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| **STATEMENT OF REQUIREMENTS (SOR)** **SOR # SCC-22011**0***-01-*CAI**  SERFIS Upgrade Process Improvement Plan |

1. **Date:** January 10, 2022
2. **Authorized User**: Virginia State Corporation Commission (SCC)
3. **Authorized User Contact Information:**

Amanda Nies-Berger, Procurement Manager

State Corporation Commission

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1. **Solicitation Schedule:**

|  |  |
| --- | --- |
| **Event** | **Date** |
| Release SOR | 01/10/2022 |
| Supplier Questions Due to CAI | 01/14/2022 |
| Pre-Bid Conference | 01/20/2022 |
| Supplier Response Due | 02/08/2022 |
| Award Decision | 03/08/2022 |
| Estimated Project Start Date | 03/14/2022 |

Pre-Bid Conference Call

The Authorized User will host a virtual pre-bid conference for interested Suppliers on January 20, 2022 at 1:30pm. To participate, please use the following conference line information:

1 804-299-5840

Phone Conference ID: 910 432 818#

The SCC will also open a Microsoft TEAMS meeting for interested parties. To gain TEAMS access please email Amanda Nies-Berger at [Amanda.Nies-Berger@scc.virginia.gov](mailto:Amanda.Nies-Berger@scc.virginia.gov).

1. **Evaluation and Scoring**

Supplier’s Response must be submitted in the specified Statement of Work (SOW) format and will be evaluated for format compliance.

Supplier’s Response will be evaluated for technical merit based on its appropriateness to the performance of Authorized User’s requirements, its applicability to the environment, and its effective utilization of Supplier and Authorized User’s resources.

Supplier’s response will also be evaluated to the extent which it demonstrates:

### Plans/methodology/approach to providing the requested services, including proposed timeframe

* Demonstrated experience, qualifications, ability and expertise of Supplier in providing the requested services; resumes of any assigned personnel must be provided
* Total solution cost

1. **Project/Service:**

Process improvement plan with recommendations to eliminate redundancies, identify gaps and validate internal processes/measures in anticipation of increased retirements and prior to the State Corporation Commission’s Division of Securities and Retail Franchising (“Division”) system (SERFIS) upgrade.

Detailed description of requested services is presented in the “Scope of Work” section of this document.

1. **Specialty Area** (Check one)**:**

|  |  |
| --- | --- |
| Application Development | Information Security |
| Business Continuity Planning | IT Infrastructure |
| Business Intelligence | IT Strategic Planning |
| Business Process Reengineering | Project Management |
| Enterprise Architecture | Public Safety Communications |
| Enterprise Content Management | Radio Engineering Services |
| Back Office Solutions | IV&V Services |
| Geographical Information Systems |  |

1. **Contract Type :**

Fixed Price, Deliverable-based

1. **Introduction:**

Project History

The SCC is vested with regulatory authority over many business and economic interests in Virginia. It is organized as a separate department of government with delegated administrative, legislative, and judicial powers. SCC regulatory decisions can only be appealed to the Virginia Supreme Court.

The State Corporation Commission’s Division of Securities and Retail Franchising (“Division”) regulates the offer and sale of securities, investment advice and franchises, and facilitates the registration of securities and trademarks and service marks.

The Division is responsible for administering the Securities Act, the Retail Franchising Act, and the Trademark and Service Mark Act. In administering these Acts, the overall mission of the Division is to protect the public by promoting a fair and stable marketplace of investment products and services through education, compliance and enforcement, while enhancing economic growth.

The Division’s staffing has remained relatively stable for many years and currently has 43 edicated, knowledgeable employees. The Division is led by a director with 50+ years of experience supported by 4 sections: Registration, Examinations, Audit and Investigations. Excluding the Director, staff experience level is over 13 years. Three new employees were hired in the last year with more expected as retirements increase. As such, transfer of knowledge and streamlined documented processes are key strategies to ensure continuity of operations.

The Division has adapted well to recent organizational changes including a new Deputy Director, addition of 3 new Principals (front line supervisors and Subject matter experts); and consolidation of 2 sections, Enforcement and Investigations, into one. Staff engagement is high and open to process improvements prior to another strategic priority, modernizing our division system.

Business Need

The Division has decided to modernize its work processes in order to gain efficiencies, enhance performance, and lay the foundation for managed business processes. The Division has decided to undertake this effort in part due to the desire to align with SCC’s goal of instituting repeatable and predictable business processes to enable high performance, as well as to prepare for the upcoming upgrade of the Divisions’ workflow system, SERFIS. It is in this context that the SCC now seeks outside support to assist in achieving this future state.

The SCC requires an analysis of the processes related to the Division to identify opportunities for improved performance and productivity.

The intent of this engagement is to create the Deliverables detailed below. The execution of resulting Deliverables is not in scope. The SCC may, in its sole discretion, issue a subsequent Statement of Requirements for services related to the execution of resulting Deliverables.

Tables I and II below include the SCC’s assessment of necessary Deliverables and Deliverables Examples, as applicable. However, the SCC will consider alternative or additional Deliverables (and associated timelines as applicable) as proposed and specifically described by Suppliers.

Project Complexity

The project complexity is medium, as is the risk. The division has process documentation as it relates to our current, old system (SERFIS) though it may not be entirely up to date. The risk is not updating the processes to a “to be” state because staff/vendor engagement is low, the time and coordination of desk level interviews due to remote work and reliance on Microsoft teams. This could result poorly designed systems requirements and an inefficient system upgrade.

Project Management and Organizational Structure

Outlined in 13 B. The divisions Deputy director will serve as executive sponsor and our Systems Supervisor will have the business lead role. The expectation will be to have weekly check point meetings via MT if not in person, to ensure the timelines are being met and there is open communication from both Division and Vendor perspective.

1. **Scope of Work:**

This SOR defines the services required by Authorized User in support of the Project/Service.

| **Table I - Deliverables** | | |
| --- | --- | --- |
| **Description** | **Activities** | **Deliverable Items** |
| As-Is Process Analysis | Conduct As-Is Process Analysis   1. Evaluate current internal processes (approx. 10 – 15) and cross-divisional processes (approx. 10) including but not limited to:     1. Cash Receipts/Revenue process    2. New Registration process    3. Amendment process    4. Renewal Process    5. Audit Selection process    6. Conducting Audit process    7. Referral process    8. Conducting an Investigation process    9. Compliance process 2. Conduct interviews with selected staff (approx. 10 – 20 staff members) 3. Assess factors impacting performance (e.g. redundancy, internal communication, processing workflows, waste, etc.) 4. Recommend standardization and removal of ‘silos’: similar processes exist across sections and standardization is desired 5. Analysis to determine whether correct data is being captured, considered, and monitored to aid in decision making 6. Capture DIVISION productivity metrics and baseline measurements and validate need to track/monitor 7. Describe any metrics/baseline measurements not currently being captured and benefit of use in To-Be processes | As-Is Analysis Report includes:   1. Evaluation of Internal Division processes and cross-divisional processes including but not limited to:      * 1. Cash Receipts/Revenue process   2. New Registration process   3. Amendment process   4. Renewal Process   5. Audit Selection process   6. Conducting Audit process   7. Referral process   8. Conducting an Investigation process   9. Compliance process          1. Assessment of factors impacting performance      1. Recommendations for standardization and removal of ‘silos’ across processes and sections to support standardization 2. Analysis to determine whether correct data is being captured, considered, and monitored to aid in decision-making      1. Description of recommended Division productivity metrics and baseline measurements including validation of need to track/monitor      1. Description of any metrics/baseline measurements not currently being captured and benefit of use in To-Be processes |
| To-Be Process Analysis | Conduct To-Be Process Analysis   1. Create ‘To-Be’ processes with process maps that facilitate a comparison of ‘As-Is’ processes. Two new ‘To-Be’ processes follow:   - New Audit process to determine whether an Investment Advisor who applied to sell unregistered securities and for whom the Division directed to withdraw said application is not selling unregistered securities  - New Customer Satisfaction process to measure and enhance internal customer satisfaction and service levels     1. Describe proposed managed process changes for each process 2. Document recommendations, risks and issues as they pertain to the proposed future state of managed business processes     **NOTES**:   1. There may be other As-Is or recommended To-Be processes; the processes listed above are those for which the Division has awareness 2. All As-Is and To-Be process documentation must be clear and editable 3. An example of the type of managed business process documentation that SCC is interested in is listed in Table II – Deliverables Examples for ‘To-Be’ Managed Processes (following this table) | To-Be Analysis Report includes:     1. ‘To-Be’ processes with process maps that facilitate a comparison of ‘As-Is’ processes or may be completely new processes, some of which are noted in column to left                                  1. Description of proposed managed process changes for each process      1. Recommendations, risks, issues as they pertain to the proposed future state of the Division’s managed business processes |
| Change Management and Implementation Planning | Develop Change Management Plan and Implementation Plan   1. Propose recommendations 2. Propose priority of ‘To-Be’ process implementation 3. Describe training needs including training plan 4. Develop Communication Plan including timeline, method of communication, roles responsible for communication | Change Management Plan and Implementation Plan includes:   1. Description of recommendations 2. Prioritized Priority of ‘To-Be’ process changes 3. Description of Training Needs and Training Plan 4. Communication Plan (including timeline, method of communication, roles responsible for communication) |
| Executive Summary | Develop Executive Summary   1. Summarize of all activities conducted 2. Provide detailed explanation of the Recommendations and Implementation Roadmap | Executive Summary items include:   1. Verbal and written summary of all activities 2. Detailed verbal and written explanation of Recommendations and Implementation Roadmap |

| **Table II – Deliverables Examples for ‘To-Be’ Managed Processes** |
| --- |
| The Division wishes to align with SCC’s goal of instituting repeatable and predictable business processes, and so prefers to receive ‘To-Be’ processes in a managed business process structure. This structure includes elements to enable continual process improvement by incorporating process feedback into the process itself.  Ideally, the ‘To-Be’ Managed Processes may contain similar components as shown in the process framework below.     1. Process Goal 2. Process Objective 3. Process Control    1. Process Owner Role 4. Process    1. Process Triggers    2. Process Input    3. Process Metrics    4. Process Activities    5. Process Roles    6. Process Documentation       1. Procedure(s)       2. Work Instruction(s)       3. Form(s)    7. Process Improvements – actions for reviewing/tracking improvement efforts    8. Process Output 5. Process Enablers    1. Resources    2. Capabilities (skillsets) 6. Process Flowchart 7. RACI chart |

1. **Period of Performance:**

Supplier should propose a detailed timeline for completion of services in the most effective and cost-efficient manner for SCC’s consideration.

1. **Place of Performance** (Check one)**:**

Authorized User’s Location

Supplier’s Location

Authorized User’s and/or

Supplier’s Location

While the COVID-19 pandemic is on-going, performance may take place at the Supplier’s location. However, should the situation change during the period of performance, then the Authorized User may request some services to be performed on-site.

1. **Project Staffing**
2. **Supplier Personnel**

The roles listed in the table below represent the minimum Supplier personnel requirements for this engagement.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Role** | **Key Personnel (Y/N)** | **Years of Experience** | **Certifications** | **References Required (Y/N)** |
| Process Improvement Analyst | Y | 5 |  | Y |
|  |  |  |  |  |
|  |  |  |  |  |

In addition to the standard industry experience expected of these roles, Supplier must demonstrate the following specific experience:

* Proven in-depth knowledge of and experience in process improvement methodologies
* Exceptional verbal and written communication skills
* Meticulous attention to detail, skilled in providing documentation for end-users, ability to balance multiple tasks simultaneously, and ability to work both independently and in a team environment
* Ability to establish achievable deadlines and manage time effectively
* Knowledge and experience in MS Office Suite and SharePoint

1. **Authorized User Staff**

The roles listed in the table below represent Authorized User’s staff and the estimated time each will be available to work on the project.

|  |  |  |
| --- | --- | --- |
| **Role** | **Description** | **% Project Availability** |
| Business Lead | Provides assistance with stakeholder engagement, project planning, and strategy | As needed |
| Agency Staff | Participate in interviews, provide information, and review deliverables | As needed |
|  |  |  |

1. **Milestones and Deliverables:**

The minimum required milestones and deliverables, and the estimated completion date for each deliverable, are listed in the following table.

| **#** | **Milestone**  **Event(s)** | **Deliverable(s)** | **Estimated Completion Date** |
| --- | --- | --- | --- |
| 1 | As-Is Process Analysis | As-Is Analysis report | Supplier to propose |
| 2 | To-Be Process Analysis | To-Be Analysis Report | Supplier to propose |
| 3 | Change Management and Implementation Planning | * Change Management Plan * Implementation Plan | Supplier to propose |
| 4 | Executive Summary | Executive Summary | Supplier to propose |

The Supplier should provide all deliverables in electronic form, using the following software standards (or lower convertible versions):

|  |  |
| --- | --- |
| **Deliverable Type** | **Format** |
| Status Reports,  Spreadsheets, Presentations,  Documents | MS Office Suite |
| Process Diagrams | MS Visio |

1. **Travel Expenses** (Check one)**:**

No travel will be required for this engagement

Travel must be included in the total fixed price of the solution

1. **Payment** (Check all that apply)**:**

Payment made based on successful completion and acceptance of deliverables

All payments, except final payment, are subject to a *(XX)*% holdback

1. **Acceptance Criteria:**

The Authorized User will have 15 business days from receipt of the deliverable to provide Supplier with the signed acceptance receipt.

Final acceptance of services provided under the SOW will be based upon (Check one):

User Acceptance Test

Acceptance Criteria for this solution will be based on a User Acceptance Test (UAT) designed by Supplier and accepted by Authorized User. The UAT will ensure that all of the functionality required for the solution has been delivered. The Supplier will provide the Authorized User with a detailed test plan and acceptance checklist based on the mutually agreed upon UAT plan. This UAT plan checklist will be incorporated into the SOW.

Final Report

Acceptance criteria for this solution will be based on a final report. In the SOW, Supplier and Authorized User will agree on the format and content of the report to be provided to Authorized User for final acceptance.

Other (specify): Acceptance of deliverables by Authorized User

Prior to commencement of performance, acceptance criteria will be developed by the Authorized User for each deliverable. Acceptance criteria shall include that the deliverable (i) is in a format and has, minimally, the content required by the SCC, (ii) satisfies all associated requirements; and (iii) accomplishes the purposes for which the document is intended. Additional acceptance criteria will be included as appropriate.

1. **Project Roles and Responsibilities:**

| **Responsibility Matrix** | **Supplier** | **Authorized User** |
| --- | --- | --- |
| Develop deliverables |  |  |
| Review and provide feedback on deliverables |  |  |
| Revise and finalize deliverables |  |  |
| Approve deliverables |  |  |
| Manage the project |  |  |

1. **Criminal Background Checks and Other Security Requirements (**Check all that are required):

Standard CAI Required Background Check

Agency Specific Background Check

1. **Performance Bond** (Check one)**:**

Required for *(XXX)*% of the SOW value

Not Required

1. **Reporting** (Check all that are required):

**Weekly Status Update**

The weekly status report, to be submitted by Supplier to Authorized User, should include: accomplishments to date as compared to the project plan; any changes in tasks, resources or schedule with new target dates, if necessary; all open issues or questions regarding the project; action plan for addressing open issues or questions and potential impacts on the project; risk management reporting.

**Other(s)** (Specify)

1. **Federal Funds** (Check one):

Project will be funded with federal grant money

No federal funds will be used for this project

1. **Training and Documentation:**
2. **Training is:**

Required as specified below

Not Required

Training Requirements:

*(Specify specific training requirements)*

1. **Documentation is:**

Required as specified below

Not Required

Documentation Requirements:

*As specific in the Scope of Work section above*

1. **Additional Terms and Conditions:**

The services to be provided are subject to the following additional provisions:

1. Effective July 1, 2020, the Code of Virginia requires contractors with the Commonwealth who spend significant time working with or in close proximity to state employees to complete sexual harassment training.  As a result of the new code, VITA and the Department of Human Resource Management (DHRM) are requiring that all contractors working through the CAI contract complete DHRM's "Preventing Sexual Harassment" training.  This training is available as either a short video or a written transcript on the DHRM website: <https://www.dhrm.virginia.gov/public-interest/contractor-sexual-harassment-training>. The selected Supplier must agree that any assigned resource will complete the training.
2. The Supplier must agree to comply with the requirements of Governor Northam’s Executive Directive 18, “Ensuring a Safe Workplace” and the Supplemental Contractor Guidelines regarding COVID vaccination and masking requirements. The Directive and Guidance can be reviewed at the following links:

**ED#18**: <https://www.governor.virginia.gov/media/governorvirginiagov/executive-actions/ED-18-Ensuring-a-Safe-Work-Place.pdf>

**Interim Guidance**: <https://www.dhrm.virginia.gov/docs/default-source/covid-19/interim-guidance-on-ed-18-contract-workers-8-13-21-final.pdf>

1. All SCC information which Supplier employees or agents come into contact with while providing services to the SCC is confidential and proprietary. Any unauthorized release of proprietary information by the Supplier or an employee or agent of the Supplier shall constitute a breach of the Contract.
2. **Scheduled Work Hours:**

N/A

1. **Facility and equipment to be provided by Authorized User:**

N/A