom development in coordination with technical resources to meet client needs.
- Data compilation and analysis, and accounting and business operations.
- Operations manager, transitioning to finance positions at headquarters, working across positions of accountant, senior accountant and operations data analyst.
- Experience crosses four ERP systems (MS Dynamics 365, MS Dynamics AX, Lawson and MS Dynamics GP), plus two POS systems (Radiant and Menu Link).
- A retail vertical veteran with more than twenty years of retail experience encompassing areas of both operations and finance/accounting.
- Semi-fluent in Spanish.

RECENT PROJECT EXPERIENCE
- Functional Sr. Consultant for Enhancements and Implementation Global supply company implementing D365 Finance & Operations. Focus on Finance workstream and working cross-functional with Retail and Supply Chain. Requirements gathering for Accounts receivable, Accounts payable, Credit management, Call center, General ledger. Data mapping, functional design, testing, training, documentation and support.
- Functional Sr. Consultant for Enhancements and Support Large regional grocery store organization on AX 2012 R3. Support for Accounts payable, Accounts receivable, General ledger, Cash and bank, Fixed assets, Advanced warehousing, Budgeting, Projects, and Management reporter.
- Finance lead for successful 10-week (kick-off to go-live) D365 implementation of AP, AR, GL, Cash and bank.
- Implementation or expanded utilization (configuration, testing, training, and documentation); allocations, fixed assets, budgeting, advanced bank reconciliation, projects, and management reporter.
- Customizations: Functional design, testing and implementation of customized projects reporting, streamlined AP/AR offset settlement.

P. Project Plan Requirements

The vendor shall provide a detailed project plan as part of its proposal that contains milestones, key deliverables and an overall schedule for implementation for a comparable implementation in size and scope, anticipating a Phase 1 Go-Live date of May 1,2024. The vendor needs to indicate in its proposal the level of effort required from SE and the specific tasks that will require the participation of the IT team .

The proposed project plan should take into consideration the requirements set forth elsewhere in this RFP, including but not limited to the requirement that the selected vendor shall be fully responsible for the rollout of the new retail technology platform. The comprehensive implementation plan should include the following elements:

- General Implementation Approach
- Data Conversion Planning
- System Integration Planning
- Business Process Analysis
- System Configuration
- Report Development
- Testing
- Training
- System Go-Live / Post Go-Live Support
- System Documentation and Manuals
- Knowledge Transfer

The vendor should not be constrained to only include the above items in the proposal response if the provision of additional elements may add value to the overall implementation. Further information that is requested as part of the vendor's proposal:

a. General Implementation Approach

The vendor shall provide a general overview of the proposed implementation approach intended for use at SE that includes addressing the following items:

- Describe the pre-implementation planning.
- Describe the project methodology as it relates to implementing a solution on time, within the proposed budget, and with the ability to meet the unique needs of a mid-size client like SE.

Argano Implementation Methodology & Approach

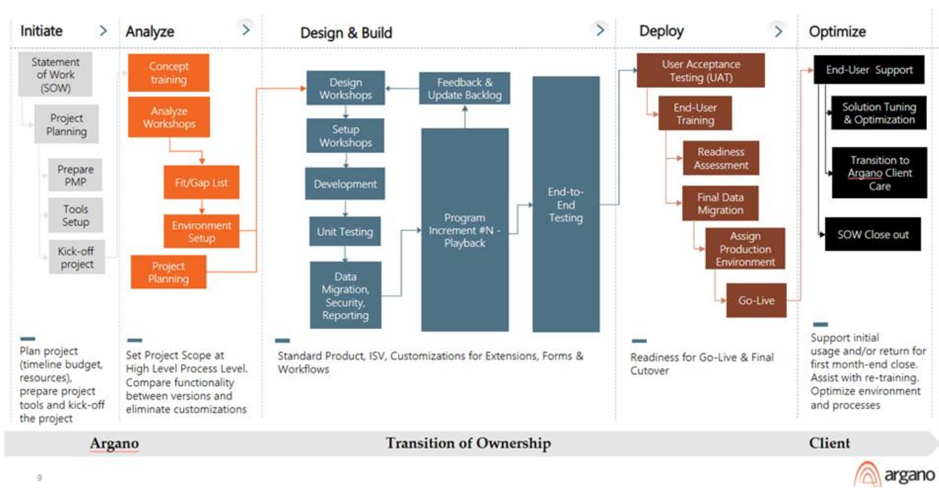
Project Approach

Argano Delivery Methodology (ADM) is based on an agile approach to the Microsoft Dynamics Sure Step process that has been proven to be both effective and efficient. Our methodology guidelines are based on out-of-the-box functionality, using a configure first approach, to minimize/avoid customizations, educating the super users in IT as well as in each functional area including subject matter experts (SME's) and business process owners.

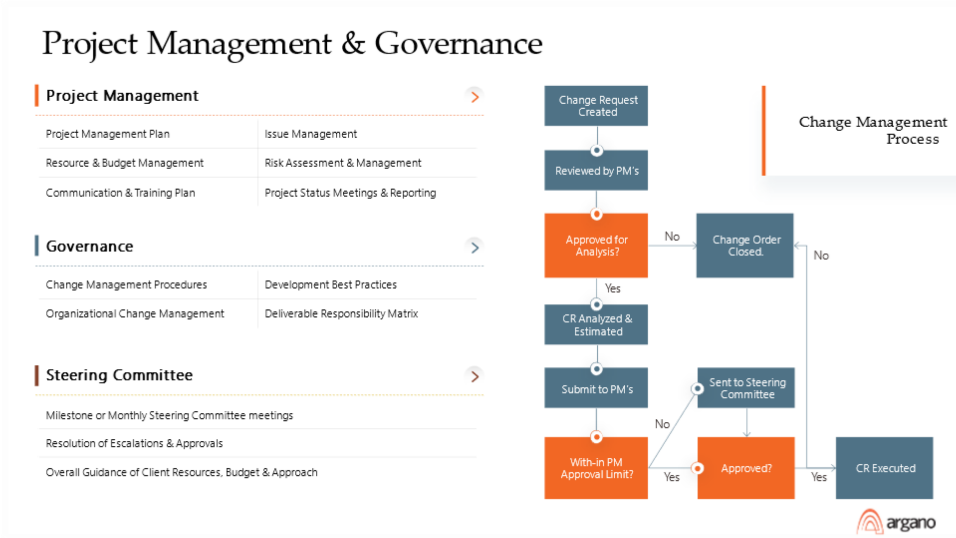
Under our proposed pro-active strategic relationship, we will provide a dedicated Argano Executive Sponsor who will work directly with your leadership and the project team reducing risk and increasing realized value.

Argano's Delivery Methodology organizes the approach into five phases during the implementation of the project lifecycle which is represented in the below diagram.

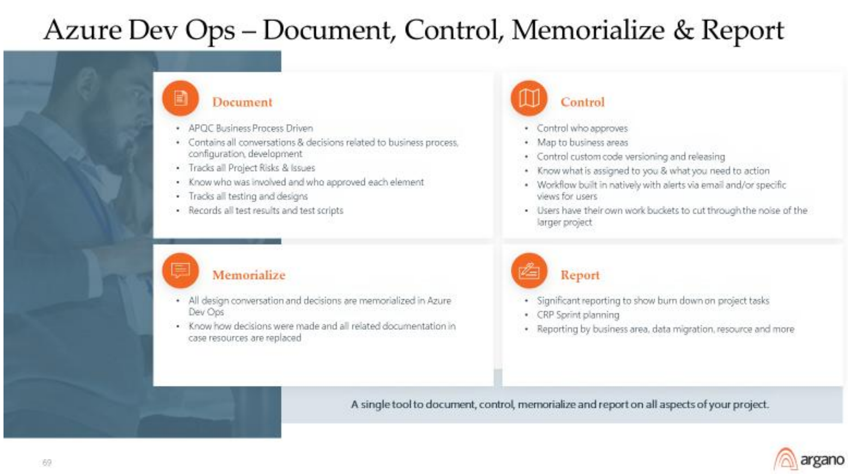
ADM ERP Stages



Argano adheres to a rigorous project management and governance structure essential to project success.

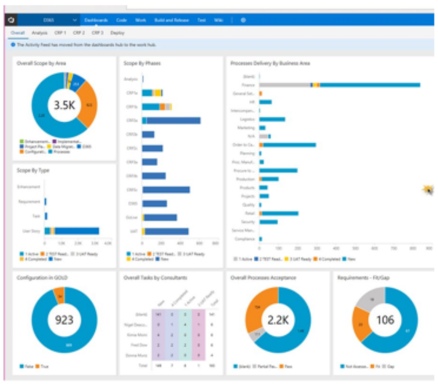


Argano will utilize Azure Dev Ops to document, control and memorialize the various items that need to be captured in the implementation which include issues, requirements, business processes, testing etc.



Argano provides regular project updates and project status reports ensuring continuity of project information regarding essential project metrics including burn rates, sprint backlogs, project completion rates, task by owners, issues, etc. See example below.

Informative & Real-Time Project Dashboards



- Dashboards to track burndown & progress of scope
- View sprints backlogs
- Reporting by business area & functional area - % Complete
- Testing & validation progress
- Tasks per person
- Tracking risks/issues
- Business process structured-based on APQC best practices
- All documentation, testing & decisions documented within Azure DevOps

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The following phase information provides more detail on how we will execute each of the project phases and the activities that are the responsibility of Argano and our client.

Phase 1: Project Initiation

Clearly defined management and governance processes are crucial components of successful implementation projects. Argano will provide a project manager who will work alongside the Smithsonian Enterprises project manager to lead the project. Some of the key responsibilities and activities include:

- Empowerment to make, escalate, or coordinate decisions.
- Ensuring a dedicated and qualified team to deliver a successful engagement.
- Providing Project and Strategic Management to ensure project success within budget and in a timely manner.
- Environment Setup
- Implement the system based on the Argano Delivery Methodology

Key Deliverables from Project Initiation

The following table details the deliverables as part of the Project Initiation

Deliverable	Tasks	Responsibility
Project Management Plan (PMP)	Complete the Project Management Plan as part of the project initiation stage	Argano
Configured Project Azure DevOps site	Setup and configure Azure DevOps site ready for use, including standard process library and reporting dashboard	Argano
Deployment of MFA	Deploy Multi-Factor Authentication to all project team members, in accordance with Microsoft Security Protocol	Joint – Argano and Smithsonian Enterprises

Phase 2: Analyze

Argano will perform the following activities within the Analyze stage:

- Conduct D365 concept training
- Review the business process master list and confirm which processes are in-scope.
- Identify potential gaps by business process, provide ballpark development estimates for each
- Identify any potential enhancements in scope.
- Identify any integrations in-scope.
- Confirm any 3rd party/ISV solutions in-scope.
- Validate data migration entities in-scope and confirm their methods of import.
- Initiate the data migration process – perform discovery and begin creating the required import templates.

Key Deliverables from Analyze

The following table details the deliverables as part of the Analyze activities.

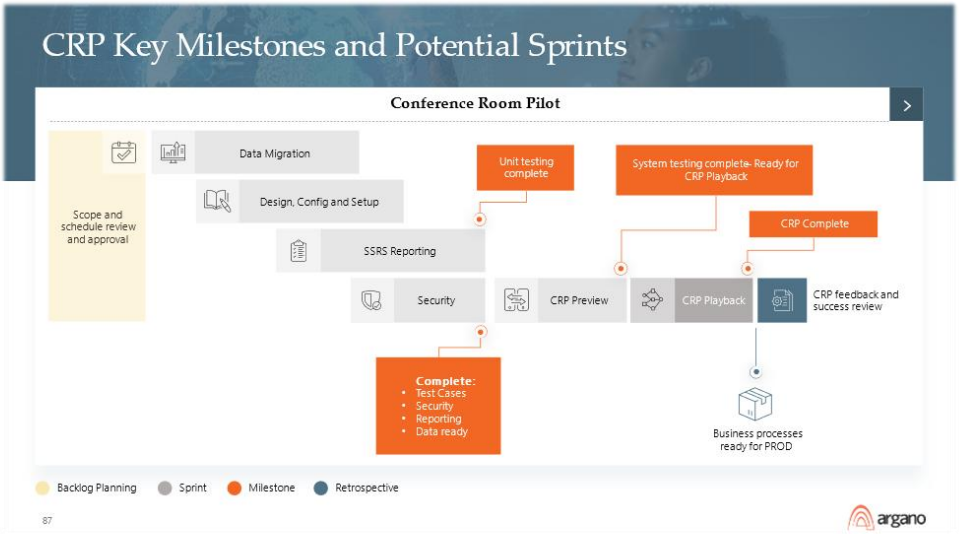
Deliverable	Tasks	Responsibility
Completed D365 Concept Training	Deliver concept training to Client covering all areas in-scope for this engagement	Argano

Deliverable	Tasks	Responsibility
Solution Map	Create overview of the proposed solution	Argano
Confirmed Scope by Business Process	Update Business Process Master List in Azure DevOps – set status to 'in-scope' or 'out-of-scope'	Argano
Business Process Requirements	Provide requirements to Argano based on business processes in enough detail to determine at a high-level if standard D365 functionality will support those requirements, or if there are gaps to be addressed during design	Smithsonian Enterprises
Documented Requirements by Business Process	Document high-level business requirements by business process in Azure DevOps	Argano
Accepted Requirements by Business Process	Review the documented high-level business requirements by business process in Azure DevOps and provide approval for their content and format	Smithsonian Enterprises
Identification of Enhancements In-Scope	Provide a preliminary listing of potential enhancements in-scope, including a ballpark development effort and solution design approach	Argano
Identification of Integrations In-Scope	Provide a listing of integrations in-scope, including a ballpark development effort and solution design approach	Argano
Identification of any 3rd Party/ISV Solutions In-Scope	Provide a listing of any required 3rd party/ISV solutions in-scope	Argano
Validation of Data Migration Entities In-Scope	Provide a listing of data migration entities in-scope, including their expected methods of import	Argano

Phase 3: Design/Build

The Design and Build Phase covers the key activities of design, build, testing, training, data migration and reporting.

As part of the Design and Build stage, Argano consultants will conduct system design workshops with Smithsonian Enterprises for each business process in scope as confirmed in the Analyze stage.



The following key activities are contained within the Design and Build Phase:

- Design of to-be business processes
- Design of standard D365 to support to-be business processes.
- Design of required enhancements and integrations
- Setup and configuration of standard D365
- Development of enhancements
- Development of integrations
- Data migration
- Testing
- Training of Client SMEs

Key Deliverables from Design/Build

The following table details the design deliverables as part of the configuration of standard D365 activities.

Deliverable	Tasks	Responsibility
Configuration of Dynamics 365 Gold Environment	Configure the D365 Gold environment as per the approved design	Argano

Deliverable	Tasks	Responsibility
Approved Dynamics 365 Configuration in Gold Environment	Approve the configured D365 Gold environment	Smithsonian Enterprises

Design and Build of Enhancements (not in scope but informational)

The following table details the deliverables as part of the Enhancements Design and Development.

Deliverable	Tasks	Responsibility
Functional Design Documents for In-Scope Enhancements	Conduct design workshops to determine the required system enhancements and document the required design with FDD where required. The FDD will be attached in Azure DevOps.	Argano
Approved Functional Design Documents	Approve the functional design documents in Azure DevOps	Smithsonian Enterprises
Technical Design Specifications for 'Complex' Enhancements	Where required, TDS will be created in support of 'complex' enhancements	Argano
Development of Enhancements	Development, test, and deployment to pre-production of in-scope enhancements	Argano
Business process Documentation	Create all required business process documentation	Smithsonian Enterprises

Design and Build of Security

The following table details the deliverables as part of the security Design and Build:

Deliverable	Tasks	Responsibility
D365 Security Training	Train Client IT resources on how to configure, deploy and maintain security roles	Argano
Security Role Design	Identify the standard D365 roles, based on the requirements, which closest fit those requirements and identify where custom roles will be needed to meet the requirements	Argano

Deliverable	Tasks	Responsibility
Security Role Configuration	Configure D365 security roles	Smithsonian Enterprises
Security Role Deployment	Package, deploy and assign security roles to users	Smithsonian Enterprises
Security Role Testing	Test security roles to ensure configuration meets users' needs	Smithsonian Enterprises

Phase 4: Deploy (Go-Live)

As part of the Deploy stage, Argano consultants will help Client with the execution of User Acceptance Training for the overall solution and perform final Go-Live readiness activities in conjunction with Client and Microsoft.

Key activities include final data migration, and creation of the Production environment based on the Gold environment that has been developed during the Design and Develop stage. End-user training is also conducted, which is led by Client and supported by Argano. UAT signoff is expected upon completion of the Deploy stage.

Key Deliverables from Deployment

The following table details specific tasks and deliverables as part of the deployment activities.

Deliverable	Tasks	Responsibility
Go-Live Readiness Checklist	Complete the Microsoft-provided checklist to the satisfaction of Microsoft as a pre-requisite to Go-Live	Smithsonian Enterprises
UAT Signoff	Confirm that UAT has been completed satisfactorily	Smithsonian Enterprises
Cut-over Checklist	Complete the Argano-provided cut-over checklist	Smithsonian Enterprises

Key Deliverables from Optimize

Deliverable / Work Product	Responsible
Project Closure Report	Argano
Post-Go-Live Support Plan	Argano

- Describe your approach to phasing the implementation of proposed solution by functional area. What is your recommended approach for this implementation? Describe the expected level of engagement with SE staff.

Our phasing approach is outlined in the diagram below and provided in the RFP Appendix. We also share the resource participation effort in pages 66-68.

Our approach to this project is based on the requested SE phasing and Argano project effort assessment, based solely on the information provided in the RFP and related Q&A, our thought leadership, and experience based on what we know is required to realize a highly successful D365 implementation that provides value and benefit to the SE business. Accordingly, we considered the following in our recommended approach:

- Maximize and accelerate the go live event to deliver a more immediate Return on Investment (ROI), Time to Value (TTV) and Time to Benefit (TTB) for Smithsonian Enterprises.
- Limit the time demand on the SE resources to the extent possible.
- Requested go live date or May 1 (*)
- Optimize the project team for collaboration and effectiveness and to avoid redundant or duplication of effort that could be experienced in a linear project approach. e.g.: Merchandising then Financials, etc., which would require a project stop and restart driving avoidable costs.
- Minimize the redundant effort across all work, process design, testing, migration, integration, etc., to the degree possible.
- Retain resource continuity across the implementation program which is key to project efficiency and effectiveness.
- Minimize and avoid, to the degree possible, any conflict with the SE advised blackout dates.

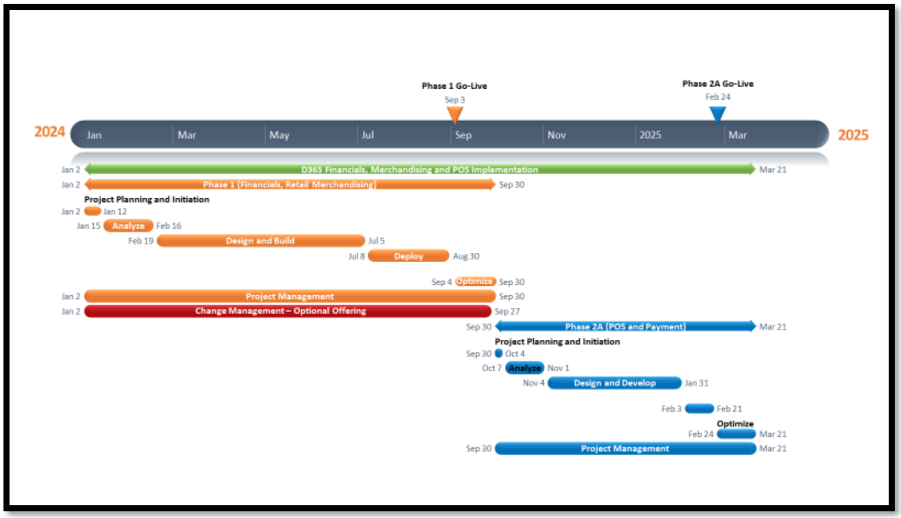
(*) The SE target go live date of May 1 would require a revision to Phase 1. Specifically, a focus on Financials only, and would require contracts to be executed by mid-November and a project start by end of November.

Argano does not believe this would be an optimal project approach as it separates work between Merchandising and Financials that are best served (and more cost effective) to be done together.

It would potentially extend the project duration for Merchandising, if done after Financials, to beyond the SE blackout periods.

Therefore, Argano recommends a Phase 1 as requested by SE with a revised go live date of Sept 3. This would require the project to start in early Jan 2024 and would deliver greater value and overall program benefit in our experience and view.

Argano Implementation Approach and Timeline (Estimated) – *Please also refer to below Timeline included as Attachment to RFP Response for easier viewing*.



- Any unique tools, techniques, or methods that the vendor intends to use related to the implementation should be described in this section.
  This is addressed throughout this RFP with details around Argano's methodology and implementation approach, specifically with the following 'tools' / optional solutions/IP.
- Audit & Security Management (AMS) - IP
- Retail Sales & Analysis Dashboard - IP
- Change Management – part of Argano's Methodology
- Argano's overall Methodology and Project Approach

b. Data Conversion Plan

The vendor shall provide a plan for the conversion of historical data to the new system. It is anticipated that SE will be responsible for data extraction from current systems, data scrubbing, and data pre- processing.

The vendor will be responsible for overall data conversion coordination, definition of file layouts, data import, and validation into the new solution. Describe your general approach towards data conversion and how you would work with SE to conclude what should be converted.

During the analysis stage, Argano will work with the SE team to finalize data migration elements, identify data entities required and confirm the method of import. Argano will also begin creating the required import templates.

During the design and build stage Argano will provide functional, technical and architectural knowledge of D365, explaining how and when the following 4 different data sets within D365 will be utilized.

- Setup data: Values that when pre-set populate the drop-down D365 forms –
  e.g., Customer Groups, Payment Terms, Product Groups, Delivery Methods
- Master data: Reference data with permissible values in support of transactions –
  e.g., Items, Customers, Vendors, Chart of Accounts
- Transactional data: Any incomplete transactions that exist in the legacy system at the time of Go-Live 'open transactions'–
  e.g., Open Sales Orders, Open Purchase Orders, Open Accounts Payable transactions.
- Historical data: Any complete transactions that exist in the legacy system at the time of Go-Live. Historical data are out-of-scope of this SOW, unless otherwise stated.

The following table details specific responsibilities as part of the data migration activities contained in our methodology:

Responsibility	SE	Argano
Extract and cleanse data from application legacy system(s)	X	
Validate the accuracy of imported data	X	
Provide data migration template(s)		X

The following table details specific tasks and deliverables as part of the data migration activities contained in in our methodology:

Deliverable	Tasks	Responsibility
Defined Setup Data Values	Provide setup data values based on business and data requirements	Client
D365 Populated with Setup Data	Update required pre-production environments with setup data values provided	Argano/ SE
Master Data to be Imported to D365	Extract, cleanse, transform and validate the required Master data to be imported to D365	SE
Blank Excel Templates for Importing Client Master Data	Provide Excel templates to be populated with Master data for import and supporting training for their use	Argano
Populated Excel Templates with Master Data to be Imported to D365	Populate provided Excel templates with Master data to be imported to D365	SE
Master Data Imported into D365	Update required pre-production environments with Master data provided	Argano
Open Transactions to be Imported to D365	Extract, cleanse, transform and validate the required open transactions to be imported to D365	SE
Blank Excel Templates for Importing Client Open Transactions	Provide Excel templates to be populated with open transactions for import and support training for their use	Argano
Populate Excel Templates with Open Transactions to be Imported to D365	Populate provided Excel templates with open transactions to be imported to D365	SE
Open Transactions Imported into D365	Import open transactions from populated Excel templates into all appropriate environments	Argano

c. *System Integration Planning*

The vendor shall provide a plan for Integration and Interfaces. It is expected that an end-user would generally need to enter data once into the systems, and that information would be accessible across systems in real-time due to integrations. Modules within the systems should be integrated in real-time with each other such that batch processes are not required to transfer information from one area of the systems to another.

Additionally, the vendor shall address the following items:

- Describe the extent to which the various modules are integrated.

All modules within D365 are fully integrated. Transaction performed in one module creates/modifies transactions in another module. An example of this is transactions done in sub-ledger posts to general ledger real time, such as a sales invoice automatically creating an AR transaction in the subledger as well as posting to a receivables account in the GL as well as recording revenue in the GL.

There are some processes that happen in a scheduled/batch mode that can be set to run in a desired recurrence, which can be as low as 1 minute. An example of this is workflow related tasks that are run in the background and can be set to run every minute. There are some processes that are recommended to be run in a batch mode even though they can be run manually. An example of this is master scheduling which is usually done once a day.

- Describe your approach towards interfacing and integration with other solutions including the use of specific tools, methods, and standards.

During the analysis stage, Argano will work with the SE team to identify any integrations in-scope. This will include firming integrations identified during the proposal stage and included in the statement of work, firming the development estimate for these integrations as well as any new integrations identified by SE business team and providing a solution design approach.

During the design and build stage, Argano will complete a detailed design of integration included in scope and develop the integrations in-scope. The following deliverables will be provided as part of the design and development of integrations.

Deliverable	Tasks	Responsibility
Integration Design Documents for In-Scope Integrations	Conduct design workshops to determine the required system enhancements and document the required design with Integration Design Documents ("IDD"). The IDD will be attached in ADO	Argano
Approved Integration Design Documents	Approve the integration design documents in ADO	SE
Development of Integration(s)	Development, test, and deployment to pre-production of in scope integration(s)	Argano
Business Process Documentation	Create all required business process documentation	SE

D365 F&SC offers multiple integration methods to integrate with external systems. Integrations can be Synchronous using OData V4 (RESTful API) or Custom Web Services, vs Asynchronous using DMF (Recurring & API Based). Integration strategies are generally defined during implementation based on requirements such as data to be exchanged, volume, frequency, and the external systems ability to utilize common integration protocols listed above.

- Describe your data exchange standards (e.g., XML, Web Services, or EDI) supported or provided by your software.

D365 F&SC offers multiple integration methods to integrate with external systems. Integrations can be Synchronous or Asynchronous. The following integration patterns are available:

- Power Platform Integration
- OData
- Batch data API
- Custom service
- Consume external web services
- Excel integration

Integration strategies are generally defined during implementation based on requirements such as data to be exchanged, volume, frequency, and the external systems ability to utilize common integration protocols listed above.

- Describe potential issues for integrating with specific technologies that are used within SE.

Integration to Logiwa, not yet implemented, may introduce challenges that may not be appreciated until this integration is more fully vetted.

The systems that integrations are required to Logiwa and GK POS (interim), appear to support API's and integration protocols that D365 supports. We do not expect technical issues provided this assumption holds true. However, as with any integration projects, the ability of the system partners on the other side to provide documentation, resources and their cooperation is paramount for successful delivery.

d. Business Process Analysis

The vendor shall provide an approach for working with SE to address the impact that core functionality will have on critical business processes. Describe the effort of working with SE on the redesign of critical business processes across functional areas prior to System Configuration. In addition, discuss the change management process of assisting with the adoption of optimized business processes to maximize system functionality.

During analysis stage Argano will provide concept training to familiarize SE resources with D365 core concepts. Argano's delivery methodology is rooted in a "business" implementation approach rather than a "system" implementation principle. This helps minimize and avoid customizations.

Argano will create an ADO (Azure DevOps) business process library that is pre-built with industry standards and best practices based on APQC (American Productivity & Quality Center) and Microsoft process library. This allows the project team to hit the ground running to begin requirements gathering activities. Argano will work with SE BPO's (Business Process Owner) and SME (Subject Matter Experts) to gather requirements, and guide SE team on best practices, re-iterating the benefits of change and conforming to out of the box features and functionality rather than expensive enhancements. If there were any enhancements identified, Argano will provide estimated development effort to allow SE team to do a cost rationalization and make the best decision before doing any customizations.

Argano recommends a change management program that will contribute to the successful adoption of the new business practices and technology. If the change management proposal listed under optional section of pricing is accepted by SE, Argano will perform the following Change Management activities:

- Planning and Strategy

  The Change Management (CM) initiative will begin with a set of workshops, interviews and assessments that will conclude with a set of recommendations to address the specific needs of Client:

  - Change Leadership workshop
    - Lead meetings with the Leadership team to gain an understanding of their plan for the business transformation
    - Assess culture and change capability
    - Work with the Leadership team to define project objectives
    - Assess Client Change Management resource requirements
    - Align Change Management vision and strategy
    - Define Leadership Change Management roles and responsibilities
  - User Change Readiness Assessment
    - Conduct a combination of workshops, strategic insight surveys, and one-on-one interviews with key stakeholders at each key location to gather insight and perspectives
    - Assess culture and change capability within the organization
    - Identify potential Change Management gaps and project risks
    - Reinforce the strategic intent of the Change Management initiative
    - Define the roles of the key Change Management stakeholders
    - Recommend a Change Management strategy

- Change Management Consulting – Once the Change Management strategy is confirmed, Argano will work with SE to develop the detailed plans for the Change Management strategy. This will include the preparation of the following deliverables:
  - Change Management Plan
    - Detailed Communication Plan
    - Change Champion Program
    - Adoption tactics for Stakeholders
    - Training Rollout Plan
    - Measurement Plan
    - Sustainability Plan

- Ongoing Coaching/Consulting Services – Argano will work with Client on an ongoing basis throughout the duration of the Change Management initiative.
    - Coaching Client Change Manager
    - Adoption and business outcome measurement
    - Feedback assessment
    - Managing change resistance
    - Facilitating successful communication, training rollout, and documentation

The following table details specific responsibilities as part of the change management activities contained in the change management engagement if purchased by SE.

Responsibility	SE	Argano
Provide a Change Manager that is empowered to execute the strategies outlined in the Change Management Plan	X	
Provide a Change Management consultant who will develop a comprehensive strategy for managing the change initiative		X
Assess current organizational policies and programs and make necessary changes in order to embed new behaviors	X	
Provide status updates detailing accomplishments, resistance and barriers, and progress of change activities		X
Develop and deliver Change Management communication collateral	X	
Provide support with developing communication content		X

The following table details the deliverables as part of the change management activities contained in the change management engagement if purchase by SE.

Deliverable	Tasks	Responsibility
Change Management Strategy	Complete the Change Management Strategy as part of the Planning and Strategy workshops and present for approval to the Client executive team	Argano
Sponsor Roadmap	Develop roadmap for Executive and Project Sponsors with roles and responsibilities	Argano
Communication Plan	Provide recommendations for detailed Communication Plan as part of confirmed Change Management Strategy	Argano
Measurement Plan	Provide recommended business measurement metrics for Change Management initiative	Argano
Change Champion Program	Provide recommendations for Change Champion program to support Change Management initiative	Argano
Adoption Tactics for Stakeholders	Provide recommendations for stakeholder adoption tactics	Argano
Training Rollout Plan	Provide recommendations for training rollout	Argano
Sustainability Plan	Provide recommended sustainable adoption tactics to reinforce Change Management initiative	Argano

e. System Configuration

The vendor shall provide an approach for System Configuration of Microsoft Dynamics 365 that describes the process for building workflows and completing system setups. Provide a description of the level of ongoing stakeholder engagement that will be required throughout the system configuration stage.

During the design and build stage, Argano will create solutions for the requirements gathered from analysis. This activity includes process design, identifying configurations required in the system and workflows that need to be built. Argano consultants will work with the SE team for any master data required for configurations and setup (e.g., payment terms, mode of delivery etc.) and set them up in D365.

Configurations will be documented in Azure DevOps (ADO) which memorializes the system setup and can be used by SE business team for ongoing updates as business changes/evolves even after go-live. Argano consultants will do design workshops that will walk through the solution with the

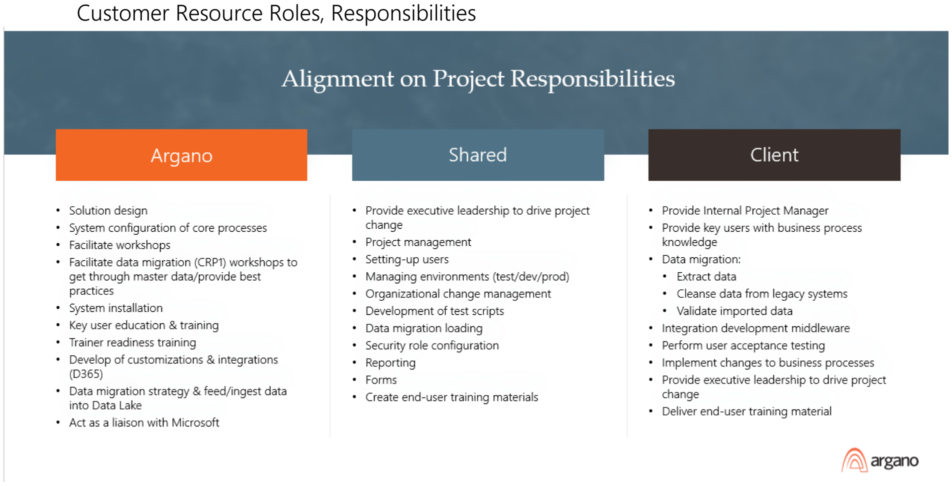
SE team through a series of Program Increments (PI's). Argano consultants will provide a system knowledge transfer working collaboratively with the SE team as part of design and build.

Argano's delivery methodology shown in section P has a "Transition of Ownership" model where the client stakeholders (BPO's and SME's) will start take increasing ownership of the system which will result in system adoption, ability to self-support, and decrease long term ownership cost.

Argano's delivery methodology has project responsibilities alignment expectations and time commitment requirements for the different client resource types as shown below.

Please note the recommended time commitment is what we term "situational specific", meaning when a specific task or effort is in progress, the SE resource is requested to provide their time and attention until that task is complete. It is not intended to communicate a role is required for this amount of time over the entire project.

Customer Resource Roles, Responsibilities



Project Manager

Roles and responsibilities

Responsible and accountable for delivering a working system solution that addresses all the business requirements of respective area:

- Reviewing and understanding the SOW and subsequent Change Orders, and upholding their content throughout the project
- Providing business knowledge and project leadership
- Ensuring project decisions are made in a timely fashion, with no delays that could affect the project timeline and deliverables
- Providing project stage sign-offs for each completed stage of the project
- Managing staff and resources to ensure assigned tasks are completed in agreed timeframes, and that team has enough availability and capacity
- Ensuring the resources review their assigned tasks in DevOps and update the content, state, and assignee of the DevOps work items
- Managing communications, deliverables dependencies and with any third-party organization that is part of the project and ensuring there are no contingencies with project deliverables
- Attending and/or leading all scheduled project meetings and follow-up on actions
- Thoroughly checking all weekly Project and Steerco status reports and invoices and raising any concerns to the Argano Project Manager
- Ensuring timely payments are made to Argano as per the payment terms defined in the SOW
- Keeping executive management informed on project progress and issues, through the appropriate reporting lines

Characteristics and skills

- Natural leader and visionary
- Willing to accept responsibility for overall project success
- Expertise in cross functional business systems and processes
- Respected by peers
- Ability to make tough decisions and resolve conflicts

Time commitment required during project:

During analysis and design: 50% - 80%

During testing: 50% - 80%

During build: as low as 50% - 80%

During deployment: 50% - 80%

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Business Process Owner

Roles and responsibilities

Responsible and accountable for delivering a working system solution that addresses all the business requirements of respective area:

- Act as process "owners" throughout project life cycle and post-implementation Reviewing and adhering to the Project Plan
- Driving, owning and approving the Design for their respective functional area
- Produce Project deliverables as needed
- Identify potential implementation risks and work towards their resolution
- Manage project issues and facilitate conflict resolution within key process area(s)
- Review and approve the data migration plan and ensuring data cleanup and transformation is completed on time
- Sign-off that the master data validation after Data Migration is completed
- Manage SMEs workload and completion of work as per project plan
- Ensure successful planning, execution and sign-off of Conference Room Pilots (CRPs) and User Acceptance Testing (UAT), together with Argano and your Project Managers (PMs) and Argano Solution Architect (SA)
- Contribute appropriate resources to the project, in coordination with your Project Manager

Characteristics and skills

- Natural leader and visionary
- Willing to accept responsibility for project success
- Expertise/deep knowledge in department challenges and processes
- Respected by peers
- Able to challenge requirements and business processes

Time commitment required during project:

During analysis and design: 50% - 80% (Business decisions up front)

During testing: 10%-20%

During build: as low as 5%

During deployment: 5%-10%

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Subject Matter Expert

Roles and responsibilities

Responsible and accountable for delivering a working system solution that addresses all the business requirements of respective area:

- Provide expert knowledge of as-is systems and processes
- Define functional requirements, and/or additional localization requirements
- Define reporting, conversion, interface and enhancement requirements
- Actively participate in select design, testing, training and site rollout activities as required
- Produce project deliverables as required
- Authoring, creating and executing Conference Room Pilots (CRP) test scripts and/or scenarios
- Own the configuration of the system following appropriate training
- Preparation (cleansing and transformation) and validation of data
- Develop expertise in new systems/processes during implementation process
- Documenting of procedures and processes

Characteristics and skills

- Expert knowledge of a particular process and challenges
- Expertise/deep knowledge in department challenges and processes
- Effective communicator and early adopter

Time commitment required during project:

- **During analysis and design:** 30%-50%
- **During testing:** up to 80% (SME heavily involved)
- **During build:** as low as 5%
- **During deployment:** 10%-20%

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Change Manager

Roles and responsibilities

responsible for all activities within the change management program to maximize stakeholder adoption and minimize resistance.

- Execute the strategies in the Change Management Program.
- Define and measure success metrics and change progress.
- Provide direction and facilitate meetings/events throughout the project.
- Lead change management activities in collaboration with the Argano Change Management Lead.
- Identify, analyze and prepare risk mitigation tactics.
- Support Communication and Training Efforts.

Characteristics and skills

- Strong Communication and People Skills to build relationships, influence stakeholders and manage change resistance
- Emotional Intelligence and the ability to empathize with stakeholders and understand the emotional impact of change
- Flexibility and Adaptability to respond to changing needs and mindsets

Time commitment required during project:

- **During analysis and design:** 20%-30%
- **During testing:** up to 40%
- **During build:** as low as 15%
- **During and post-deployment:** 10%-20%

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f. Report Development

The vendor shall provide an approach to addressing Report Development related to the proposed solution. For specific reporting requirements, it is anticipated that the vendor will take the lead on developing any reports required as part of the initial deployment of the system. The vendor is expected to provide specialized knowledge and information to SE staff during the development of needed reports, via technical training on the tools used for report development. The vendor shall address the following items:

- Describe the various methods of reporting including any ad-hoc business intelligence capabilities.

D365 has a large set of standard reports and inquiries that provide both financial and operational

information such as inventory aging, purchase orders received but not invoiced (unmatched receipts) etc. These reports can be exported to Excel, CSV, Word for further ad-hoc personalization using familiar office 365 tools.

Users can also use different personalization features such as adding columns, hiding fields, moving columns etc. to create grid views that can be exported to Excel.

Power BI can also be used to build rich interactive dashboards, reports with drill down capabilities and flexible filtering options. Several options are available for leveraging Power BI reporting capabilities off data in D365.

These include but are not limited to utilizing Power BI content available in Microsoft Dynamics Lifecycle Service (LCS), Power BI content packs that are distributed in the Power BI marketplace / imbedded in D365 workspaces, modifying ready-made reports, extending the ready-made reports using Power BI authoring tools such as Power BI desktop, creating new Power BI reports using entity store (operational data store built specifically for Power BI integration) or using Power Tools in Excel to create visualizations. Excel options include exporting data from D365 into Excel and using Power View to visualize the data, using Power Query extension to combine the data with external data and using Power Pivot to ingest large volumes of data.

In addition to the above options, Argano recommends a modern data estate approach to build Data warehouse using Data Lake (ADLS) for data storage, analytics service Azure Synapse and Power BI for reporting and visualizations.

- Describe the strategy to allow for reporting that consolidates new and historical data.

- Describe the methods for SE to identify, specify, and develop required custom reports during the implementation and a method for SE to create reports post-implementation.

We would conduct a data and analytics assessment and workshops during analysis phase that will be necessary to gather the requirements and reporting needs. This analysis will dive into the following areas:

- Measurements/KPIs
- Data Quality
- Security/Governance requirements
- Current time to prepare data
- Number of data systems

Once all those requirements have been gathered, we document within Azure DevOps and prioritize based on the customer's needs and develop a plan to provide those requirements and training within the projects. We also have IP that can assist with rapid deployment of reporting and dashboards as noted on pages 21-23.

g. Testing

The vendor shall describe their recommended approach to the following types of testing that are anticipated to be performed as part of the implementation phase of the project, along with the level of SE staff engagement during the Testing process:

- System testing
- Integration testing
- Stress/performance testing
- User Acceptance Testing (UAT)

Testing is a critical and key component of the design and build stage of Argano's implementation methodology and our approach for testing is consistent for each type of test. During each Program Increment (PI) and prior to each PI playback, system testing will be performed by both Argano and SE to confirm that system functionality is as designed.

Argano's implementation methodology entails a system test plan for each Program Increments (PI's) playback with test cases and test scripts contained within the test plan. ADO (Azure DevOps) will be used for these test plans where the users will execute the test scripts and record the results of testing.

Upon completion of Program Increments (PI's), end-to-end testing will be performed to ensure that all parts of the system are functioning properly in an integrated manner.

Once the PIs are completed, the UAT will begin as part of the Deploy stage. UAT is an exhaustive process covering all required in-scope functionality prior to Go-Live.

The following table details specific responsibilities as part of the Testing activities contained in our engagement.

Responsibility	SE	Argano
Execute unit testing prior to release to client		X
Assist client with the creation of a test plan		X
Create test plan	X	
Provide test script templates		X
Execute UAT	X	
Create detailed test scripts in support of UAT	X	
Drive end-user interaction during testing	X	
Approve the results of testing, take responsibility for the success of testing and the relevant system verification	X	
Create the required process documentation in support of testing	X	
Ensure that all users invest adequate time to be properly trained and have adequate capabilities within the system	X	
Provide support during testing of 3rd-party/ISV applications that are in-scope	X	X
Provide functional support during the user system testing	X	X
Perform testing of enhancements	X	X
Provide relevant and appropriate test data	X	
Mark in ADO functionality as UAT Accepted if Test Criteria are passed	X	

The following table details specific tasks and deliverables as part of the testing activities contained in our engagement.

Deliverable	Tasks	Responsibility
Completed, Approved Test Scripts	Approve all required testing through signoff of test scripts	Client
Test Plan	Document the overall testing strategy and approach per major area, including how testing will be organized and	Client

Deliverable	Tasks	Responsibility
	executed. Will be comprised of multiple test scenarios as required	
UAT Test Sign Off	ADO updated to show results of UAT	Client

h. Training

The vendor shall provide SE with onsite training programs to assure all end-users understand the core functionality of the solution and can execute the associated workflows. It is important to note that SE intends to explore the advantages, disadvantages, and related costs of the following implementation training approach:

- End-User Training Approach: All end-user and technical training will be performed throughout the implementation by the vendor.

Please refer to Training response pages 43-46.

- End-user implementation training will be provided by the vendor and include joint participation by the relevant SE process owners supporting the process area in the new software system.

Please refer to Training response pages 43-46.

- Technical implementation training will include training for SE's IT staff on the technologies and processes required to support the new solution.
- The vendor shall provide an overall description of training methods, including the following:
- General timeframes in which training will be conducted.
- The vendor must list the nature, level, and amount of training to be provided.

Please refer to Training response pages 43-46.

i. System Go-Live / Post Go-Live Support

The vendor shall provide an overview of System Go-Live activities including preparation for Production Cutover, Blackout Period, Go-Live Support (Help Desk) and Post-Go-Live Support. Describe the level of engagement with the end user community throughout the Go-Live events.

As part of the Deploy stage, Argano consultants will perform final Go-Live readiness activities in conjunction with Client and Microsoft. This includes the preparation of a detailed and comprehensive checklist with clearly identified responsible parties and a timeline. A mock cutover will also be performed in preparation for the final cutover.

Key activities for final cut-over include final data migration, and creation of the Production environment based on the Gold environment that has been developed during the design and build stage.

A reasonable cut-off point, and transaction freeze window will be determined and enforced. This is when operational transactions in the legacy/current system(s) will cease and the required cutover activities will commence in D365, resulting in the ability to begin operational transactions in D365.

The following table details specific responsibilities as part of the deploy activities contained in our engagement.

Responsibility	SE	Argano
Confirm any known issues prior to Go-Live in writing	X	

Immediately following Go-Live, Argano shall provide SE with support and assistance for a period of 2-4 weeks. The actual deployment of consultants, timing, and duration of support, including on-site vs. remote, will be determined closer to the Go-Live event.

The following table details specific responsibilities as part of the Optimization and Go-Live Support activities contained our engagement.

Responsibility	SE	Argano
Setup and maintain users in the production environment	X	
Assume responsibility for all data, systems configurations, and setups in the production environment	X	
Provide assistance to Client during first month-end/period close		X
Complete required project closure activities		X

j. System Documentation and Manuals

The vendor shall describe user manuals and online help for use by SE as part of the initial training and on- going operational support. Additionally, the vendor is expected to describe technical documentation.

- Describe what documentation is readily available as part of the proposed solution including, but not limited to user guides, technical guides, training materials, online resources, etc. Any related costs should be identified in the Cost Proposal.
- Describe what types of documentation you anticipate developing during the project as custom material for the project.

Please refer to the appendix for example documentation.

k. Knowledge Transfer

The vendor shall describe their process for ensuring that a transfer of knowledge occurs back to SE staff such that staff can support and maintain the application in the most proficient manner once the vendor's implementation engagement is complete. Knowledge transfer will include all project artifacts.

Argano will conduct an Informal Knowledge Transfer covering all in-scope areas. Argano will provide this Informal Knowledge Transfer on the basic concepts of the Dynamics 365 platform throughout the project. Informal Knowledge Transfer may be:

- provided using out-of-the-box configuration and generic example data.
- recorded by the Client for future reference.
- SE resources working side by side, (shadowing), Argano resources.

Argano consultants will walk through the configured solution using design workshops during the design and build stage. These workshops are intended to impart adequate system knowledge to SE SMEs in line with the transition of ownership principle of our methodology. All project artifacts will be stored in Azure DevOps (ADO) which will be transferred to SE tenant upon completion of the implementation.

Argano also recommends a managed services client care engagement to support and maintain the application after post go-live. SE staff can gain additional system knowledge during this engagement as well.

Q. Pricing Submission Requirements

Smithsonian intends to evaluate based on pricing proposed for all phases of the project. Pricing must be comprehensive to allow a full understanding of all costs associated with this engagement.

Please provide detailed cost breakdowns for services related to initial setup and integration (please state training costs separately), data migration, maintenance and ongoing support, and any other costs associated with the features outlined in the RFP. Cost breakdown should include the estimated level of effort and cost breakdown by module within each phase.

- Phase 1 Merchandising
- Phase 1 Financials
- Phase 2.A POS

Phase 2.B (optional) Ecommerce

Include costs for the following integrations:

- PBD Logiwa
- POS to D365

If there are optional implementation approaches, please provide options and cost differentials.

ARGANO IMPLEMENTATION SERVICES ESTIMATE		
ITEM	LOW ESTIMATE	HIGH ESTIMATE
Phase 1 Merchandising *	$791,190	$949,440
Phase 1 Financials *	$967,020	$1,160,420
Phase 2a POS	$608,540	$730,140
Phase 2b eCommerce	$273,200	$327,840
Integration: Logiwa	$234,890	$281,850
Integration: POS to D365	$70,470	$84,560
Training	$237,005	$284,406
TOTAL	**$3,182,315**	**$3,818,656**

OPTIONAL OFFERINGS	LOW ESTIMATE	HIGH ESTIMATE	License
Change Management	$96,490	$120,900	NA
Audit and Security Manager	$20,000	$20,000	$15,000
Retail Dashboard	$40,000	$50,000	$15,000
TOTAL	**$156,490**	**$190,900**	**$30,000**

ESTIMATE NOTES

- Estimates are based solely on the information in the SE RFP
- Estimates are based on list pricing which could be negotiated at the point of being named to a short list or as Vendor of Choice, (VOC).
- Post go-live support is included, including first month end closing support.
- The service approach is Time and Material based.
- Travel costs are not included. T&E should be estimated at 10-15% as applicable; warrants discussion re: remote vs onsite work.
- Estimates are subject to revision based on customer actual and final scope requirements should they differ from the RFP information.

- *Training: end user training costs can be reduced using an alternate approach.
- SE has a total of 127 end users to train; 12 administrators, 20 GL users, 25 Financial users, 30 Merchandising users, 40 Store Management users.
- Leveraging an "end user train the trainer" approach can reduce the overall cost significantly; we are happy to discuss how to reduce this cost and still provide effective training for SE at any time during your selection process or implementation.
- **Managed Services as outlined in the RFP response, this cost is influenced by rate and number of hours SE would need/require after post go live support (Hypercare – provided by the implementation team for a period after go live). This varies with each customer in terms of how many hours/quarters SE may require. The hours also influences the rate. Typically, a minimum of 90 hours/quarter is required but we can discuss your needs and determine the right fit. In addition, your first quarter is a 'transitional quarter' in which you can resize the rest of your first year (3 subsequent quarters) after your Q1 ends and you can see what your actual consumption was and 'adjust' up or down as needed with no penalties. There is also a cancellation clause should you determine you don't need the services after your first quarter.

R. Implementation Submission Requirements

Smithsonian anticipates a Phase 1 go-live date of May 1, 2024. Please provide answers to the following questions to help us understand your implementation plan:

- What is the process for determining the roadmap, timeline, and sequencing for implementation? Provide a list of questions you need answered, people you expect to ask, and the amount of support you need.

Actual and final requirements are vetted in the Analysis phase of the project and will be used for roadmap and timeline validation. The core project team along with project sponsors, business owners and SMEs are the resources ideally involved in these discussions.

- Please fully describe your transition process for clients who move from existing platforms to D365.

Please refer to our response on pages 52-62.

- What is the timeline for implementation? What are the baseline assumptions? Is a proof of concept or pilot project part of the standard deployment plan?

Please refer to our response on pages 52-62.

- Describe your typical Implementation process for the platform, including length of a typical deployment and effort required by SE, or the use of a system integrator or agency for onboarding.

Please refer to our response on pages 52-62.

S. Key Terms and Conditions

SE anticipates entering into a contract that will include important terms and conditions, including, but not limited to, Exhibit A: Key Terms and Conditions, Exhibit B: Smithsonian Privacy and Security Clause, and Exhibit C, Access and Credentials, which are hereby incorporated and attached hereto. Please read Exhibits A, B, and C carefully, as they contain information essential to the conduct of the project.

III. Submission Instructions and Conditions

A. General Conditions

1. The purpose of this RFP is to provide interested parties with sufficient information to enable them to prepare and submit proposals for consideration by the Smithsonian. Your proposal should address only the hardware, software, service, and requirements as described in Section II (Scope of Work) and Section III.D (Proposal Submission Requirements). This RFP is being used to solicit offers solely to provide the specific services and products set forth herein and the resultant contract shall be non- exclusive in nature. The Smithsonian may contract with any other individual or entity for similar services and products and makes no guarantees that the selected company hereunder will be subsequently hired to work on any other project whether similar or dissimilar.

2. Proposals prepared in response to this RFP shall comply with the instructions and proposal requirements contained in this document. Proposals that deviate from these instructions and requirements may be disqualified at the Smithsonian's discretion.

3. If the Smithsonian Enterprises Contracting Official determines that the number of proposals that would otherwise be in the competitive range exceeds the number at which an efficient competition can be conducted, the Smithsonian may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals. The Smithsonian reserves the right to enter into negotiations with companies in the competitive range at its discretion and based upon the best interests of the Smithsonian.

4. The Smithsonian is not responsible for paying any proposal preparation costs or any other costs associated with a response to this request. This RFP does not obligate the Smithsonian to enter into any agreement, nor shall it be construed as authorization for companies to proceed with any work directly or indirectly related hereto.

5. All information and materials submitted in response to this RFP for consideration by the Smithsonian will become the Smithsonian's property and will be returned only at the Smithsonian's discretion.

6. Smithsonian reserves the unconditional right to cancel this RFP or to terminate negotiations at any time for any reason without cost or liability to the Smithsonian. Participation in this RFP or any resulting contract constitutes an affirmative waiver by participants of any claim to proposal preparation costs.

7. Companies are advised that award may be made without discussion or any contact concerning the proposals received. Therefore, proposals should be submitted initially on the most favorable terms that company can submit to the Smithsonian Institution. Companies should not assume that they will be contacted or afforded an opportunity to clarify, discuss, or revise their proposal.

8. INTERESTED PARTIES SHOULD NOTE THAT THIS IS NOT A SOLICITATION FOR A FEDERAL CONTRACT AND IS THEREFORE NOT GOVERNED BY FEDERAL PROCUREMENT PROCEDURES.

B. Pre-submittal Requirements

1. Companies interested in participating in this RFP are requested to provide notice of their intent to submit a proposal to Susan Engelhardt, Smithsonian Institution, Office of Contracting & Personal Property Management, by no later than 5:00 PM E.S.T. on September 7, 2023. Notification must be submitted by email to engelhardts@si.edu.

2. All administrative and substantive questions about this RFP must be submitted in writing to the attention of Susan Engelhardt by email to engelhardts@si.edu. Questions must be submitted by 5:00 PM E.S.T. on September 14, 2023, to ensure that you receive a response. Questions having an impact on the RFP will be answered and issued to all interested participants via RFP amendment.

C. Submission Process

1. Offerors will provide a complete copy of their proposal via email to the attention of Susan Engelhardt at engelhardts@si.edu. These materials must be submitted via email by 3:00 P.M. E.S.T. on or before October 19, 2023, with the subject matter of the RFP and the name of the company clearly identified in the subject line. Materials sent via hard copy, fax or to any other address will not be considered. Smithsonian can receive emails up to 20MB in size. If you need to submit your proposal via multiple email transmissions, please ensure all emails are numbered (e.g., part 1 of 2, part 2 of 2) and received by 3:00 PM EST on the due date. Please allow for sufficient time for your email to be transmitted and received by 3:00 PM. Ms. Engelhardt will send you a response email confirming receipt. If you do not receive a response email, please contact Ms. Engelhardt to follow up.

2. The Smithsonian reserves the right to reject any and all proposals received as a result of this request. Noncompliance with the conditions of this RFP may result in disqualification of your proposal. The Smithsonian may refuse to consider any proposal received after the exact date and time specified for receipt.

3. The Smithsonian plans to award without requesting additional information but does reserve the right to request additional information if later determined by the Smithsonian Enterprises Contracting Official to be necessary. At Smithsonian's option, companies in the competitive range may be invited to meet with Smithsonian representatives in person in Washington DC or over the telephone to discuss their proposals and answer questions. Travel and per diem for any such meeting (if in person) will be the responsibility of each company.

4. Authorized Points of Contact. Offerors are hereby placed on notice that the only persons authorized to conduct discussions and/or make commitments on behalf of the Smithsonian regarding this RFP and all matters incident hereto are the Smithsonian Enterprises Contracting Official and her designated representatives.

D. Proposal Submission Requirements

The Smithsonian's expectations and requirements are set forth in Section II (Scope of Work) above and herein. In addition to the information required in Section II, all proposals must include the following:

1. Company Profile

Provide a company profile –including history, size, and location, financial strength of your company, DUNS #, and if a local presence in the Washington DC metro area is available. Offerors are on notice that Smithsonian will give preference to offerors with a local presence in the Washington, DC metro area (DC, Maryland, Virginia).

argano

EXECUTIVE SUMMARY

Argano is a global consulting firm and top-ranked Microsoft Dynamics Gold Certified Partner that empowers organizations in the US and around the world to digitally transform and grow their businesses. Our expert consultants offer strategic consulting and advisory services, implementation services, application and technical support, managed services, change management as well as packaged software solutions that facilitate our clients' innovation using Microsoft Dynamics ERP, CRM, Business Intelligence/Analytics, Power Platform, and other related

Microsoft cloud solutions.

As a member of Microsoft's prestigious Inner Circle, (Top 1% of Partners) and US Partner of the Year for Dynamics 365 Finance, Argano specializes in partnering with our clients' digital transformation journey, often with complex business processes as a critical component of implementing (and often replacing legacy) ERP and CRM solutions. Our ERP team specializes in delivery solutions to a variety of industries, including non-profit, not-for-profit and media, retail, manufacturing/distribution, among others, with a need to meet their customers where they are in an efficient and relevant way. Our long history of serving a wide variety of industries enables us to align with our clients' strategic objectives to effectively help them re-engineer and redefine themselves to be more responsive to market dynamics, deliver outstanding customer experiences, break down organizational silos, and streamline business processes.

Key Differentiator

The Argano Team is comprised of business process experts who know and understand Not-for-Profits, Nonprofits, and Commercial Industries, and how to optimize Microsoft software using best practices.

Argano's architects and consultants have worked with Microsoft solutions for over 20 years; Argano's experience in ERP (and CRM) goes back several decades including Not-for-Profits, Nonprofit/NGO, healthcare, manufacturing/distribution, retail, life sciences, and other industries. In addition, our experienced retail consultants have been in the industry for decades, with the vast majority working as customers first before becoming consultants. They have walked in the shoes of our customers and therefore truly understood the customers' concern's needs, pain points, and requirements.

At the top of our differentiators is also our practice of 'business first, technology second', which we live by. Because we have worked in this industry for decades, we understand and bring to our customers true best practices and effective/best practice business processes that can streamline your business and reduce the level of customizations that others might recommend.

Reviewing and discussing with SE your existing business processes and Argano's recommendations, we would discuss with you, you are part of the project success. Many of Microsoft's top partners engage Argano for our finance, retail and ecommerce expertise in projects like yours, as many partners cannot adequately meet the needs of our customers in this industry. We recently completed a non-profit retail D365 project (37 stores in the Northwest) that was highly successful, due to our commitment to non-profit and retail. Another key differentiator underscoring Argano's commitment to this industry and retail/non-profit is the valuable IP (intellectual property) we have developed that can provide benefit from in your implementation. We have made reference to this throughout our RFP response (i.e., "Retail Sales & Analysis Dashboard, & Audit & Security Manager"). We also have a very strong and committed long term relationship with Microsoft's TSI team (Technology for Social Impact), working together to serve the non-profit community like Smithsonian.

With a solution built around Microsoft and Argano delivery best practices, expertise in business process and a unique commitment to non-profit, retail and the Dynamics platform, Smithsonian can be confident in the leadership and expertise Argano will deliver as your trusted partner. Our commitment to your success is unwavering and we are committed to working collaboratively, transparently, and with integrity throughout our engagement. The leadership you are requiring – a partner to truly lead you through this critical transformation and a partner to take on additional responsibilities due to SE resource constraints, can be met with confidence in the Argano team. In addition, unique to Argano being your trusted partner.

As a leader in Digital Transformation, we are metrics driven, fostering reduced information lead times using:

- Embedded KPIs, Business Intelligence, and Artificial Intelligence
- Strategic mapping for successful outcomes
- Strong partnership with Microsoft
- Executive commitment to the success of our clients

Argano is a celebrated partner within the Microsoft community, having won many accolades due to our excellence in customer project success, as well as our breadth of complementary products and services that are ultimately unmatched in the industry. To this end, Smithsonian can rest easy with the knowledge that Argano embodies the following attributes and experiences:

- Our success in implementing and supporting complete system solutions to support our clients across various industries inclusive of Nonprofit and Not-for-Profit.
- Deep experience in supporting, migrating, and upgrading clients from the very earliest versions of Dynamics to the latest Dynamics 365 versions.
- Our people include credentialed and experienced consultants that leverage industry specific best practices.
- Utilization of an Agile and Iterative Implementation Methodology that promotes rapid customer ownership and decreases project costs.
- Executive commitment to the success of our clients and their strategic projects.

Argano is confident that we can meet and exceed the requirements outlined in your RFP as well as deliver a successful, timely implementation based on similar project experience with many customers implementing D365 Finance/Operations/Supply Chain, POS/Retail, and eCommerce should you decide to include in Phase 2b.

We look forward to (and would be honored to be selected) to work with Smithsonian in the delivery of Microsoft's Dynamics 365 ERP solution as a critical part of your strategic digital transformation…starting with our RFP response as follows.

Argano is a US based consulting firm and a top-ranked award-winning Microsoft Dynamics Solutions Partner with competencies in:

- Business Applications Enterprise Track

- Data and AI (Azure)
- Digital and App Innovation (Azure)
- Infrastructure (Azure)
- Power Platform

The Argano team brings a vast range of solution- and industry-specific experience to the table. A Microsoft Inner Circle Partner and Partner of the Year Winner (National) and Finalist (Global), we have deployed ERP and CRM solutions for companies across the globe.

Experienced in assisting organizations to digitally transform and grow their businesses. Our expert consultants offer strategic consulting and advisory services, implementation services, application and technical support, managed services, as well as packaged software solutions that facilitate our clients' innovation using Microsoft Dynamics ERP, CRM, POS, Commerce, Business Intelligence/Analytics and other related Microsoft cloud solutions.

As a member of Microsoft's prestigious Inner Circle, Argano specializes in global implementations, often with complex business processes. Our ERP team specializes in delivery solutions to manufacturing, distribution, and retail organizations with a need to meet their clients where they are in an efficient and relevant way. Our long history of serving a wide variety of industries enables us to align with our clients' strategic objectives to effectively help them re-engineer and redefine themselves to be more responsive to market dynamics, deliver outstanding Client experiences, break down organizational silos, and streamline business processes.

Argano is a celebrated partner within the Microsoft community, having won many accolades due to our excellent sales performance, as well as our breadth of products and services that are ultimately unmatched in the industry. To this end, Argano embodies the following attributes and experiences:

- Our success in implementing and supporting complete system solutions to support our clients across multiple industries.
- Deep experience in supporting and upgrading clients from the very earliest versions of Dynamics to the latest Dynamics 365 versions.
- Deep real-world business experience, so our consultants understand both the business requirements and the expected D365 configuration.
- Deep expertise in D365 applications
- Utilization of our Client maturity model that accelerates the delivery of improved readiness and proactive change management that leads to increased adoption and

reduced risk.

- Our people include credentialed and experienced consultants that leverage industry best practices.
- Utilization of an agile and iterative Delivery Methodology that promotes rapid Client ownership and decreased project costs
- As a leader in Digital Transformation, we are metrics driven fostering reduced information lead times using:
- Embedded KPIs, Business Intelligence, and Artificial Intelligence
- Strategic mapping for successful outcomes
- Strong partnership with Microsoft
- Executive commitment to the success of our clients

1.1 Company Information

Provide the following information:

- Company Name. Argano
- Street Address, City, State, Zip code, Main Phone number.

Argano
6100 W. Plano Parkway
Suite 1800
Plano, TX 75093

- Who will be your primary contact? Name, Title, Phone office, Phone mobile, Email.

Contact Information:

Main Phone: (214) 778 2100

Additional Contacts:

Teri Boehm
VP Sales
teri.boehm@argano.com
972.921.5614

Pete Kilcommons
Sr Strategic Acct Mgr.
pete.kilcommons@argano.com
954.295.1297

- The name, address and telephone number of the person who receives correspondence, and who is authorized to make decisions or represents the company. Please state his or her capacity within the company.

Teri Boehm VP Sales teri.boehm@argano.com 972.921.5614	Pete Kilcommons Sr Strategic Acct Mgr. pete.kilcommons@argano.com 954.295.1297

- The total number of years the company has been in business.

Founded in June 2020, Argano is the parent company of 13+ well established business technology consulting firms. A majority of each company within the Argano brand has been in business 15+ years.

- What is your Dun & Bradstreet Number?

D&B number: 065948025

- How many employees do you have?

1900+

- Where is your company headquartered?

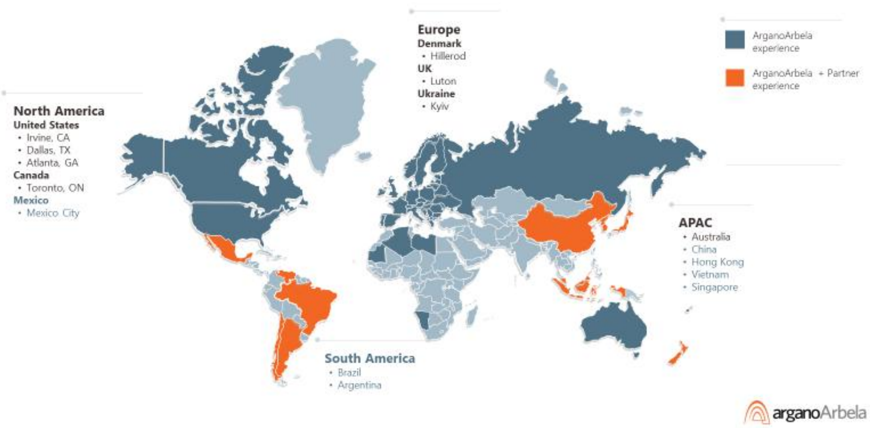
6100 W. Plano Parkway
Suite 1800
Plano, TX 75093

- When does your fiscal year end?

December 31, 2023

Please list company facilities & locations.

Global Implementation Experience, Offices and Partnerships



Argentina
Canada
Denmark
India
Mexico
Moldova
Philippines
Republic of Georgia
Ukraine
United Kingdom
United States

U.S. based office's:
Atlanta, GA, Boston, MA, Charleston, SC, Chicago, IL, Denver, CO, Irvine, CA, Houston, TX, Jacksonville Beach, FL, New York, NY, Plano, TX, San Francisco, CA

1.2 Business Background

- The product name(s) company is proposing.

Microsoft Dynamics 365 and related implementation services inclusive of training and support services.

- Describe your unique capabilities/competitive advantage or expertise that differentiates you from your competition.

We *know* Microsoft.

A leading, award-winning Microsoft partner with more than 20 years of experience building and supporting business application implementations worldwide, we deliver ERP, CRM, BI and analytics consulting and implementation services that drive innovation and maximize clients' Microsoft Dynamics, Azure, and Power Platform investments.

Offering industry expertise across manufacturing, distribution, life sciences, financial services, retail/ commerce, and professional services, we guide and support our support clients' larger business goals—not just their technology needs.

Expert knowledge, industry expertise and outcome-based alignment

Our experienced Argano 4 Microsoft team implements practical and tailored solutions that create real and sustainable business outcomes. Engagements are aligned to targeted outcomes, and all our efforts are performed to achieve your measurable goals and user-accepted solutions.

Why Argano

Bridging the Gap Between Opportunity and Ability to Execute

We steward your business' deep transformation by building a strong digital foundation as an engine for agility, efficiency, and innovation, enabling you to realize new revenue streams.

Harnessing the Power of Transformation

We enable companies to harness the power of transformation with unmatched depth and breadth of technology capabilities and industry expertise, combined with core services driving value across your entire business.

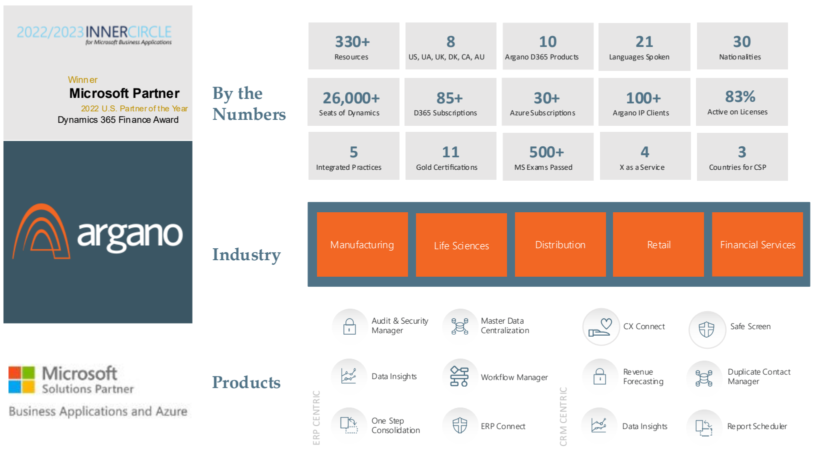
Driving Innovation and Optimization

We guide our clients' success towards continuous innovation and optimization with a consultative approach leveraging technology excellence, user design, organizational change management, and managed services.

Unlocking the Promise of the Digital Renaissance

We help businesses realize the possibilities of the Digital Renaissance, as we believe the more, we deeply transform your business, the more you are able to transform the world.

Describe your customer portfolio (number and industries) for the last 3 years and current year.



- Have you partnered with a company similar to Smithsonian Enterprises before? If yes, please describe the success and challenges you have faced.

Yes, we have. We have done many implementations of retail and finance for companies of similar in size, smaller and larger than SE. We have worked very recently with a company very similar to SE. That company was a non-profit and had ~40 stores. The solution footprint was similar to SE. We established a nice partnership with the IT and business SMEs in that company, enabling us to work very effectively together on a nice solution. Many successes included functionality, product deliverables, overall solution cost, etc. The main challenge was the customer team was so lean and busy; we assisted them with keeping them on top of decisions we needed, thereby preventing our work and the overall project from being delayed, which would increase costs.

- If you are proposing a joint bid on this project, have you proposed a joint bid before? If yes, please describe the success and challenges you have faced.

Argano is responding to the Smithsonian Enterprises RFP as a sole source service implementer.

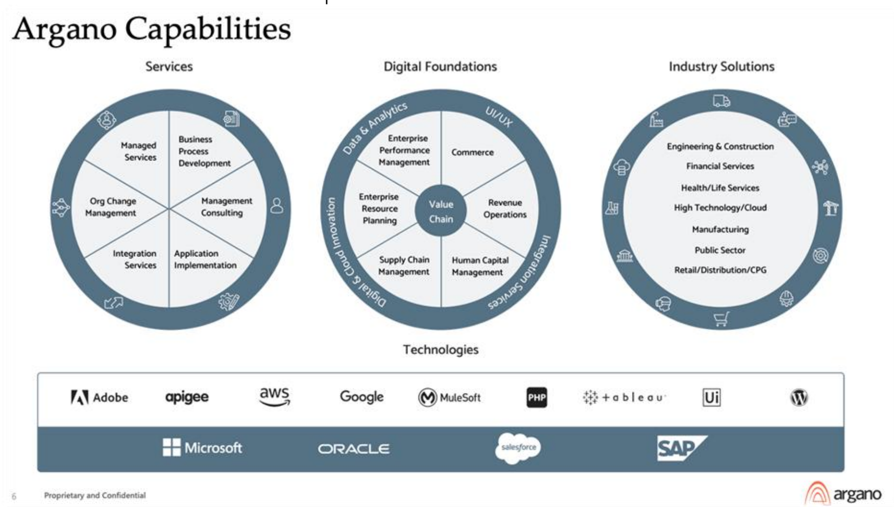
- How are your clients using D365?

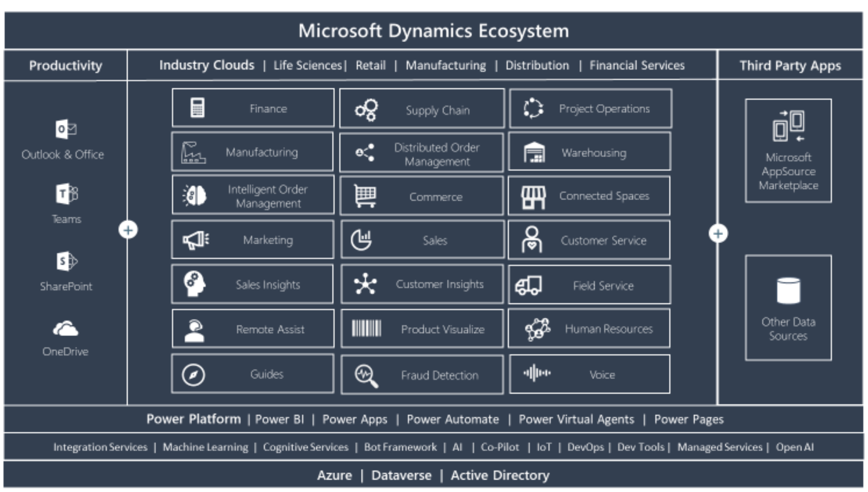
  A good sampling of customers in the reference section depicts how some are using D365. Please also refer to the attachment "DCS – Case Study" to see how DCS is using almost every module and functionality of D365. We have our industries in the Vendor Section to reflect the various industries in which we have industry experience and are committed to providing that industry expertise to ensuring the success of our projects.

1.3 Strategy

- What are your company's core competencies?

In addition to the answers Argano provides within the body of this RFP response, the following slides communicate our core competencies.





- What is your company's vision statement and what are your core operating values?

Argano's is pleased to share our vision statement: Unleashing the transformative power of companies by reimagining how they operate and unlocking their full potential by providing digital foundations that make companies run better.

Argano's Core Values: ASPIRE – Argano is deeply committed to the following:

- ACT WITH INTEGRITY
- STRONGER TOGETHER
- PURPOSE DRIVEN
- INSPIRE INNOVATION
- REACH HIGHER
- EMBRACE CHANGE

- What percentage of your gross revenues come from product(s) and from providing professional and consulting services?

Argano revenues are split approximately 90% professional and consulting services / 10% licensing/product revenue. Caveat: many of our customers purchase Microsoft licensing via Microsoft's Enterprise Agreements (EAs), during which Argano may not actually fulfill the licensing and therefore would not be represented accurately in the ratio provided.

2. Past Performance

Provide listings of five businesses currently using D365 implemented by your organization, along with related URLs for those businesses' sites running on D365.
Please see below and in "reference" section.

- List of 5 Clients currently using D365 solution implemented by Argano:
    - Columbia Sportswear Corporation – www.columbia.com - see case study in "reference" below.
        - D365 POS and Finance for Retail Solution, including Ecommerce integration
        - Position retail for growth (retail-direct % of sales was outpacing wholesale)
        - Solution Go-Live in 2019, which was a huge benefit as wholesale collapsed during the 2020 pandemic. Retail for CSC continues to grow at a strong pace
    - Microsoft Stores, All Ecommerce Sites and Experience Centers – see case study in "reference" below. *(no true website in the traditional manner)*
        - AX2012 to D365 POS and Ecommerce Upgrade

        - Goal was to move from a highly customization AX2012 POS solution to a more out of box solution in D365. Greatly reduced customizations, complexity, and ongoing maintenance/costs.
        - Client quote solution for D365FO used call center retail complex discounts to service ~2,000 Microsoft mid-market direct sellers.
    - Gibson Brands (Guitar) – http://www.gibson.com
        - D365 Finance, Procurement, Supply Chain, Warehousing
        - D365 Commerce POS (separate project)
    - FedEx – https:// www.fedex.com
        - Implementation of D365 POS for South America (~500 stores)
        - 20 months live
    - Direct Customer Solutions (DCS) – http://www.directcustomersolutions.com
        - D365 Finance, Procurement, Supply Chain Management
        - CE/CRM
        - Power Platform, Power Automate

- Provide descriptions of your experience implementing D365 at organizations comparable in size and scope to Smithsonian Enterprises, including expected timelines, number of project hours and required human resources, etc., involving projects comparable in size and scope to the one outlined above.

  Please see below in "reference" section for more detail regarding specific customer engagements. In general, Argano's projects vary from industry to industry (see Vendor Profile section for list of key industries), scope, size, number and complexity of integrations and customizations, revenue, hours, timing/timelines, customer resource commitments, etc. No two customers are identical and therefore no two implementations are identical. However, you can count on Argano to embody a commitment to excellence, collaboration, and success in our proven approach, methodology, and delivery of your D365 project.

  The average size and length of service for Argano's clients ranges from a simple single entity 3-6 month implementation to a multi-year, multi-geo, and multi workstream implementation ranging up to 5 years. Average length for this project as estimated from RFP information is outlined starting on pages 59-61. *In addition, the recommended timeline is included as a separate Attachment as sent in the email with the RFP Response, for easier viewing.*
- The majority of our projects meet the initial timeline and budget expectations. The largest impactors of timeline changes are:
    - Detailed realistic project timeline
    - Accountability for responsibilities for both system integrator and client
    - Effective decision making
    - Change in scope

- Argano is experienced in assisting Clients with overcoming bottlenecks-on similar engagements which can have varied approaches depending on the scenario but include our expertise as an example to:
    - Facilitate agreement upon solution details and decisions latency:
        - What should be customized
        - What should we accept as standard
        - What processes may need to change *(to avoid a customization potentially)*
    - Guide on new requirements surfaced after the Analyze Phase
        - A solid and stringent requirements definition phase should be established
        - Anything found after the requirements phase should require justification to be included in go live timelines
    - Able to provide guidance to Client on extracting and cleansing master data
    - Previous experience working with the custom Wells Fargo financing option, guiding Client through delays in writing integrations (lack of response from finance partner). If the same approach is planned for this project (external touchpoint), that concern should be alleviated.
    - Facilitate solutioning delays in Client-written developments, including customizations and integrations
    - Provide experienced Change Management Team to facilitate:
        - Developing strategy to manage the Change
        - Establishing the plans that align with change management program:
            - Communication/Feedback plan
            - Champion Program
            - Stakeholder Adoption tactics
            - Communication planning and content development
            - Monitor stakeholder feedback and provide recommended action plan
            - Support End User Training planning, preparation and delivery

3. References – Case Studies

Provide five (5) references including contact names, titles, phone numbers, email addresses, mailing addresses, contract value, D365 modules implemented, and a project summary from customers for whom the vendor is currently (or has previously) provided services as required in the RFP, within the last five (5) years. Of the five (5) client references, the vendor shall provide a minimum of three (3) of which are comparable to SE. The references should include a brief description of the relationship, including how long each reference company has been operating on D365.

The following customer engagements highlight some of the Clients that Argano has led implementation projects on. The information below is provided to Smithsonian under strict confidentiality It is Argano's policy, out of respect for our customers' time, to provide contact information and coordinate reference calls only at such time that Argano would be selected as your partner for implementing D365 or were to be part of a shortlisting process with Smithsonian. We hope you understand. However, please see below for a listing of several customers with similar projects to the Smithsonian, as well as several case studies.

Columbia Sportswear – Case Study

Argano partnered with Columbia Sportswear to help them adapt to Clients' expectations, by becoming more agile and modern with Microsoft Dynamics 365 for Finance and Operations (D365 F&O).

Columbia Sportswear is an outdoor apparel company with more than $2 billion in revenue. Columbia was running SAP for their manufacturing needs; however, it did not meet their specific needs for Retail. Columbia needed to update their retail systems and business processes to adapt to Clients' expectations and become as modern operationally as their products are.

> *"The Argano team is better because of their knowledge — their domain experience combined with their tech knowledge. They're not just order takers."*
> – Waseem Uddin, Chief Information Officer, Columbia Sportswear

Microsoft Stores – Case Study

Microsoft engaged Argano to modernize their store locations from a heavily customized on-prem version of AX 2012 POS to D365 Commerce POS, as well as back-office financials to D365 Finance. It was a privilege to be trusted by Microsoft, the originator of the products we service, to implement to their Brick & Mortar stores. The upgrade/implementation was delivered under the expected timeline even with the hinderance of the pandemic in the final months leading up to Go-Live.

Additional customers:

Customer: Goodwill Olympic and Rainier Region
(37 stores implemented)
Solution: D365 Commerce (Retail, POS, some financials to support retail)
Modules: GL, AP, AR, Fixed Assets (FA),
Argano IP: Retail Sales & Analysis Dashboard, Automated Production Tool, Charitable Rounding Up
Timeline: 6 month timeline, not including development of significant IP at client's request
Recently implemented; finalizing go live

Customer: Newport
Solution: D365 FO (Finance/Operation
Modules: GL, AP, AR, Fixed Assets (FA)
# of Years Live: 1 - 1.5 years

Customer: DCS – Direct Customer Solutions SEE ATTACHED CASE STUDY
Solution: Datalake, D365FO
Modules: Finance/Operations, SC Supply Chain, CE/CRM, Power Platform
#of Years Live: 3 years; 18 month implementation for FULL suite noted above

4. Requirements

Provide technical explanations and descriptions with sample screenshots wherever applicable for all requirements listed in Scope of Work under Section II.A through II.S. In addition, clearly indicate which optional goods/services your company proposes to provide (if any), with technical explanations, descriptions, and sample screenshots.

Your proposal should include sufficient information to identify and describe the experience and effectiveness of your company in similar or related work and to demonstrate your company's current capacity to provide the solutions and services required.

Describe the technical aspects of the proposed solution and how they will meet the requirements. Please address the following items:

a. Describe the vendor's overall proposed implementation process.

Please refer to our response on pages 54-61.

b. Describe unique aspects of the vendor's implementation strategy in the marketplace.

Please refer to our response on pages 54-61.

c. Describe how SE's critical data will be stored and kept safe, the backup process, the upgrade process, and all other aspects of the solution maintenance that will directly impact SE. Detail SE's options to access or retain data for the long-term. Also, clearly identify responsibilities that the vendor owns and those that are owned by SE.

Describe any hardware proposed to support the end-user in operating the cloud-based solution including recommended internet speeds, desktop equipment, and networking equipment.

This question is also addressed under the section "POS System Requirements": Microsoft is hardware agnostic as a goal, so no specific brand is required. Hardware requirements are located at this link: https://learn.microsoft.com/en-us/dynamics365/commerce/get-started/system-requirements. Argano would be happy to have a discussion with SE regarding your hardware selections.

5. Pricing and Legal Submission

Provide a clear and complete description of pricing for all phases of work and each component outlined in your proposal, taking into consideration the Pricing Submission Requirements in Section II.Q.

Pricing must include initial setup and integration, maintenance and ongoing support costs, and any initial and ongoing consulting costs. Additionally, please break pricing down into separate and discrete sections for implementation/integration and ongoing support costs.

Please refer to Pricing Section on page 81. Please note that for ongoing support costs, (Argano's Managed Services), actual costs are difficult to anticipate and estimate without discussion regarding number of hours per month and quarter as your 'base' hours, which also influences support rates. We have included significant information regarding Argano's Managed Services Offering and would like to discuss the drivers for the costs for this long term support so we can provide a more accurate estimate for consideration.

Please also provide the following:

a. An explanation of any exceptions or deviations your company will require with respect to Exhibit A: Key Terms and Conditions and Exhibit B, Smithsonian Privacy and Security Clause, and an acknowledgment of Exhibit C, Access and Credentials. Exceptions will not automatically cause a proposal to be deemed unacceptable. However, exceptions not providing obvious benefit to the Smithsonian may result in rejection of a proposal as unacceptable.

b. A statement from your company certifying that there is no material litigation, either pending or threatened, or any contractual or business relationship involving your company or any of its principals, shareholders, partners, officers or employees which would prevent or limit your company from providing any services described in this RFP, or would hinder your company's ability to achieve fully the stated objectives and an affirmative statement that your company is responsible and able to conduct business in the District of Columbia and throughout the United States. To be provided as a signed, certified document with your proposal.

Statement from Argano VP and Legal Counsel, Elizabeth Frederic:

Argano has some active pending litigation that is typical in the normal course of business for a consulting service company of our size. These include litigation to recoup unpaid customer invoices and some typical employment litigation that would be expected for a company with 350M+ of annual revenue and over 1900 employees. Total exposure in all litigation is less than 2% of total revenue. None of the pending litigation will affect our ability to successfully deliver this project for the Smithsonian. Neither Argano nor any of its affiliates are registered to do business in the District of Columbia; Argano is responsible and able to conduct business in the District of Columbia and throughout the United States.

c. <u>Insurance</u>. Insurance certificates evidencing that your firm can meet the insurance requirements set forth in Exhibit A (Key Contract Terms and Conditions).

The Argano insurance certificate is provided as an attachment to our RFP response.

6. Availability - Project Plan.

Provide a detailed project plan that contains milestones, key deliverables and an overall schedule for implementation for a comparable implementation in size and scope, anticipating a Phase I go-live date of February 1, 2024 and taking into consideration the Project Plan Requirements in Section II.P and Implementation Submission Requirements in Section II.R. Provide a staffing plan and resumes of staff who will be assigned to work on this project in accordance with the Staffing Requirements set forth in Section II.O.

The proposed project plan should take into consideration the requirements set forth elsewhere in this RFP, including but not limited to the requirement that the selected company shall be fully responsible for the rollout of the new retail technology platform.

E. Evaluation Criteria

Subject to the discretion of the Smithsonian, any company may be selected who is deemed responsible, whose proposal conforms to the requirements in all of the RFP documents, and is judged, based on the evaluation criteria below, to represent the best value to the Smithsonian. The Smithsonian will not select a company whose proposal is determined to be unacceptable to the Smithsonian. The Smithsonian reserves the right in all cases to be the sole judge determining whether a company meets the evaluation criteria. Proposals will be evaluated in accordance with the following criteria:

A. Qualifications and Experience. This includes offeror's company profile, business background, strategy, reputation, experience; evidence of ability to commit to the Smithsonian account; and strength of references. Offerors are on notice that Smithsonian will give preference to offerors with a local presence in the Washington, DC metro area (DC, Maryland, Virginia)

B. Past Performance. Demonstrated experience implementing D365 at organizations comparable in size and scope to SE. Past performance of your company may include compliance with contract requirements, quality of services provided, timeliness of performance, cost control, business relations, etc. The Smithsonian may use past performance information obtained from sources other than the references identified by your company.

C. Requirements. Ability to successfully meet requirements as determined by strength of your technical explanations and descriptions, including reporting requirements, and your answers to questions. Please note that the requirements are set forth throughout this RFP, and a careful reading, along with submission of questions for any areas for which more information is needed, will produce the best response.

D. Pricing and Legal Submission. Total pricing for the project including initial setup and migration costs, third-party integration costs, maintenance and ongoing support, any initial and ongoing consulting costs, including answers to questions and all of the components set forth above in Section II.Q. Evaluation of this criteria includes any identified exceptions or deviations to Exhibit A and Exhibit B and explanation of the same, Material Litigation Statement, acknowledgement of Exhibit C, Access and Credentials, Insurance and PCI compliance documentation.

E. Availability/Project Plan. Strength of proposed project plan, project team, and schedule, including answers to questions and all of the components set forth above in Section II.O and II.P.

All evaluation factors other than Price, when combined, are equal to the Pricing and Legal Submission factor alone. Accordingly, Smithsonian may not necessarily award to the Offeror providing the lowest price proposal.

F. Deadlines

- Intent to Submit a Proposal: Due via email to the attention of Susan Engelhardt at engelhardts@si.edu by 5:00 P.M. E.S.T. on or before September 7, 2023.

- Questions Due: All substantive and administrative questions about this RFP must be submitted in writing by email to the attention of Susan Engelhardt at engelhardts@si.edu. Questions must be submitted by 5:00 P.M. E.S.T. on September 14, 2023 in order to ensure a response.

- Proposals Due: Proposals must be submitted via email to the attention of Susan Engelhardt at engelhardt@si.edu by 3:00 P.M. E.S.T. on or before October 19, 2023

G. Exhibits

All Exhibits are hereby incorporated and attached hereto.

- Exhibit A: Key Terms and Conditions*
- Exhibit B: Smithsonian Privacy and Security Clause
- Exhibit C: Access and Credentials

*Please note: Exhibit A Argano Redlines: Track changes are ‘on’ in this document to provide requested ‘explanation’ of any redlines or edit recommendations by Argano’s VP and Legal Counsel (Elizabeth Frederic) in the comments located in right margin (where ‘show comments’ are turned on). We are happy to have a discussion with SE’s legal counsel to review the comments at any time during SE’s review and selection process. We typically engage in a phone/teams conversation with our legal counsel and SE’s legal counsel to have an open discussion re: the concerns and redlines and then to come to a mutual agreement.

Smithsonian Institution
RFP#230559
Retail Technology Architecture Request for Proposal

EXHIBIT A
KEY CONTRACT TERMS AND CONDITIONS

The Smithsonian anticipates incorporating the following clauses, which it considers material, in any agreement resulting from this RFP process. "Contract", as used in this Exhibit, refers to the contract with the selected vendor. "Contractor", as used in this Exhibit, refers to the selected vendor. The Smithsonian reserves the right to make changes to the language below, and to incorporate additional provisions as it deems necessary. Per the requirements of the RFP, offerors are expected to indicate in their proposals any proposed clauses or language with which they take exception, or from which they propose to deviate. Final agreement between the selected offeror and the Smithsonian shall be reflected in a negotiated agreement between the parties.

1. Tax Exemption. The Smithsonian Institution was established pursuant to Section 46 et. seq. of Title 20 of the United States Code and is a trust instrumentality of the United States. As such, the Smithsonian is exempt from state and local taxes and statutory requirements, pursuant to the Supremacy Clause of the United States Constitution. As a result, the Smithsonian does not collect sales tax on sales by the Smithsonian.

2. Status of the Contractor. This Contract does not constitute and shall not be construed as constituting a partnership or joint venture between Smithsonian and Contractor. Contractor shall be an independent contractor and shall in no sense be an agent of Smithsonian and shall have no right under this Contract to obligate or bind Smithsonian in any manner whatsoever, and nothing herein contained shall give or is intended to give rights of any kind to any third persons. Under no circumstances shall the Smithsonian be deemed liable for any debts incurred by or on behalf of Contractor.

3. Privacy and Data Security. Contractor shall adhere to the requirements set forth in Exhibit B to the RFP, Smithsonian Privacy and Security Clause, attached hereto. "COTR", as used in Exhibit B, refers to the Smithsonian Contracting Official's Technical Representative identified in the Contract.

4. Access to Premises; Credentials. Contractor personnel must receive an appropriate background investigation and Smithsonian credential and undergo security awareness training if their association with Smithsonian is greater than thirty (30) days and they require unsupervised access to staff-only areas of Smithsonian-controlled facilities and leased spaces (this includes access to public spaces during non-business hours). Contractor personnel whose association with the Smithsonian is less than thirty
(30) days shall not receive a background investigation/credential and will require an escort by credentialed personnel when in staff-only areas of Smithsonian facilities. Contractor is responsible for implementation of a formal process to conduct background investigations for such Contractor personnel, such as those working at off-site inventory centers with non-routine access to Smithsonian premises. Contractor shall adhere to the requirements set forth in Exhibit C to the RFP.

5. Subcontracting. Contractor shall ensure each subcontractor complies with all relevant terms of the Contract, including all provisions relating to Smithsonian Data or other Confidential Information of Smithsonian. Contractor shall remain responsible for and liable for any and all: (i) performance required hereunder, including the proper supervision, coordination, and performance of the services by any subcontractor; and (ii) acts and omissions of its subcontractors to the same extent as if such acts or omissions were by Contractor.

6. Compliance with Laws, Rules and Regulations. The Contractor shall obtain at its own expense all necessary licenses and permits and shall comply with all applicable federal, state (including District of Columbia), and local laws, codes, regulations, and ordinances, including but not limited to licensure, equal opportunity, wage and hour, and tax laws covering its employees. Failure to comply with the requirements of this Section may result in the termination of this Contract for default. The Contractor shall keep current and post in a central location all of the foregoing certificates, permits, and licenses and shall comply fully with all terms and conditions contained therein and shall be solely responsible for any violations thereof.

7. Insurance. During the term of this Contract, Contractor shall maintain at a minimum the amounts of insurance coverage listed below:

   a) Workers' Compensation-Statutory Limits shall be equal to or greater than the statutory limits as required by the laws of the state (including the District of Columbia) in which the Contractor's facilities are located.

   b) Commercial General Liability or other comparable broad form general liability coverage which includes coverage for bodily injury, property damage, advertising and personal injury, products-completed operations, explosion liability and contractual liability, in the minimum amount of five million dollars ($5,000,000) per occurrence. This policy shall include Smithsonian as an additional insured by specific endorsement to the Commercial General Liability policy.

   c) If Contractor owns auto(s) and the operation of its business involves such auto(s), then Contractor shall maintain Auto Liability in the minimum amount of one million dollars ($1,000,000) combined single limit;

   d) Property insurance in the amount of one million dollars ($1,000,000) to cover damage to Smithsonian inventory, property, equipment etc. This policy shall list the Smithsonian Institution as loss payee.

   f) Security and privacy liability insurance, including coverage for privacy breach response costs, regulatory fines and penalties in the amount of one million dollars ($1,000,000).

   g) Subcontractors hired by Contractor for the purpose of performing work on or about the premises will be subject to the applicable insurance requirements of this Contract. In addition, said Subcontractor(s) will be subject to the naming of the Smithsonian as an additional insured.

   h) Contractor may meet insurance requirements through separate, combination, or package policies if those policies meet the required limits and the required scope of coverage. Umbrella or excess policy limits may be accepted to meet the required limits and the required scope of insurance.

   i) Contractor shall disclose to Smithsonian its full limits of all insurance policies on the required certificates of insurance, including any umbrella or excess liability policies.

j) Insurance coverage must be procured from companies earning a minimum rating of B+6 in Best's Reports. Policies evidencing the above coverage shall include Smithsonian as an additional insured and shall include or provide for insurance coverage for liability assumed under this Contract. All such insurance policies shall contain a minimum thirty (30) day notice requirement to Smithsonian prior to cancellation. As evidence that Contractor has the required coverage, certificates of insurance and duplicate original policies will be sent to the Smithsonian upon request.

8. Responsibility for Smithsonian Institution Property. The Contractor assumes full responsibility for and shall indemnify the Smithsonian Institution for any and all loss or damage resulting in whole or in part from the negligent acts or omissions of the Contractor, any subcontractor, or any employee, agent, or representative of the Contractor or its subcontractors of whatsoever kind and nature to any and all Smithsonian Institution property. This includes any equipment, supplies, accessories, or materials furnished, while in Contractor's custody and care for services to be performed under the terms of this Contract, .

Commented [EF1]: We will take responsibility for our actions and the actions of our employees and subcontractors. Without this additional language we are responsible for all loss, even loss that isn't due to our actions.

9. Indemnification/Hold Harmless. Contractor shall indemnify and hold harmless Smithsonian and its museums, the Smithsonian Board of Regents, all Smithsonian officers, agents, and employees, from and against any and all claims, losses, suits, liabilities (including final judgments or settlements), causes of action, damages, injuries, costs and expenses (including attorneys' fees) for any damage, expenses, or loss to any third person or thing arising out of the performance of this Contract, including but not limited to breach of this Contract or any representation or warranty herein, or any action or omission of Contractor, its representatives, agents, employees or subcontractors related directly or indirectly to any aspect of this Contract or performance of work hereunder, including injury to, or death of, any of Contractor's employees agents, or subcontractors, or to a third party.
FTCA Applicability. The Smithsonian Institution is covered by the Federal Tort Claims Act (28 U.S.C. §§ 1346(b) and 2671-80) which provides an exclusive remedy for claims against the United States (the Smithsonian) for damage to property, personal injury, or death caused by the negligent act or failure to act of a Smithsonian Institution employee in the course of his or her employment.

Commented [EF2]: This is overly broad and should be limited to just loss as a result of Argano's gross negligence, willful misconduct or material breach of the agreement.

10. No Discrimination. In fulfilling its obligations under this Contract, Contractor shall not discriminate against any person upon any basis protected by federal or state (including the District of Columbia) law, including race, color, religion, sex, sexual orientation, gender identity, national origin, age or disability.

11. Records Disclosure. The Smithsonian Institution is a trust instrumentality of the United States and has adopted a written policy for responding to requests for Smithsonian Institution records, including paper documents, electronic data, email, contracts, and other information stored or maintained by the Smithsonian, consistent with the principles of disclosure under the Freedom of Information Act, 5 *United States Code* (U.S.C.), § 552 and available at http://www.si.edu/OGC/Records-Requests. In the event disclosure of Confidential Information is requested in accordance with Smithsonian's records disclosure policy, Smithsonian will provide the disclosing party the opportunity to identify Confidential Information prior to release, but final decisions regarding release shall be made by Smithsonian in accordance with its policy.

12. Disputes.

(a) Smithsonian Institution is Not Subject to the Contract Disputes Act. The Contract Disputes Act of 1978 (41 U.S.C. 601-613) is not applicable to the Smithsonian Institution. All disputes arising under or relating to this Contract shall be resolved under this clause.

(b) Claims. "Claims", as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to this contract. A claim arising under a contract, unlike a claim relating to that contract, is a claim that can be resolved under a contract clause that provides for the relief sought by the claimant. However, a written demand or written assertion by the Contractor seeking the payment of money exceeding $50,000 is not a claim until certified as required by subparagraph (c)(ii) below. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim. If the submission is disputed, either as to liability or amount, or if it is not acted upon in a reasonable time, it may be converted to a claim by complying with the submission and certification requirements of this clause.

(c) Claims Procedure.

(1) Submitting Claims: A claim by the Contractor shall be made in writing and submitted to the Contracting Official for a written decision. A claim by the Smithsonian Institution against the Contractor shall be subject to a written decision by the Contracting Official.

(2) Certification of Claims: For Contractor claims exceeding $50,000, the Contractor shall submit with the claim a certification that:

(i) The claim is made in good faith;
(ii) Supporting data are accurate and complete to the best of the Contractor's knowledge and belief; and
(iii) The amount requested accurately reflects the contract adjustment for which the Contractor believes the Smithsonian Institution is liable.

(3) Who Shall Certify: If the Contractor is an individual, the certification shall be executed by that individual. If the Contractor is not an individual, the certification shall be executed by:

(i) A senior company official in charge at the Contractor's plant or location involved; or
(ii) An officer or general partner of the Contractor having overall responsibility for the conduct of the Contractor's affairs.

(d) Time Limits for Claims Decisions. For Contractor claims of $50,000 or less, the Contracting Official must, if requested in writing by the Contractor, render a decision within 60 days, decide the claim or notify the Contractor of the date by which the decision will be made.

(e) Final Decision. The decision of the Contracting Official constitutes the final and conclusive decision of the Smithsonian Institution. It is effective on the date the Contractor receives the decision. The Contractor retains all rights to subsequent judicial review to which it is entitled under federal law. The Contractor shall comply with any decision of the Contracting Official and otherwise proceed diligently with performance of this contract pending final resolution of any request for relief, claim, or action arising under the contract.

(f) Interest on Claims. The Smithsonian Institution shall pay interest on the amount found due and unpaid from:

(1) the date the Contracting Official receives the claim (properly certified if required), or

(2) the date payment otherwise would be due, if that date is later, until the date of payment. Simple interest on claims shall be paid at the rate, fixed by the Secretary of the Treasury, which is applicable to the period during which the Contracting Official receives the claim and then at the rate applicable for each 6-month period as fixed by the Secretary of the Treasury during the pendency of the claim.

13. Records Inspection; Accounting Requirements. The Smithsonian shall have the right during regular business hours and after reasonable notice to inspect, audit, make extracts from, and copy, any or all of the Contractor's financial and business records (wherever kept and however maintained) related to performance of this Contract. To facilitate such inspection, audit, copy or extract, Contractor shall make available to the Smithsonian's designated auditor on advance prior notice and during regular business hours, all original records, information and data as reasonably required by the auditor. Such right shall exist during the term of this Contract

Commented [EF3]: A 3 year lookback period is not reasonable for the services we are performing.

14. Force Majeure. Neither party shall be responsible or liable for damages caused by a delay or failure in its performance under this Contract or any provision hereof, or by delay or failure which causes cancellation of this Contract, if such delay or failure is due to a cause beyond its reasonable control, such as, but not limited, to the following: fires; strikes; war or acts of war; acts of mobs or rioters; acts of public authorities; delay or defaults caused by public carriers; widespread communicable disease outbreak (e.g. COVID-19, SARS, etc.) or other public health emergency event declared by local, State or Federal government order to be an epidemic, pandemic, public emergency or similar, or earthquakes, storms, floods, or other acts of God; provided, however, that the party seeking release shall give prompt written notice to the other party of any actual or anticipated delay, take reasonable steps to minimize the delay and overcome its effects, and promptly resume performance when the cause of delay is removed. Notwithstanding the foregoing, if such delay exceeds sixty (60) days, either party may terminate this Contract upon written notice to the other party, and all rights and obligations hereunder shall cease.

15. Service Contract Act. Contractor shall comply with the terms of the Service Contract Act of 1965, as amended (41 U.S.C. 351, et seq.) for any work performed by a "service employee," as that term is defined by the Act.

MODIFICATIONS TO OFFER OR TERMS

Smithsonian has unique status as both a non-profit organization within the meaning of Section 501(c) of the Internal Revenue Code and as a public instrumentality of the United States, 20 U.S.C. § 51 *et seq*. Offerors are hereby on notice that certain clauses in offeror's standard terms may directly conflict with or create ambiguity with federal law. Notwithstanding any statements to the contrary in the offeror's proposal or its terms ("Terms"), the following clauses, if contained in the offeror's proposal and/or Terms, are unenforceable against the Smithsonian and, if Smithsonian awards a contract to offeror, will be excluded from offeror's Terms or modified as set forth below for purposes of the awarded contract.

Commented [EF4]: Is this just a comment/note or legal language that will be included in the underlying agreement?

1. Any requirement for automatic renewal of the period of performance is deleted. Terms cannot renew without the prior, written consent of an authorized contracting official of the Smithsonian.
2. Any requirement for dispute resolution in a venue that conflicts with federal law, and any requirement for binding arbitration as a method of dispute resolution is deleted.
3. The U.S. Department of Justice has the sole right to represent the United States (Smithsonian) in cases where the third-party claim is against the Smithsonian.
4. Any requirement allowing the vendor to assign the Contract or to delegate any of vendor's rights or obligations under the Contract without the prior, written approval of the Smithsonian is deleted.
5. Any requirement that allows the vendor to use the Smithsonian name or the names of any Smithsonian museums or program offices for vendor's own advertising, marketing, promotion, publicity or solicitation purposes is deleted.
6. Any requirement allowing for unilateral modification of the Contract by the vendor for material changes to the Terms is deleted.
7. Any prohibition on termination of the Contract by Smithsonian is deleted. Smithsonian reserves the right to terminate the Contract for its convenience.
8. Any requirement that the existence of the Contract or the Contract price is confidential is deleted.
9. Any requirement granting the vendor a security interest in property of the Smithsonian is deleted.

Commented [EF5]: Is this just a comment/note or legal language that will be included in the underlying agreement? I assume that the Smithsonian is not exempt from compliance with all laws?

Commented [EF6]: I don't believe this is a complete sentence?

EXHIBIT B

Smithsonian Institution Privacy and Security Clause

1. Smithsonian Data: (a) The Smithsonian Institution ("Smithsonian") retains sole ownership of, and unrestricted rights to, any and all physical or electronic information collected, processed, or stored by or on behalf of the Smithsonian ("Smithsonian Data"), which is defined to include personal information, also referred to as personally identifiable information (PII), i.e., information about individuals, which may or may not be publicly available, that can be used to distinguish or indicate an individual's identity, and any other information that is linked or linkable to an individual, such as medical, educational, financial or employment information, online identifiers such as IP address, device IDs, and cookie data, and any other information defined as "personal information," "personal data" (or other analogous variations of such terms) under the applicable privacy, security and data protection laws ("PII"). (b) Contractor shall maintain, transmit, and retain in strictest confidence, and prevent the unauthorized duplication, use and disclosure of Smithsonian Data. (i) Contractor shall only access, maintain, use, and disclose Smithsonian Data to the extent necessary to carry out the requirements of this contract, and shall not use Smithsonian Data for any other purposes, including testing or training purposes. (ii) Contractor shall only provide Smithsonian Data to its authorized employees, contractors, and subcontractors and those Smithsonian employees, contractors, and subcontractors who have a valid business need to know such information in order to perform duties consistent with this contract. (iii) Contractor shall ensure that all Smithsonian Data is protected from unauthorized access, disclosure, modification, theft, loss, and destruction. (iv) Contractor shall not disclose Smithsonian Data without the Smithsonian's advance written authorization. If Contractor receives a legal request (such as a subpoena), or becomes subject to a legal requirement or order to disclose Smithsonian Data, Contractor shall (1) immediately notify the Contracting Officer's Technical Representative ("COTR") of it and afford the Smithsonian the opportunity to contest such disclosure, (2) assert the confidential nature of the Smithsonian Data, and (3) cooperate with the Smithsonian's reasonable requirements to protect the confidential and proprietary nature of Smithsonian Data. (v) Contractor shall not transfer access to any Smithsonian Data in the event of a Contractor merger, acquisition, or other transaction, including sale in bankruptcy, without the prior written approval of the Contracting Officer. (c) Contractor shall provide the Smithsonian reasonable access to Contractor facilities, installations, technical capabilities, operations, documentation, records, databases, and personnel, and shall otherwise cooperate with the Smithsonian to the extent required to carry out an audit for compliance with the requirements in this contract. Contractor shall, as requested by the COTR, complete, or assist Smithsonian staff with the completion of, a privacy and/or security review which might include providing requested information and documentation about how Smithsonian Data is used, collected, maintained, stored, or shared. (d) Contractor shall make any Smithsonian Data accessible to the COTR as soon as possible, but no later than ten calendar days of receiving a request from the COTR, and shall transfer all Smithsonian Data to the COTR no later than thirty calendar days from the date of such request from the COTR. Contractor shall, when required to transfer Smithsonian Data to the COTR under the terms of this contract, provide that Smithsonian Data in one or more commonly used file or database formats as the COTR deems appropriate. (e) Unless otherwise specified in this contract, Contractor shall purge any Smithsonian Data from its files and shall provide the COTR a Certificate of Destruction confirming the purging of the Smithsonian Data within forty- five calendar days of receiving a request from the COTR or at the expiry of this contract. (f) Contractor shall only be permitted to use non-Smithsonian provided information technology resources to access or maintain Smithsonian Data if Contractor provides, and the COTR approves, the following written certifications about the non-Smithsonian provided information technology resources: (i) Contractor shall

maintain an accurate inventory of the information technology resources; (ii) Contractor shall keep all software installed on the information technology resources, especially software used to protect the security of the information technology resources, current and free of significant vulnerabilities; (iii) Contractor shall encrypt all Smithsonian Data, including back-up files, stored or accessed on a non-Smithsonian provided mobile device (e.g., phone, laptop, tablet, or removable media) using a Federal Information Processing Standards 140-2 certified encryption method; (iv)Contractor shall utilize anti-viral software on all non-SI information technology resources used under this contract; and (v) Contractor shall encrypt all transmissions of PII using Transport Layer Security 1.2 or higher with secure cyphers. Secure Sockets Layer shall not be used. (g) Unless more substantial requirements are provided for herein, Contractor is responsible for, at a minimum, applying industry best practice background screening, security and privacy training, and other appropriate personnel security safeguards to the services performed under this contract. (h) Contractor shall, if requested by the COTR, require its employees to sign a nondisclosure agreement, sign a conflict of interest agreement, and/or sign an acknowledgement of the requirements in this contract.

2. Privacy Breach or IT Security Incident: In the event of (i) any action that threatens or is likely to threaten the confidentiality, integrity, or availability of Smithsonian IT resources (including computer hardware and software, data, communication links, mobile devices, digitized assets, automated processes, physical computing environments, and associated personnel, whether located inside or outside of the Smithsonian); (ii) any activity that violates Smithsonian IT Security policies provided by the COTR; (iii) any suspected or confirmed loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or situation where persons other than authorized users or for an other than authorized purpose have access or potential access to Smithsonian Data or PII in a usable form, whether physical or electronic; or (iv) any suspected loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or situation where persons other than authorized users or for an other than authorized purpose have access or potential access to PII in a usable form, whether physical or electronic (collectively, "Incident"), Contractor shall: (a) Immediately, but no later than forty-eight hours after discovery, report the Incident to the Smithsonian Office of the Chief Information Officer ("OCIO") Help Desk by calling 202-633-4000 and, if the OCIO Help Desk does not answer the telephone, leaving a voicemail which includes the name of Contractor, a brief summary of the Incident, and a return telephone number; (b) The Contractor shall cooperate with Smithsonian investigations and response activities for breaches or incidents that include the Contractor's IT resources or personnel. (c) Follow industry standard best practices to correct and mitigate any damages resulting from the Incident; and (d) Indemnify and hold the Smithsonian harmless from any costs incurred by the Smithsonian in connection with such Incident.

3. Public-Facing Software: (a) Any application, system, software, or website used to fulfill the terms of this contract, which can be accessed by members of the public ("Public- Facing Software") shall comply with Smithsonian's Privacy Statement (located at http://www.si.edu/Privacy) and the Smithsonian Kids Online Privacy ("SKOP") Statement (located at http://www.si.edu/privacy/kids), and such Public-
Facing Software shall provide the public with privacy notices in locations that are acceptable in accordance with these policies. (b) For kiosks and interactives developed by Contractor, the Contractor shall take all reasonably necessary steps to ensure they will be maintained with antivirus software and routine patching. (c) If Contractor discovers that information was collected from someone under the age of 13 in violation of the SKOP's parental permission requirements, Contractor shall provide notice to the Smithsonian Privacy Office as soon as possible, but no later than 24 hours after

discovery, and delete that information as soon as possible, but no later than 24 hours after discovery. (d) Any Public-Facing Software that employs tracking technology (such as a cookie, pixel, web bug, or web beacon) or collects contact information shall provide all users with legally-compliant notice of its data collection and tracking practices, and any required consumer choices (including the opportunity to opt-in or opt-out, as required). as well as: (i) for those who opt-out or decline the "opt-in," reasonable access to the Public-Facing Software; and (ii) for those who "opt-in", a subsequent and accessible opportunity to request that the tracking or communications cease (i.e., "opt-out").

4. Cardholder Data and PCI Sensitive Authentication Data: (a) Any Contractor that collects, processes, stores, transmits, or affects the security of cardholder data or Payment Card Industry ("PCI") sensitive authentication data, either directly or through a third party, in order to carry out the requirements of this contract shall provide the COTR: (i) before this contract begins and annually thereafter, for Contractor and for any third party vendor that processes, stores, transmits, or affects the security of cardholder data or PCI sensitive authentication data, a current, complete, comprehensive, and signed PCI Data Security Standard ("DSS") Attestation of Compliance (AOC), a template for which may be accessible in the online document library of the PCI Security Standards Council ("SSC"); (ii) the PCI DSS Requirement Management Form provided by the COTR, which asks whether Contractor or a third party shall be responsible for ensuring that certain key DSS requirements are met; (iii) for each Payment Application, i.e., application, system, software, or website used to electronically process, store, or transmit cardholder data or PCI sensitive authentication data as defined by the SSC, the listing from the SSC website's List of Validated Payment Applications; (iv) for each payment device, the listing from the SSC website's Approved Personal Identification Number Transaction Security ("PTS") Devices list; (v) for each system used to process Point of Sale card-present transactions, the listing from the SSC website's Point-to-Point Encryption Solutions list; and (vi) if requested, any additional evidence needed to determine the PCI compliance of activities related to this contract. (b) All credit card-present transactions at the Smithsonian must be processed through a PCI SSC P2PE solution and be EMV compatible. (c) Contractor shall provide the documents and listings identified in Paragraph 4(a) before it shall be permitted to use the relevant technology, and shall provide updated documents and listings to the COTR for review and approval before a system change results in one or more of the required documents or listings becoming inaccurate. (d) Each payment device that collects, processes, stores, transmits, or affects the security of cardholder data or PCI sensitive authentication data, either directly or through a third party, must adhere to the current PTS standard maintained by the SSC.(e) Each system used to process Point of Sale card-present transactions must comply with the Smithsonian Office of the Chief Information Officer ("OCIO") standards provided by the COTR, to include the Technical Note IT-930-TN99, Implementation of P2PE Devices and TransArmor Services, or its successor. (f) Contractor shall be responsible for securing cardholder data or PCI sensitive authentication data any time Contractor possesses or otherwise stores, processes or transmits on behalf of the Smithsonian, or to the extent that Contractor could impact the security of the Smithsonian's cardholder data environment, i.e., the people, processes and technologies that store, process, or transmit cardholder data or PCI sensitive authentication data by, or on behalf of, the Smithsonian. (g) Additional requirement for service providers only: Service providers acknowledge in writing to customers that they are responsible for the security of cardholder data the service provider possesses or otherwise stores, processes, or transmits on behalf of the customer, or to the extent that they can impact the security of the customer's cardholder data environment.

5. IT Systems and Cloud Services: (a) For any Cloud System (i.e., computing service provided

on-demand via a shared pool of configurable resources instead of via separate dedicated computing resources or information technology system) Contractor develops, operates, or maintains on behalf of the Smithsonian, Contractor shall provide the necessary documentation, security control evidence, and other information needed to complete federal security Assessment and Authorization activities in accordance with the National Institute of Standards and Technology Risk Management Framework. (b) For Cloud Systems that have been Federal Risk and Authorization Management Program ("FedRAMP") certified, Contractor shall provide FedRAMP documentation to the Smithsonian for review and shall cooperate with Smithsonian requests for clarification or further evidence. (c) For Cloud Systems which are not FedRAMP certified, and all other Contractor-hosted systems and websites, Contractor shall complete all requested Smithsonian Assessment and Authorization documentation and shall fully cooperate with the Smithsonian's security assessment process, including providing requested security control evidence and access to interview appropriate Contractor personnel about security controls. (d) For websites or web servers hosted outside of the Smithsonian Herndon Data Center, the Contractor must allow OCIO to perform vulnerability scanning and penetration testing. Website owners should consult with information technology security staff to determine specific needs for their environment. (e) The Contractor shall maintain all Smithsonian Data inside the United States. (f) For Contractor custom developed (non- COTS) systems and websites to be hosted at the Smithsonian, Contractor shall complete all requested Smithsonian Assessment and Authorization documentation for the components/aspects of the system provided by Contractor, and shall fully cooperate with the Smithsonian's security assessment process, including providing requested security control evidence and access to interview appropriate Contractor personnel about security controls. (g) For Contractor developed applications or Contractor built interactive systems (e.g., public-facing exhibit technology incorporated through digital signage, custom interactives, content players, media players, audio streaming devices, lighting or control automation systems), Contractor shall not circumvent the security of system (e.g., the use of backdoor or maintenance hook provisions are prohibited). (h) Contractor shall not implement into live production or use any system or website operated for the Smithsonian or containing Smithsonian Data until security and privacy authorization has been granted in writing by the Smithsonian Office of the Chief Information Officer ("OCIO") and the Smithsonian Privacy Officer via the COTR. Contractor will resolve security deficiencies in order to successfully meet the applicable requirements of this section.

6. Credentials and Network Access: (a) Contractor and Contractor's employees who have access to Smithsonian network/systems shall, when requested by the COTR, complete Smithsonian-provided privacy and security training course(s), sign a nondisclosure agreement, sign a conflict of interest agreement, sign an acknowledgement of the requirements in this contract, provide fingerprints, pass a Smithsonian background check, and/or provide notice of the results of that background check to the COTR. The content and timing of the course(s), agreement, or background check shall be substantially similar to one that would be required of a Smithsonian employee with access to similar Smithsonian networks/systems. (b) Contractor shall notify the COTR at least two weeks before any of Contractor's employee requiring a Smithsonian credential, network account or other access, or other Smithsonian-furnished equipment stops supporting the work of this contract. In the event that Contractor is not provided two weeks' notice by its employee, Contractor will notify the COTR as soon as Contractor becomes aware of the employee's departure from the contracted work. (c) Contractor shall, when any employee requiring a Smithsonian credential, network account or other access, or other Smithsonian furnished equipment stop

supporting the work of this contract, provide such employee's Smithsonian credential and any Smithsonian furnished equipment to the COTR within three business days.

7. California Consumer Privacy Act: (a) The California Consumer Privacy Act, including any regulations and amendments implemented thereto ("CCPA") shall apply to any information collected from California residents on behalf of the Smithsonian. (b) For purposes of the CCPA, Contractor shall be considered a service provider and the Smithsonian is a business. (c) Contractor shall not collect, maintain, store, use, disclose, or share PII for a commercial purpose other than providing the services or performing its obligations to the Smithsonian. (d) Without limiting the foregoing, Contractor: (i) will not sell PII (as "sell" or "sale" is defined by the CCPA); (ii) will not retain, use, or disclose Personal Information outside of the direct business relationship between Contractor and the Smithsonian; and (iii) certifies that it understands the restrictions in this section and will comply with them. (e) Upon request by the Smithsonian, Contractor will assist the Smithsonian in the Smithsonian's fulfillment of any individual's request to access, delete, or correct PII. (f) Contractor will promptly notify the Smithsonian following Contractor's receipt of any request or complaint relating to any PII (unless applicable law prohibits such notification). Contractor will not respond to any such request or complaint, other than to redirect to the Smithsonian, unless expressly authorized to respond by the Smithsonian.

European Economic Area. This contract does not include the collection or processing of Personal Information relating to individuals located in the European Economic Area.

7. Terms: The bolded headings at the start of each section of this Smithsonian Institution Privacy and Security Clause are included only to assist the reader in navigating this Smithsonian Institution Privacy and Security Clause. The Parties intend the bolded headings to have no legal effect, and agree that the bolded headings are not intended to limit or modify any other language in this Smithsonian Institution Privacy and Security Clause.

EXHIBIT C
ACCESS TO PREMISES; CREDENTIALS

1. Security. This clause applies to Contractor's employees, contractors, and/or subcontractors who provide services to the Smithsonian pursuant to this Contract (herein such individuals are collectively referred to as "Contractor personnel"). All Contractor personnel are subject to Smithsonian security directives in effect during the Term of this Contract. Contractor shall ensure that its personnel comply with all Smithsonian rules and regulations governing access to and conduct on Smithsonian property. Contractor understands and agrees that its property, particularly its consumable goods, is not the responsibility of the Smithsonian. The Smithsonian is also not responsible for the loss of personal effects of the Contractor's personnel.

   i. Contractor shall coordinate with the Contracting Official's Technical Representative (COTR), who will provide information on Smithsonian procedures for obtaining identification badges and relevant forms. Contractor personnel must receive an appropriate background investigation and Smithsonian credential and undergo security awareness training if their association with Smithsonian is greater than thirty (30) days and they require unsupervised access to staff-only areas of Smithsonian-controlled facilities and leased spaces (this includes access to public spaces during non-business hours).

1. The COTR will furnish the Contractor with OF-306 (Declaration for Federal Employment) to be completed by each person and returned by the Contractor to the COTR within 10 working days from receipt of the forms.

2. Upon notification from the COTR, the Contractor shall send each person to the SI Personnel Security Office for fingerprinting. For contract employees outside the fingerprint locations in Washington DC, New York City, Virginia and Maryland, FD-258 Fingerprint Cards will be provided by the COTR to the Contractor. If necessary, these shall be submitted by the Contractor with the OF-306.

3. Based on the information furnished, the Smithsonian will conduct a background investigation referred to as a Special Agreement Check ("SAC"). The SAC includes but is not limited to Security Agency Checks (record of previous suitability determinations), FBI National Criminal History Check, and Law Enforcement Checks.

4. Smithsonian will review the investigation and determine if the Contractor

personnel provided his or her true identity or is otherwise not suitable for a Smithsonian credential. The Smithsonian shall provide the personnel with reasonable notice of the determination including the reason(s) the individual has been determined to not have provided his or her true identity or is otherwise unsuitable. The notice shall state the specific reasons for the determination, and that the personnel has the right to answer the notice in writing. The personnel may respond to the determination in writing and furnish documentation that addresses the validity, truthfulness, and/or completeness of the specific reasons for the determination in support of the response. After consideration of the determination and any documentation submitted by the personnel for reconsideration of the initial determination, the OPS Director or his/her designee will issue a written decision, which informs the personnel of the determination. The reconsideration decision will be final.

ii. Contractor will participate in such background investigations by fully cooperating with Smithsonian personnel, including but not limited to informing applicants of the requirement of obtaining a background check and soliciting all information from such applicants as Smithsonian may reasonably request.

iii. Contractor personnel whose association with the Smithsonian is less than thirty (30) days shall not receive a background investigation/credential and will require an escort by credentialed personnel when in staff-only areas of Smithsonian facilities. Contractor is responsible for implementation of a formal process to conduct background investigations for such Contractor personnel, such as those working at off-site inventory centers with non-routine access to Smithsonian premises.

iv. Upon completion of a successful background investigation the Contractor personnel will be issued a Smithsonian identification credential that shall be worn at all times while on duty or within staff-only areas of Smithsonian facilities. Smithsonian reserves the right to determine whether and to whom it shall issue building access and identification credentials and the degree of access afforded by such credentials. Smithsonian identification credentials may be withdrawn at any time and for any reason. Each identification credential will expire and must be renewed, if necessary, prior to its stated expiration date. It is the Contractor's responsibility to initiate the renewal process. The Contractor is not required to submit another set of background investigation forms for Contractor personnel who were already cleared through the process described herein.

v. Upon expiration of the Contract, or removal or termination of Contractor personnel, Contractor shall return all issued Smithsonian identification credentials. No Contractor personnel shall enter into non-public areas of any Smithsonian building (or public spaces during non-business hours) without proper identification credentials. Contractor shall inform Smithsonian of any terminated personnel within one business day of such termination and will forward any Smithsonian ID cards, which it collects, to the COTR within one business day of the termination of that personnel.

APPENDIX

Please see below attachments to accompany RFP Response in email by deadline on October 19, 2023. These attachments have been referenced in this RFP Response as attachments being included.

- Argano Certificate of Liability
- Argano DCS – Case Study
- Argano – Smithsonian Project Timeline
- Argano – ASM – Audit & Security Management (IP)
- Argano – D365 OOB (Out of Box) Reports
- Argano – Training: Sample Learning Labs
- Argano – Training: FSC Slide Deck
- Argano – Training: Sample Quick Reference Guide – D365 FO Org