**RFP for The Local Coffee Shop – Primary Stakeholders: Andrea Gulling, Jeremy Gaglione, Andrew Dillard, Michael Forman**

**1.0 Confidential Information**

1.1 Agreement Acknowledgment

Before accessing this Request for Proposal (RFP), a legally authorized representative of your company has executed a Confidentiality Agreement with The Local Coffee Shop. This agreement enforces the mutual commitment to maintain the confidentiality of shared information throughout the RFP process.

1.2 Definition of Confidential Information

The contents of this RFP, including all associated materials, data, and information, are classified as "Confidential Information" as per the Confidentiality Agreement. This classification covers a broad spectrum of information, including but not limited to technical, operational, financial, and strategic details contained or referenced in this document.

1.3 Usage Restrictions

The Confidential Information provided within this RFP is solely for the purpose of your organization’s preparation and submission of a proposal. Any use beyond this scope requires explicit written approval from The Local Coffee Shop.

1.4 Obligation of Non-Disclosure

Your organization is obligated to prevent unauthorized copying, disclosure, or distribution of the Confidential Information to third parties. This includes implementing safeguards equivalent to those you use to protect your own confidential data.

1.5 Consequences of Breach

Any breach of these confidentiality terms will prompt The Local Coffee Shop to take suitable remedial measures, which may include legal action, to safeguard its proprietary interests.

**2.0 Acknowledgment Form**

This form acknowledges receipt of the Request for Proposal (RFP) issued by The Local Coffee Shop and indicates the intent of the undersigned vendor regarding submission.

**Request For Proposal No:** 2024-05-13

**Closing Date for Receipt of Proposals:** May 17, 2024, before 5:00 p.m.

**RETURN THIS FORM BY:** May 17, 2024, before 5:00 p.m., to:

**The Local Coffee Shop**  
Attention: Squad 1  
C/O Maryville University

**Acknowledgment:**

We, [Vendor Name], located at [Vendor Address], hereby:

( ) Intend to submit a proposal in response to the RFP for the Local Coffee Shop Stock, Inventory, and Sales Management System.

( ) Do NOT intend to submit a proposal and have returned all The Local Coffee Shop documentation, including the RFP.

**Reason for Declining (if applicable):**  
[Provide reasons for declining to submit a proposal, if this option is chosen.]

**Vendor Authorization:**

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**3.0 Project Introduction**

This document serves as a Request for Proposal (RFP) from The Local Coffee Shop for a comprehensive Information Technology (IT) solution encompassing a Stock, Inventory, and Sales Management System (SISMS). The IT services sought through this RFP include:

* Advanced software for predictive production management.
* Inventory management system tailored for coffee operations.
* Integration with the Toast Point of Sale (POS) system, utilizing its RESTful API and OAuth2 authentication.
* Solutions for sales and trend analysis, and shelf-life tracking.
* Loyalty and Pay-Forward tracking.

The Local Coffee Shop anticipates that these IT services will enable a transformation in their operational efficiency, leveraging technology to enhance sales prediction accuracy, inventory management, and overall customer satisfaction. The core objective of this RFP is to establish a system that significantly elevates the coffee shop’s operational efficacy and data-driven decision-making capabilities.

**3.1 Background**

The Local Coffee Shop, a family-owned business based in Topeka, has been serving the community with high-quality coffee goods for 17 years. The primary stakeholders are Andrew Dillard, Jeremy Gaglione, Andrea Gulling, and Michael Forman. Renowned for its fresh, daily-made products, an exotic and extensive coffee and specialty drink menu, and exceptional customer service, the coffee shop is now poised to expand its operations.

Further information about The Local Coffee Shop can be found at www.thelocalcoffeeshop.com

The Coffee Shop IT needs encompass:

* Scalable software solutions for inventory and sales management.
* Integration capabilities with existing POS systems.
* Enhanced data analytics for production and sales forecasting.
* Systems to support expansion and potential franchise operations.

**3.2 RFP Objectives**

The primary objectives of this RFP are:

* To implement a predictive production management system that accurately forecasts daily product demand, thereby reducing waste and enhancing stock efficiency.
* To develop a robust inventory management system that supports daily production needs and maintains optimal levels of raw materials and finished goods.
* To integrate the new system seamlessly with the existing coffee POS system, ensuring real-time data flow and analysis.
* To enable The Local Coffee Shop staff to focus on core business activities by automating key IT functions, leading to operational cost savings and improved service levels.
* To ensure the new IT system is adaptable and scalable, allowing for future expansion and potential franchising needs.
* To implement a Loyalty program tracked and administered through POS system.
* To implement pay-forward sales integration so pay-forward transactions are part of regular retail transactions and are balance tracked for easy utilization by customers requesting purchases from that balance.

**3.3 Current Environment**

The Local Coffee Shop currently operates with:

* A traditional POS system lacking integration with inventory and production planning.
* Manual processes for inventory management and sales tracking.
* Limited data analytics capabilities for predicting sales trends and production needs.
* Paper-and-punch loyalty card program.
* Manually tracked pay-forward system requiring multiple transactions to handle customer pay-forward requests.

The RFP seeks to revolutionize these aspects, bringing in a comprehensive, integrated IT solution to streamline operations and support the coffee shop’s growth trajectory.

**4.0 Instructions to Vendors**

This document is a Request for Proposal (RFP) issued by The Local Coffee Shop, not an order. This RFP should not be construed as a request or authorization to perform work at the expense of The Local Coffee Shop. Any efforts expended by a vendor in evaluating and responding to this RFP, and if selected, in negotiating a definitive agreement, will be at the vendor's own discretion and expense. This RFP does not represent a commitment to purchase or lease. The Local Coffee Shop reserves the right to reject any and all proposals at its sole and absolute discretion. Submission of a proposal constitutes acknowledgement that the vendor has read and agrees to be bound by the terms of this RFP.

The information provided in this document is intended to enable recipients to prepare a proposal that addresses the needs and requirements as described in this RFP. The information herein is believed to be accurate to the best of the author's knowledge but is not guaranteed to be correct.

**4.1 Point of Contact**

All communications regarding this RFP must be directed exclusively through the designated channel. For clarifications and queries, vendors should contact:

**Point of Contact: Squad 1**  
**C/o Maryville University**

**4.2 Submission of Proposals**

Proposals must be received by May 15th 2024 by 5:00 PM. Extensions to this deadline will not be granted. Vendors must submit their proposals complete and in writing, organized according to the format described in Appendix B. Submission of a proposal in response to this RFP constitutes an offer to enter into a contract based on the terms stated in this RFP and in the vendor's proposal, should the vendor be invited by The Local Coffee Shop to do so.

The Local Coffee Shop seeks cost-effective, quality solutions that meet all of the mandatory requirements outlined in this document. Partial solutions may not be considered. Proposals will be assumed to be the vendor's best and final offers.

The original proposal and the required number of copies must be signed by a duly authorized officer. If subcontractors or partners are involved, they must also sign the proposal, accepting responsibility for the work they will undertake. The vendor submitting the proposal will be primarily responsible for fulfilling the contract. All sections of the proposal must be clearly numbered and submitted to the contact specified in Section 4.1.

This RFP remains the property of The Local Coffee Shop at all times and must be returned upon request. Vendors not submitting a proposal must immediately return all related documents. Once a contract is awarded, unsuccessful vendors must return all RFP-related materials.

**4.2.1 Exceptions and Alternatives**

Vendors may submit alternative proposals in addition to a response conforming to the requirements of this RFP. Any alternatives must be clearly identified, segregated from the original proposal, and prepared in the same format. Vendors are responsible for demonstrating that any alternative proposals meet or exceed the requirements of The Local Coffee Shop. All costs associated with the development and submission of alternative solutions will be borne by the vendor.

**4.5 Competitive Dialogue**

Following the proposal submission, a shortlist of vendors may be established. Selected vendors may be invited to participate in a competitive dialogue with The Local Coffee Shop management. The final selection will be based on the vendor's responsiveness to the project objectives of The Local Coffee Shop.

**4.6 Requests for Additional Information**

Requests for clarification will be accepted until June 13th 2024. The Local Coffee Shop will endeavor to respond in a timely manner but cannot guarantee responses will be issued in time to be incorporated into the vendors' proposals. All inquiries must be made in writing to the contact specified in Section 4.1.

**4.7 Site Visits**

Upon request and by appointment, vendors may visit certain facilities of The Local Coffee Shop to better understand the project scope and requirements. Similarly, The Local Coffee Shop may request visits to the vendor's facilities.

**4.8 Proposal Format**

Proposals must be submitted in the format defined in Appendix B. Any deviation from this format may lead to the rejection of the proposal. Alternative proposals, if offered, should follow the same format and will be evaluated alongside the main proposal.

**5.0 RFP Principal Requirements**

The detailed requirements for the The Local Coffee Shop RFP are outlined in Appendix C. This section provides an overview of the general requirements for the proposal.

**5.1 Procurement Process**

* The Local Coffee Shop reserves the right to amend or terminate the RFP process. Submission of an RFP does not guarantee a contract.
* Respondents are responsible for all costs associated with the preparation and submission of their proposal.
* Responses to this RFP are considered contractually binding, and The Local Coffee Shop reserves the right to alter any RFP details, which will be communicated via the coffee shop’s website.
* All information provided to the coffee shop is treated with strict confidentiality and should be handled similarly by the respondents.

**5.2 Licensing Policy and Source Code**

**5.2.1 Software Ownership**

All software developed for The Local Coffee Shop, including source code, will be the exclusive property of The Local Coffee Shop. The coffee shop will have unrestricted rights to use the software within its operations and subsidiaries.

**5.2.2 License Policy**

The software will be provided under a license that permits unrestricted use across all The Local Coffee Shop operations and locations. Any third-party or open-source components utilized in the software must be disclosed, and the necessary licenses must be transferable to The Local Coffee Shop.

**5.2.4 Guarantees and Warranty**

The vendor will provide guarantees for the correction of software errors or bugs for a specified duration after implementation. Policies for software upgrades, including timelines and costs, will be clearly outlined. Details about future enhancements and feature additions, including the process and associated costs, will be provided.

**5.2.5 Resale and Release Restrictions**

The Local Coffee Shop, while retaining unencumbered title to the software source code, agrees not to resell, redistribute, or disclose its contents to open source.

**5.6 Pricing**

**5.6.1 Quote on Fixed Price**

Vendors should provide a comprehensive quote for the entire solution at a fixed price. This quote must detail the costs for all components and services offered. Prices should be quoted in USD, including whether applicable taxes are covered.

**5.6.2 Maintenance Cost**

Vendors must specify the annual cost for maintenance and support of the supplied components. They should clearly state the basis on which this cost is calculated, including the scope of maintenance services.

**5.6.3 Training Requirements**

Vendors should detail the training services included in the quoted price. Any additional training that is required but not included in the price should also be clearly outlined.

**5.6.4 Product Dependencies**

Identify any standard office or other dependent products required for the solution, specifying versions where relevant. These should be noted but not included in the primary cost quotation.

**5.6.5 Special Requirements**

Describe any special hardware, software, or services essential for the installation, use, or maintenance of the system. Confirm whether these are included in the quoted price.

**5.6.6 Cost Breakdown**

Provide a detailed breakdown of costs, including both initial and recurring expenses, in the following categories:

* Hardware
* System Software/Middleware
* Application Software
* Licensing costs
* Customization
* Project Management
* Consultancy
* Implementation
* Maintenance and Support
* Testing
* Training
* Any third-party or additional product costs
* Other Costs

**5.6.7 Recurring Costs**

Clearly outline any recurring costs, such as licenses or maintenance, that will occur beyond the initial system handover.

**5.6.8 Term of Offer**

Vendors must acknowledge that their proposal remains valid for acceptance for a minimum of six months from the date of submission.

**5.7 Overall Governance Procedures**

The project will be overseen by a project board consisting of senior business and ICT managers from The Local Coffee Shop. Lines of contact, including escalation procedures, will be established and shared with the selected vendor.

**5.8 Project Management**

Vendors should describe their proposed project management methodology, providing examples to demonstrate their competence and experience in managing similar projects.

**5.9 Project Risks**

Vendors are required to outline their approach to identifying and managing project risks. This should include examples of how these methodologies have been successfully applied in past projects.

**5.10 Documentation**

Vendors must specify the types of documentation they will provide, including user manuals, technical guides, and system maintenance manuals. The format of these documents (digital, printed, etc.) and how they will be kept up-to-date should be clearly stated. It should be indicated which documentation is included in the pricing.

**5.11 Testing**

Comprehensive Testing Stages: The proposal must include provisions for extensive testing at all stages, including unit, integration, and system testing. A particular focus should be on functionality specific to coffee operations.

The Local Coffee Shop Involvement: The coffee shop staff will participate in user acceptance testing to ensure the system meets their operational requirements.

Testing Levels: Testing should cover:

User Interface and User Experience on both public and administrative interfaces.

Integration with existing systems like the POS system.

Performance, especially under peak operational loads.

**5.12 Handover**

Transition of System Management: At the end of the maintenance period, The Local Coffee Shop will assume full responsibility for the system.

Skills Transfer: The proposal should include a plan for training the coffee shop staff to manage and maintain the system.

Handover Plan: A detailed handover plan should be provided, including timelines and any associated costs.

**5.13 Reference Sites**

Vendors should provide details of at least three reference sites where they have implemented similar projects.

Information should include the organization's name, contact details, the nature of the project, technologies used, and the scale of data handled.

**5.14 Consortia Tendering and Identification of Prime Contractor**

If a consortium is bidding, a prime contractor must be identified who will be responsible for contract execution and project delivery.

**5.15 Copyright**

All documents and appendices related to this RFP remain the property of The Local Coffee Shop.

**5.16 Copies of this Document**

Notification of this RFP and its availability will be posted on The Local Coffee Shop official website and other relevant platforms.

**5.17 Freedom of Information**

All information provided in the RFP is confidential, subject to legal obligations. Vendors must indicate if any information in their proposal is sensitive and should not be disclosed publicly.

Appendix A: The Local Coffee Shop - Current IT Applications Architecture

1. Overview of IT Infrastructure

The Local Coffee Shop, a renowned coffee shop in Topeka with two operational locations, currently employs a blend of traditional and digital tools for its daily operations. The IT infrastructure primarily focuses on sales processing, inventory management, and basic customer interactions. The following points provide a snapshot of the current IT systems in place:

POS Systems: The coffee shop utilizes a basic POS system at both locations, primarily for transaction processing. This system is not fully integrated with inventory or CRM systems.

Inventory Management: Inventory tracking is currently managed through a combination of manual logs and basic spreadsheet software. This setup demands significant manual input and offers limited forecasting capabilities.

Sales and Customer Data: Sales data is recorded within the POS system but is not effectively utilized for strategic decision-making. Customer data is captured in a rudimentary manner, mainly for transactional purposes.

Communication Systems: The coffee shop uses standard communication tools including email and telephony for customer orders and supplier coordination.

Network Infrastructure: Both locations are equipped with Wi-Fi networks, primarily used for POS systems and office computers.

Hardware: The existing hardware includes POS terminals, office computers, and standard peripherals like printers and routers.2. Point of Sale (POS) Systems

•System Type: Toast POS.

•Functionality: Handles sales transactions, inventory tracking, and customer management.

•Integration Points: Currently operates in standalone mode, potential integration with the proposed SISMS.

2. Point of Sale (POS) Systems

System Overview: The coffee shop uses an outdated POS system primarily for processing customer transactions at the counter. The system is capable of basic sales recording but lacks advanced features like inventory integration or customer relationship management.

Current Limitations: The POS system operates in isolation, with no direct link to inventory management or reporting tools. This results in manual reconciliation for inventory and sales data. The current system lacks the ability to track customer loyalty programs or conclude pay-forward transactions as part of an original sale.

Upgrade Potential: Integrating a more advanced POS system that could streamline sales processing, offer real-time inventory tracking, and enhance customer data management.

3. Inventory Management System

Current Approach: Inventory tracking is currently handled manually, supported by spreadsheet software. This system requires manual updating and cross-referencing with sales data, leading to potential inaccuracies and inefficiencies.

Challenges: The manual process is time-consuming and does not provide real-time data or analytics, making it difficult to predict inventory needs accurately.

Improvement Opportunities: Transitioning to an automated inventory management system integrated with the POS and sales data can drastically improve inventory accuracy, provide valuable insights into stock levels, and enable better forecasting and decision-making.

4. Customer Relationship Management (CRM)

System Overview: The Local Coffee Shop uses a basic CRM system for storing essential customer information and tracking order history.

Functionality and Limitations: The CRM system lacks advanced capabilities like detailed customer behavior analysis and is not integrated with other operational systems like the POS or inventory management. The current customer loyalty program involved paper-and-punch cards and is difficult for our customers to manage. Additionally, in order to pay-forward, customers are required to make two transactions, one for their original purchase, and another to pay forward. Pay forward balances must then me manually administered.

Improvement Needs: An advanced CRM system that can offer comprehensive customer analytics and seamless integration with POS and inventory systems would significantly enhance customer engagement and marketing strategies. Integrate the loyalty program and pay-forward system into the POS.

5. Financial and Accounting Systems

Current Software: The coffee shop uses NetSuite for its financial management needs, including payroll, invoicing, and financial reporting.

Integration Aspects: While NetSuite offers robust accounting features, it currently operates independently of the coffee shop’s other systems. This leads to manual data entry and reconciliation efforts between sales, inventory, and financial records.

Future Integration Goals: Integrating NetSuite with the proposed SISMS would create a more streamlined, accurate, and efficient financial management process, enabling real-time financial insights and reporting.

6. Online Ordering System

Current State: The Local Coffee Shop currently does not have a dedicated online ordering system. Customer orders are primarily received through traditional methods like phone calls or in-person visits.

Digital Expansion Potential: Implementing an online ordering system that is integrated with the new SISMS would not only modernize the ordering process but also expand the coffee shop’s market reach. Such a system would enhance order accuracy, customer convenience, and operational efficiency.

7. The Local Coffee Shop Production Systems

System Overview: Currently, the coffee shop uses a mix of manual processes and basic digital tools to manage the coffee shop’s production schedules, ingredient usage, and recipe management.

Challenges: Due to the lack of an integrated production system, there is an increased risk of inefficiencies and errors in production planning and inventory management.

Improvement Opportunities: Implementing a specialized coffee shop production management system that integrates with the proposed SISMS would streamline production processes, improve accuracy in ingredient usage, and enhance overall productivity.

8. Reporting and Analytics

Current State: The coffee shop has limited capabilities in reporting and analytics. Existing reports are primarily generated through the basic functionalities of the POS and accounting software, which lack depth and flexibility.

Need for Enhanced Analytics: There is a significant opportunity to leverage advanced analytics for better understanding sales trends, customer preferences, and operational efficiencies. An integrated analytics module in the proposed SISMS would provide valuable insights for strategic decision-making.

9. Network Infrastructure

Current Setup: Each coffee shop location is equipped with a basic Wi-Fi network, primarily supporting POS terminals and office computers.

Connectivity Issues: Occasional network instability and limited bandwidth have been noted, particularly during peak business hours.

Upgrade Needs: A robust, scalable network infrastructure is essential to support the proposed integrated systems, ensuring uninterrupted connectivity and data flow.

10. Hardware Infrastructure

Current Hardware: The current setup includes basic POS terminals, office computers, printers, and routers.

Adequacy and Upgrades: With the introduction of an advanced SISMS, the existing hardware may need upgrades to meet new system requirements. This includes faster computers, more efficient POS terminals, and additional peripherals like barcode scanners for inventory management.

11. Security Systems

Existing Security Measures: Basic security measures are in place, including standard antivirus software and firewalls.

Enhancement Needs: With the shift to a more integrated IT system, enhancing cybersecurity measures becomes crucial. This would involve advanced security protocols for data protection, secure network configurations, and regular security audits.

Appendix B: Layout of Proposal – Evaluation Criteria

1. Basic Vendor Information

Name, Address, and Contact: Full legal name of the vendor, physical address of the company, and fax number.

Primary Contact Details: Name, telephone number, and email address of the person(s) responsible for the proposal.

2. Required Statements

Licensing Policy and Source Code (Section 5.2): Clear statement on software licensing and ownership.

Source Code and Software Ownership (Section 5.3): Confirmation of the coffee shop ownership of the developed software.

Product Development (Section 5.5): Outline of the product development approach.

Documentation (Section 5.10): Details of the documentation that will be provided and its maintenance.

Freedom of Information (Section 5.17): Acknowledgment of confidentiality and information sensitivity.

3. Proposal Structure and Content

Management Summary: An executive summary providing an overview of the proposed solution, implementation approach, and a summary of costs.

Product Description: A full description of the proposed products/services, including specifications of all configured items.

Functional Requirements: An outline of the vendor's understanding of the coffee shop’s requirements, addressing each requirement point-by-point.

Technical Capability: Evidence of the vendor's ability to deliver the project, including details of similar systems provided to other clients and relevant experience.

Company Profile: A brief description of the vendor's company, including its product portfolio, customer base, market focus, and strategic direction.

Financial Profile: The vendor's financial stability, including audited accounts for the last three years.

Quality Certification: Details of any quality certifications held by the vendor or its subcontractors.

Service and Support: Description of the proposed delivery and implementation schedule, including project management and support services.

Vision and Evolution: How the proposed solution might evolve to support the coffee shop strategy and plans.

Cost Breakdown: Detailed pricing information as outlined in Section 5.6, including a Total Cost of Ownership (TCO) estimate.

4. Evaluation Criteria

Proposals will be evaluated based on their compliance with the requirements, technical feasibility, cost-effectiveness, vendor experience and capabilities, and the overall value they provide to The Local Coffee Shop.

Appendix C: Individual Summary Sheets

1. System Specifications Sheet

System Name/Title:

Technical Description: [Brief description of the system architecture, hardware, and software components]

Key Features: [List of the main features of the proposed system]

Compliance with Requirements: [How the system meets specific RFP requirements]

2. Integration Capabilities Sheet

Integration with Existing Systems:

POS System Integration: [Details of integration with POS system]

Accounting Software Integration: [Details of integration with NetSuite]

Other Integrations: [Any additional integrations with existing systems]

3. Project Timeline and Milestones Sheet

Implementation Start Date:

Key Milestones:

Milestone 1: [Description and expected completion date]

Milestone 2: [Description and expected completion date]

...

Expected Go-Live Date:

4. Cost Summary Sheet

Initial Setup Costs:

Breakdown of Costs:

Hardware Costs:

Software Licensing Costs:

Customization Costs:

...

Recurring Costs (Annual/Monthly):

Maintenance:

Support:

5. Support and Maintenance Plan Sheet

Support Hours:

Maintenance Services Included:

Response Time for Issues:

Upgradation Policy:

6. Vendor References Sheet

Reference 1:

Organization Name:

Contact Details:

Project Overview:

Reference 2:

Organization Name:

Contact Details:

Project Overview: