

**STATE OF SOUTH DAKOTA
INFORMATION TECHNOLOGY (IT) RFP
Bureau of Human Resources & Administration
500 East Capitol Avenue
Pierre, South Dakota 57501-3182**

State of South Dakota Account Based Plans (HRA, HSA and FSA)

PROPOSALS ARE DUE NO LATER THAN October 28, 2026 5:00 P.M. CDT

RFP #:26RFP19879

STATE POC: State of South Dakota
Bureau of Human Resources,
Peggy Canter

EMAIL:
Peggy.Canter@state.sd.us

READ CAREFULLY

FIRM NAME: _____ AUTHORIZED SIGNATURE: _____

ADDRESS: _____ TYPE OR PRINT NAME: _____

CITY/STATE: _____ TELEPHONE NO: _____

ZIP (9 DIGITS): _____ FAX NO: _____

E-MAIL: _____

PRIMARY CONTACT INFORMATION

CONTACT NAME: Peggy Canter

TELEPHONE NO: 605.773.4099

FAX NO: _____

E-MAIL: Peggy.Canter@state.sd.us

1 General Information

1.1 Purpose of Request for Proposal (RFP)

1.1.1 Background:

The South Dakota State Employee Benefits Program offers self-funded Medical Benefits to Active employees and COBRA Participants. This RFP is being issued for Account Based Plans, which includes Health Reimbursement Accounts (HRA), Health Savings Accounts (HSA) and Medical and Dependent Care Flexible Spending Accounts (FSA) Administration Services.

1.1.2 Goals and Objectives:

The State of South Dakota seeks proposals from qualified vendors to provide comprehensive administration of its Account Based Plans, including Health Savings Accounts (HSA), Health Reimbursement Arrangements (HRA), and Health and Dependent Care Flexible Spending Accounts. The State's objective is to establish a partnership with a vendor that delivers exceptional service, innovative technology, regulatory compliance, and a positive participant experience while supporting the State's long-term Total Rewards strategy.

1.2 Issuing Office and RFP Reference Number

The Bureau of Human Resources and Administration ("Agency") is the issuing office for this document and all subsequent addenda relating to it, on behalf of the State of South Dakota ("State"). The reference number for this transaction is RFP#26RFP19879. This reference number must be referred to on all proposals, correspondence, and documentation relating to this RFP. For purposes of this RFP, the State's centralized IT agency, the Bureau of Information and Technology ("BIT"), must approve all IT related purchases.

1.3 Schedule of Activities (Subject to Change)

All deadlines in the Schedule of Activities are due by 11:59 p.m. CST. The Schedule of Activities for this RFP is as follows:

RFP Publication	October 2, 2026
Deadline for Letter of Intent to Respond	October 16, 2026
Deadline for Submission of Written Inquiries	October 16, 2026
Deadline for Responses to offeror Questions	October 28, 2026
Deadline for Proposal Submission	October 28, 2026 5:00 PM CDT
Discussions / Technical Review	November 9, 2026
Demonstrations and presentations (if required)	November 16 – 20, 2026
Proposal Revisions (if required)	November 20, 2026
Site visits	November 16 – 20, 2026
Anticipated Award Decision/Contract Negotiation	December 14, 2026

1.4 Submitting a Proposal

All proposals must be completed and received by the Agency by the date and time indicated in **Section 1.3 Schedule of Activities**.

Proposals received after the Deadline for Proposal Submission will be late and ineligible for consideration.

All proposals must be signed, in ink or electronically, by a representative of the offeror who is legally authorized to bind the offeror to the proposal. Proposals that are not properly signed may be rejected. The offeror's proposal must be prepared pursuant to the requirements of **Section 7 Proposal Submission Requirements** of this RFP.

The State will only accept electronic proposals via email.

Each offeror must provide an electronic version of the proposal. The electronic version should be provided in MS Word or in PDF format to Peggy.Canter@state.sd.us. The email, including attachments, must be limited to 20MB in size.

No proposal will be accepted from, or no contract or purchase order will be awarded to, any person, firm, or corporation that is in arrears upon any obligations to the State of South Dakota, or that otherwise may be deemed irresponsible or unreliable by the State of South Dakota.

1.5 Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion – Lower Tier Covered Transactions

By signing and submitting this proposal, the offeror certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation, by any Federal department or agency, from transactions involving the use of Federal funds. Where the offeror is unable to certify any of the statements in this certification, the offeror shall attach an explanation to its offer.

1.6 Non-Discrimination Statement

The State of South Dakota requires that all contractors, vendors, and suppliers do business with any State agency, department, or institution, provide a statement of non-discrimination. By signing and submitting their proposal, the offeror certifies they do not discriminate in their employment practices with regard to race, color, creed, religion, age, sex, ancestry, national origin, or disability.

1.7 Restriction of Boycott of Israel

For contractors, vendors, suppliers, or subcontractors with five (5) or more employees who enter into a contract with the State of South Dakota that involves the expenditure of one hundred thousand dollars (\$100,000) or more, by submitting a response to this solicitation or agreeing to contract with the State, the bidder or offeror certifies and agrees that the following information is correct:

The bidder or offeror, in preparing its response or offer or in considering proposals submitted from qualified, potential vendors, suppliers, and subcontractors, or in the solicitation, selection, or commercial treatment of any vendor, supplier, or subcontractor, has not refused to transact business activities, has not terminated business activities, and has not taken other similar actions intended to limit its commercial relations, related to

the subject matter of the bid or offer, with a person or entity on the basis of Israeli national origin, or residence or incorporation in Israel or its territories, with the specific intent to accomplish a boycott or divestment of Israel in a discriminatory manner. It is understood and agreed that, if this certification is false, such false certification will constitute grounds for the State to reject the bid or response submitted by the bidder or offeror on this project and terminate any contract awarded based on the bid or response. The successful bidder or offeror further agrees to provide immediate written notice to the contracting executive branch agency if during the term of the contract it no longer complies with this certification and agrees such noncompliance may be grounds for contract termination.

1.8 Certification Relating to Prohibited Entity

For contractors, vendors, suppliers, or subcontractors who enter into a contract with the State of South Dakota by submitting a response to this solicitation or agreeing to contract with the State, the bidder or offeror certifies and agrees that the following information is correct:

The bidder or offeror, in preparing its response or offer or in considering proposals submitted from qualified, potential vendors, suppliers, and subcontractors, or in the solicitation, selection, or commercial treatment of any vendor, supplier, or subcontractor, is not a prohibited entity, regardless of its principal place of business, that is ultimately owned or controlled, directly or indirectly, by a foreign national, a foreign parent entity, or foreign government from China, Iran, North Korea, Russia, Cuba, or Venezuela, as defined by South Dakota Codified Law § 5-18A. It is understood and agreed that, if this certification is false, such false certification will constitute grounds for the State to reject the bid or response submitted by the bidder or offeror on this project and terminate any contract awarded based on the bid or response. The successful bidder or offeror further agrees to provide immediate written notice to the contracting executive branch agency if during the term of the contract it no longer complies with this certification and agrees such noncompliance may be grounds for contract termination and would be cause to suspend and debar a business under SDCL § 5-18D-12.

1.9 Modification or Withdrawal of Proposals

Proposals may be modified or withdrawn by the offeror prior to the established due date and time.

No oral, telephonic, telegraphic or facsimile responses or modifications to informal, formal bids, or Request for Proposals will be considered.

1.10 Questions Regarding RFP

All written questions should be sent to: Peggy.Canter@state.sd.us. Only emailed questions will be accepted.

Each offeror may submit questions via email concerning this RFP to obtain clarification of requirements. No questions will be accepted after the date and time indicated in the above schedule of activities. Email questions to the email address listed above with the subject line "RFP#26RFP19879". The questions and their answers will be sent to all offerors that submitted Letters of Intent, submitted questions, or requested the questions and answers via email before the proposal submittal date and will be sent by the date

and time indicated in the above calendar of events. Offeror may not rely on any other statements, either of a written or oral nature, that alter any specification or other term or condition of this RFP that have not originated from the SD RFP Project Contact. Offerors will be notified in the same manner as indicated above regarding any modifications to this RFP. Offerors and their agents may not contact any state employee other than the buyer of record regarding any of these matters during the solicitation and evaluation process. Inappropriate contacts are grounds for suspension and exclusion from specific procurements.

1.11 Prohibition on Solely AI-Generated Submissions

All questions, responses, and proposals submitted in response to this RFP must be thoroughly vetted, verified, and validated by the vendor's human staff. Submissions that are solely generated by Artificial Intelligence (AI) without substantive human review and oversight are strictly prohibited and may result in the disqualification of the proposal or rejection of the submitted questions.

1.12 Proprietary Information

The proposal of the successful offeror(s) becomes public information. Proprietary information can be protected under limited circumstances such as client lists and non-public financial statements. An entire proposal may not be marked as proprietary. Offerors must clearly identify in the Executive Summary and mark in the body of the proposal any specific proprietary information they are requesting to be protected. The Executive Summary must contain specific justification explaining why the information is to be protected. Proposals may be reviewed and evaluated by any person at the discretion of the State. All materials submitted become the property of the State of South Dakota and may be returned only at the State's option.

1.13 Length of Contract

The length of the contract will be for a term of five (5) year(s). The State will have the opportunity to renew the contract annually for up to two (2) one-year time extensions. The extension(s) will not be automatic.

1.14 Governing Law

This RFP will be governed by and construed in accordance with the laws of the State of South Dakota. Any lawsuit pertaining to or affecting this RFP will be venue in Circuit Court, Sixth Judicial Circuit, Hughes County, South Dakota.

1.15 Presentations/Demonstrations

At the State's discretion, the State may require a presentation or demonstration by an offeror to clarify a proposal. However, the State may award a contract based on the initial proposals received without a presentation or demonstration by the offeror. If presentations or demonstrations are required, they will be scheduled after the submission of proposals. Presentations and demonstrations will be made at the offeror's expense.

1.16 Discussions

At the State's discretion, the offeror may or may not be invited to have discussions with the State. The discussions can be before or after the RFP has been submitted. Discussions will be made at the offeror's expense.

1.17 Technical Review

At the State's discretion, the State may require a technical review of the offeror based on the offeror's proposal and response to the Security and Vendor Questionnaire.

1.18 Negotiations

This process is a Request for Proposal/Competitive Negotiation process. Each proposal will be evaluated, and each respondent will be available for negotiation meetings at the State's request. The State reserves the right to negotiate on any component of every proposal submitted. From the time the proposals are submitted until the formal award of a contract, each proposal is considered a working document and as such, will be kept confidential. The negotiation discussions will also be held as confidential until such time as the award is completed.

2 Standard Contract Terms and Conditions

Any contract or agreement resulting from this RFP will include the State's standard terms and conditions as listed below, the State's standard Information Technology ("IT") contract terms listed in Exhibit G, and any additional terms and conditions as negotiated by the parties. The offeror must indicate in its response any issues it has with specific contract terms. If the offeror does not indicate that there is an issue with a specific contract term, then the offeror will be deemed to have accepted the contract terms as written.

- 2.1** The Contractor will perform those services described in the Scope of Work, attached hereto as Section 3 of the RFP and by this reference incorporated herein.
- 2.2** The Contractor's services under this Agreement will start on July 1, 2027, and end on June 30, 2032, unless terminated sooner pursuant to the terms of the Agreement.
- 2.3** The Contractor will not use State equipment, supplies, or facilities. The Contractor will provide the State with its Employer Identification Number, Federal Tax Identification Number, or Social Security Number upon execution of this Agreement.
- 2.4** The State will make payment for services upon satisfactory completion of the services. The TOTAL CONTRACT AMOUNT is an amount not to exceed \$____. The State will not pay Contractor's expenses as a separate item. Payment will be made pursuant to itemized invoices submitted with a signed state voucher. Payment will be made consistent with SDCL chapter 5-26.
- 2.5** The Contractor agrees to indemnify the State of South Dakota, its officers, agents, and employees, from and against all claims or proceedings for actions, suits, damages, liabilities, other losses or equitable relief that may arise at least in part as a result of an act or omission in performing services under this Agreement. The Contractor will defend the State of South Dakota, its officers, agents, and employees against any claim,

including any claim, action, suit, or other proceeding related to the claim. The Contractor's obligation to indemnify includes the payment of attorney fees and other costs of defense. In defending the State of South Dakota, its officers, agents, and employees, the Contractor will engage other professionals, subject to the written approval of the State which will not be unreasonably withheld. Notwithstanding the foregoing, the State may, in its sole discretion and at the expense of the Contractor, engage attorneys and other professionals to defend the State of South Dakota, its officers, agents, and employees, or to assist the Contractor in the defense. This section does not require the Contractor to be responsible for or defend against claims or proceedings for damages, liabilities, losses, or equitable relief arising solely from errors or omissions of the State, its officers, agents, or employees.

2.6 During the term of this Agreement, the Contractor will obtain and maintain in force insurance coverage of the types and with the limits as follows:

2.6.1 Commercial General Liability Insurance:

The Contractor will maintain occurrence based commercial general liability insurance or equivalent form with a limit of not less than \$1 million for each occurrence. If such insurance contains a general aggregate limit it will apply separately to this Agreement or be no less than two times the occurrence limit. The insurance policy will name the State of South Dakota, its officers and employees, as additional insureds, but liability coverage is limited to claims not barred by sovereign immunity. The State of South Dakota, its officers and employees do not hereby waive sovereign immunity for discretionary conduct as provided by law.

2.6.2 Professional Liability Insurance or Miscellaneous Professional Liability Insurance:
The Contractor will procure and maintain professional liability insurance or miscellaneous professional liability insurance with a limit not less than \$1 million.

2.6.3 Business Automobile Liability Insurance:
The Contractor will maintain business automobile liability insurance or equivalent form with a limit of not less than \$1 million for each accident. Such insurance will include coverage for owned, hired, and non-owned vehicles.

2.6.4 Workers' Compensation Insurance:
The Contractor will procure and maintain workers' compensation and employers' liability insurance as required by South Dakota or federal law.

Before beginning work under this Agreement, Contractor will furnish the State with properly executed Certificates of Insurance which will clearly evidence all insurance required in this Agreement. In the event a substantial change in insurance, issuance of a new policy, cancellation, or nonrenewal of the policy, the Contractor agrees to provide immediate notice to the State and provide a new certificate of insurance showing continuous coverage in the amounts required. Contractor will furnish copies of insurance policies if requested by the State.

2.7 While performing services under this Agreement, the Contractor is an independent contractor and not an officer, agent, or employee of the State of South Dakota.

2.8 The Contractor agrees to report to the State any event encountered in the course of

performance of this Agreement which results in injury to the person or property of third parties, or which may otherwise subject Contractor or the State to liability. The Contractor will report any such event to the State immediately upon discovery.

The Contractor's obligation under this section will only be to report the occurrence of any event to the State and to make any other report provided for by their duties or applicable law. The Contractor's obligation to report will not require disclosure of any information subject to privilege or confidentiality under law (e.g., attorney-client communications). Reporting to the State under this section will not excuse or satisfy any obligation of the Contractor to report any event to law enforcement or other entities under the requirements of any applicable law.

- 2.9** This Agreement may be terminated by either party hereto upon thirty (30) days' written notice. In the event the Contractor breaches any of the terms or conditions of this Agreement, this Agreement may be terminated by the State at any time with or without notice. If termination for a breach is affected by the State, any payments due to the Contractor at the time of termination may be adjusted to cover any additional costs to the State because of the Contractor's breach. Upon termination the State may take over the work and may award another party an agreement to complete the work under this Agreement. If after the State terminates for a breach by the Contractor it is determined that the Contractor was not at fault, then the Contractor will be paid for eligible services rendered and expenses incurred up to the date of termination.
- 2.10** This Agreement depends upon the continued availability of appropriated funds and expenditure authority from the Legislature for this purpose. If for any reason the Legislature fails to appropriate funds or grant expenditure authority, or funds become unavailable by operation of law or federal funds reductions, this Agreement will be terminated by the State upon five (5) business days' written notice. The Contractor agrees that termination for any of these reasons is not a default by the State nor does it give rise to a claim against the State or any officer, agent, or employee of the State, and the Contractor waives any claim against the same.
- 2.11** This Agreement may not be assigned without the express prior written consent of the State. This Agreement may not be amended except in writing, which writing will be expressly identified as a part of this Agreement and be signed by an authorized representative of each of the parties to this Agreement.
- 2.12** This Agreement will be governed by and construed in accordance with the laws of the State of South Dakota, without regard to any conflicts of law principles, decisional law, or statutory provision which would require or permit the application of another jurisdiction's substantive law. Venue for any lawsuit pertaining to or affecting this Agreement will be in Circuit Court, Sixth Judicial Circuit, Hughes County, South Dakota.
- 2.13** The Contractor will comply with all federal, tribal, state, and local laws, regulations, ordinances, guidelines, permits, requirements, and other standards applicable to providing services pursuant to this Agreement and will be solely responsible for obtaining current information on such requirements. Nothing herein will constitute a waiver by the State to any defense to jurisdiction nor will anything under this Agreement constitute an acknowledgement by the State that any tribe has or exercises any jurisdiction over this Agreement or the parties.

- 2.14** The Contractor may not use subcontractors to perform the services described in this Agreement without the express prior written consent of the State. The Contractor will include provisions in its subcontracts requiring its subcontractors to comply with the applicable provisions of this Agreement, to indemnify the State, and to provide insurance coverage for the benefit of the State in a manner consistent with this Agreement. The Contractor will cause its subcontractors, agents, and employees to comply with applicable federal, tribal, state, and local laws, regulations, ordinances, guidelines, permits, and other standards and will adopt such review and inspection procedures as are necessary to assure such compliance. The State, at its option, may require the vetting of any subcontractors. The Contractor will assist in the vetting process.
- 2.15** The State reserves the right to reject any person from performing services under this Agreement who the State believes would be detrimental to the services, presents insufficient skills, presents inappropriate behavior, or is considered by the State to be a security risk.
- 2.16** The Contractor hereby acknowledges and agrees that all reports, plans, specifications, technical data, miscellaneous drawings, software system programs and documentation, procedures, or files, operating instructions and procedures, source code(s) and documentation, including those necessary to upgrade and maintain the software program, and all information contained therein provided to the State by the Contractor in connection with its performance of services under this Agreement will belong to and is the property of the State and will not be used in any way by the Contractor without the written consent of the State. Papers, reports, forms, software programs, source code(s), and other material which are a part of the work under this Agreement will not be copyrighted without written approval of the State.
- 2.17** The Contractor certifies that neither Contractor nor its principals are presently debarred, suspended, proposed for debarment or suspension, or declared ineligible from participating in transactions by the federal government or any state or local government department or agency. Contractor further agrees that it will immediately notify the State if during the term of this Agreement Contractor or its principals become subject to debarment, suspension, or ineligibility from participating in transactions by the federal government, or by any state or local government department or agency.
- 2.18** By signing this Agreement, the Contractor certifies and agrees that it has not refused to transact business activities, have not terminated business activities, and have not taken other similar actions intended to limit its commercial relations, related to the subject matter of this Agreement, with a person or entity that is either the State of Israel, or a company doing business in or with Israel or authorized by, licensed by, or organized under the laws of the State of Israel to do business, or doing business in the State of Israel, with the specific intent to accomplish a boycott or divestment of Israel in a discriminatory manner. It is understood and agreed that, if this certification is false, such false certification will constitute grounds for the State to terminate this Agreement. During the term of this Agreement, if the Contractor no longer complies with this certification, the Contractor agrees to provide immediate written notice to the State and agrees such noncompliance may be grounds for termination of this Agreement.
- 2.19** Pursuant to South Dakota Codified Law § 5-18A, by entering into this Agreement with the State of South Dakota, the Contractor certifies and warrants that the Contractor is not a prohibited entity, regardless of its principal place of business, that is ultimately owned or

controlled, directly or indirectly, by a foreign national, a foreign parent entity, or foreign government from China, Iran, North Korea, Russia, Cuba, or Venezuela, as defined by South Dakota Codified Law § 5-18A.

The Contractor agrees that if this certification is false, the State may terminate this Agreement with no further liability to the State. The Contractor further agrees to provide immediate written notice to the State if during the term of the contract it no longer complies with this certification, and the Contractor agrees such noncompliance may be grounds for contract termination and would be cause to suspend and debar a business under SDCL § 5-18D-12.

- 2.20** Any notice or other communication required under this Agreement will be in writing and sent to the address set forth above. Notices will be given by and to _____ on behalf of the State, and by and to _____, on behalf of the Contractor, or such authorized designees as either party may from time to time designate in writing. Notices or communications to or between the parties will be deemed to have been delivered when mailed by first class mail, if notice of default or termination will be sent by registered or certified mail, or, if personally delivered, when received by such party.
- 2.21** If any court of competent jurisdiction will hold any provision of this Agreement unenforceable or invalid, such holding will not invalidate or render unenforceable any other provision of this Agreement.
- 2.22** All other prior discussions, communications, and representations concerning the subject matter of this Agreement are superseded by the terms of this Agreement, and except as specifically provided in this Agreement, this Agreement constitutes the entire agreement with respect to the subject matter.
- 2.23** The waiver by either party of a breach or violation of any provisions of this Agreement will not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provision of this Agreement.
- 2.24** Nothing in this Agreement is intended to constitute a waiver of sovereign immunity by or on behalf of the State of South Dakota, its agencies, officers, or employees.
- 2.25** Neither party will disclose the contents of the Agreement except as required by applicable law or as necessary to carry out the terms of the Agreement or to enforce that party's rights under this Agreement. The Contractor acknowledges that the State of South Dakota and its agencies are public entities and thus are bound by South Dakota open meetings and open records laws. It is therefore not a breach of this Agreement for the State to take any action that the State reasonably believes is necessary to comply with the South Dakota open records or open meetings laws, including, without limitation, posting this Agreement on the website pursuant to SDCL § 1-27-46.

3 Scope of Work

3.1 Plan Information

There are approximately 12,944 employees eligible to participate in the South Dakota State Employee Health Plan. As of annual enrollment for July 1, 2026, there are 12,064 total Active employees enrolled. In addition, there are 94 COBRA enrolled.

An “eligible employee” is defined as an employee placed in a permanent position, employed by a participating agency, and scheduled to work 20 or more hours a week at least six months of the year.

The FY27 Benefits Guide (Exhibit A) includes the current plan designs.

Exhibit B includes a Questionnaire for the service(s) being requested. The Questionnaire must be completed in its entirety.

The Chart below provides the enrollment history of the account-based plans.

Account Type	Enrollment		
	7/1/2023	7/1/2024	7/1/2025
Health Reimbursement Acct	2,754	2,427	2,347
Health Savings Acct	7,975	8,241	8,460
Flexible Spending Acct			
a. Unique Health Care employees enrolled	1,494	1,350	1,409
b. Unique Dependent Care employees enrolled	613	571	587
c. Limited Combination FSA	205	184	184

Exhibit	Document	Response Required
Exhibit A	FY27 Benefits Guide	N/A
Exhibit B	Questionnaire	Bidders must complete
Exhibit C	BHRA Business Associates Agreement	Bidders must review and indicate on Exhibit J if they cannot agree to anything in the BAA
Exhibit D	Summary Plan Description (SPD)	N/A
Exhibit E	Cost Proposal	Bidder must complete
Exhibit F	BIT Security and Vendor Question	Bidders must complete
Exhibit G	BIT Standard State Technology Contract Terms	Bidder must review and indicate on Exhibit J if they cannot agree to any standards.
Exhibit H	BIT Security Acknowledgement Form	Bidders must complete and sign
Exhibit I	Information Technology Security Policy – Contractor	Bidders must review and indicate on Exhibit J if they cannot agree to any standards.
Exhibit J	Deviations / Exceptions	Vendor list any deviations or exceptions to State standard policies or contract terms

Exhibit K	Current Funding Guidelines	N/A

3.1.1 Account Based Plans (HRA, HSA, and FSA). Please refer to the chart below for an overview of the State account-based plans information.

Plan Type:	Allowable Reimbursements	Employee Pre-Tax Deferrals	Employer Contributions	Submit Enrollments by file
Non-Tax HRA	Medical Pharmacy, Dental, Vision, Certain Over-the-Counter purchases	No	Yes	Yes
Limited Non-Tax HRA	Dental, Vision	No	Yes	Yes
Dependent Care Flexible Spending Accounts	Expenses for the care of dependent children under age 13 and/or dependent spouse who are physically unable to care for themselves	Yes	No	Yes
Medical Flexible Spending Account	Medical Pharmacy, Dental, Vision, Certain Over-the-Counter purchases	Yes	No	Yes
Combination Medical Flexible Spending Account	Covers only dental, vision, and preventive care for members who are enrolled in a HDHP and have an HSA. Once IRS statutory deductible is met, the member may use it for standard medical and prescription expenses	Yes	No	Yes
Health Spending Account	Medical Pharmacy, Dental, Vision, Certain Over-the-Counter purchases for members who are enrolled in an HDHP	Yes	Yes	Yes

3.1.2 Medical Plans/Vendors/Funding Arrangements

Please refer to the State website at <https://www.sd.gov/BHRA> for a detailed overview of the State self-funded medical plan information.

- 3.1.3 Prescription Drug Coverage will not be part of this RFP process.
- 3.1.4 Stop Loss coverage will not be part of this RFP process. Currently, there is no stop loss coverage for the medical plans.
- 3.1.5 Eligibility, Effective Date, Contributions. Detailed information may be found in the FY27 Benefits Guide (Exhibit A)
- 3.1.6 Plan Designs and Cost Proposal
1. For account-based plan administrative services fees and rates are requested.
 1. There can be no increase in account-based plan administrative services fees during the maximum five-year initial term of contract.
 2. Proposals will be accepted from companies that can provide administrative services for all account-based plans provided under one contractual arrangement. Proposals that require a separate contractual arrangement for any of the services listed will NOT be considered.
 3. Respondents may respond to all the plan designs and coverage contained in the RFP.
 4. Proposals MUST itemize fees as indicated in the RFP Exhibit B – Questionnaire and Exhibit E - Cost Proposal. The Cost Proposal must be submitted to Excel and not in any other format.
- 3.1.7 Deviations Form

Please list any deviations on the form located in Exhibit J. Indicate all areas where your proposal may differ from the requested services or contract and insurance language. Clearly list all plan benefit features that you cannot administer with the current plan design or any contract or insurance deviations. Do not say “see Proposal” or include your standard marketing material and expect the State to determine where differences exist. Do not indicate that your “standard contractual provisions will apply” without indicating differences. The State needs to thoroughly understand any differences you are proposing. If you do not have any deviations, please mark N/A. If nothing is indicated on this form, then it will be assumed your proposed benefits match the current benefits exactly even if you include a benefit summary that states differently. Use additional pages as necessary.

3.2 Account Based Plans Administration

The contractor for the administration of the plans will provide the following services:

- A. Account Management
- a. Provide a designated Account Manager and Account Management Team.
 - b. Provide a dedicated toll-free number for enrolled members.
 - c. Attend Client meetings via videoconferencing or in person as requested or required (?).
 - d. Provide performance guarantees for the implementation of the program
 - e. Provide the client with comprehensive communication toolkit
- B. Secure Internet Access
- a. Access to a portal that allows employees to view their account balances and account activity(ies), and secure email messaging.

- C. Customer Service
 - a. Provide customer service to answer inquiries on claims, eligibility, provider network, services, coverage, or other inquiries Monday through Friday from 8:00 AM to 5:00 PM CDT.
- D. Annual Open Enrollment Support
 - a. Prepare and provide Benefit Presentations in collaboration with the State
 - b. Attend Annual Open Enrollment Meetings as requested. This may include attendance at annual Benefit Fairs hosted at SoSD university campuses.
- E. Communication and Education Materials
 - a. Prepare Summary Plan Descriptions and Plan Summaries by April 1st of each year in order to be available during the Annual Open Enrollment Period or provide a secure portal for the State of South Dakota designated administrator to update fields that generate documents.
 - b. Provide bilingual communication and educational materials
- F. Debit Cards
 - a. Issue debit cards
- G. Funding
 - a. Every morning the Vendor provides a spreadsheet that shows the claims paid for FSA's and HRA's through claims submission or debit cards for the previous day. The State will then prepare documents that electronically wire the funds to the vendor (typically by 9:00 AM each day). Wire transfers or ACH must be accepted.
- H. Claims Administration
 - a. Provide claims forms
 - b. Receive claims and process payments of benefits in accordance with the plan designs
 - c. Correspond with participants if additional information is necessary to complete the processing of claims
 - d. Determine benefits payable under the Plan, pursuant to the terms and conditions of the State's benefit plan.
 - e. Comply with federal and state laws
 - f. Coordinate benefits payable under the Plan with other benefit plans, if applicable
 - g. Provide notice to the Participants regarding the reason(s) for denial of benefits (which are denied) and provide for the review of such denied claims
 - h. Provide an explanation of benefits resulting from claims transactions to plan participants
 - i. Provide 1099 and 5498 forms, as appropriate
 - j. Perform Recovery of Payments of \$25 or more
 - k. Provide Full Claims Fiduciary Services (all levels of appeals – no litigation).
 - l. Provide all levels of full and fair review of claims, claim denials and member appeals. Determination of payment or denial of claims or of appealed claims will be made by the Contractor following appropriate analysis and review.
 - m. Ability to set up agreements with the State of South Dakota's vendors for auto adjudication and verification related to Medical Flexible Spending Account claims.

I. Eligibility and Enrollment Administration

a. Administer eligibility based on the State's eligibility criteria

J. Reporting and Testing

a. Provide reporting of all benefits being administered as requested in the Reporting section of the Questionnaire (Exhibit B).

K. Compliance

a. Provide a platform for electronic transmission for non-discrimination testing and complete analysis and reporting.

3.3 Other Requirements

3.3.1 The Contractor must be willing to sign a Business Associate agreement (Exhibit C) with the State.

3.3.2 The Contractor will be required to sign the South Dakota Bureau of Information and Technology Security Acknowledgement form, Exhibit H.

4 Proposal Evaluation and Award Process

4.1 After determining that a proposal satisfies the minimum requirements as described in **Section 4.0: Proposal Requirements and Company Qualifications** and **Section 5.0: Proposal Response Format** of the Request for Proposal, the evaluator(s) will use subjective judgment in conducting a comparative assessment of the proposal by considering each of the following criteria, on a 1,000-point scale:

Description	Points
Specialized expertise, capabilities, and technical competence as demonstrated by the proposed approach and methodology to meet the project requirements	200
Resources available to perform the work, including any specialized services, within the specified time limits for the project	100
Record of past performance, including price and cost data from previous projects, quality of work, ability to meet schedules, cost control, and contract administration	50
Availability to the project locale	100
Familiarity with the project locale	50
Proposed project management techniques	100
Ability and proven history in handling special project constraints	50
Cost	250
Company Services: The willingness to provide a dedicated account management team for BHRA for elevated issues, willingness to have a representative at annual enrollment meetings	50
Quarterly and annual reporting packages	50

4.2 Experience and reliability of the offeror's organization are considered subjectively in the evaluation process. Therefore, the offeror is advised to submit any information

which documents successful and reliable experience in past performances, especially those performances related to the requirements of this RFP.

- 4.3** The qualifications of the personnel proposed by the offeror to perform the requirements of this RFP, whether from the offeror's organization or from a proposed subcontractor, will be subjectively evaluated. Therefore, the offeror should submit detailed information related to the experience and qualifications, including education and training, of proposed personnel. The offeror needs to attach a biography for the primary two ongoing account contacts who will be assigned to the State. Label the electronic documents as "VendorName_Bio_Person'sTitle".
- 4.4** The evaluation requires approval by BIT, who provides an "approved" or "disapproved" assessment of an offeror's proposal
- 4.5** The State reserves the right to reject any or all proposals, waive technicalities, and make award(s) as deemed to be in the best interest of the State.
- 4.6 Award:** BHRA and the highest ranked offeror will mutually discuss and refine the scope of services for the project and will negotiate terms, including compensation and performance schedule.
 - 4.6.1 If BHRA and the highest ranked offeror are unable for any reason to negotiate a contract at a compensation level that is reasonable and fair to the State, BHRA will, either orally or in writing, terminate negotiations with the offeror. BHRA may then negotiate with the next highest ranked offeror.
 - 4.6.2 The negotiation process may continue through successive offerors, according to BHRA ranking, until an agreement is reached or BHRA terminates the contracting process.

5 Project Deliverables/Approach/Methodology

The offeror must describe in detail how its proposed deliverables will meet the needs of the State as described in Section 3. At its sole discretion, the State may consider a solution that includes any of these deliverables or consider deliverables not originally listed.

An offeror must highlight any requirement in Section 3 or Section 5 that the offeror's proposed deliverables cannot comply with, and the offeror must provide any suggested "work-around" to the requirement in question or a future date that the offeror will be able to comply with the requirement.

5.1 The offeror's proposal must include a:

- Project Management Plan
- Project Schedule
- Risk Management Plan
- Data Conversion Plan, if applicable
- Requirements Traceability Matrix
- Communication Plan
- Testing Plan
- Training Plan
- Go-Live/Cutover Plan
- Post-Implementation Support (or Maintenance and Operations Plan)

In addition, the offeror's proposal must include how its proposed deliverables will meet

the following IT requirements (General, State Hosted, and Vendor Hosted). ***If the offeror's proposed solution can be hosted by the offeror or in the State's cloud environment, the offeror must provide a separate response for each proposed solution and how each solution will meet the requirements in Sections 3 and 5.***

5.2 GENERAL IT REQUIREMENTS

5.2.1 Artificial Intelligence Use

The offeror must provide an explanation of its use of Artificial Intelligence, both in its proposed solution and the development lifecycle of the proposed solution. This requirement includes the offeror's use of Generative AI (GenAI) tools/products. For GenAI tools/products, the offeror must provide the following:

- GenAI model name,
- product owner,
- product description (including purpose, functionality, and key characteristics),
- use case (or goal e.g. image recognition, natural language processing, text summarization),
- the intended information use (context for how information is used in the model) for the GenAI included in the offeror's proposal,
- the geographical location of the tool, and
- how the offeror monitors and audits the tool's compliance on use restrictions, data restrictions, legal compliance (non-discriminatory outputs), and biases in the tool's outputs.

5.2.2 Hosting and Data Access Requirements

The State will own all data tables created as a result of the Agreement. The State must have the ability to manipulate data, run reports as needed, pull code tables, access raw data, and develop dashboards as needed through Microsoft Power BI, ESRI, Tableau, and associated platforms.

The offeror's proposal must describe how the State can access data housed within the proposed solution for ingestion into a state data repository, encompassing available methodologies (e.g., application programming interface (API), flat file), data formatting, frequency of updates, and any inherent constraints. Additionally, the offeror's proposal must provide a high-level architecture diagram, as part of the solution diagram as required by **Section 7.7**, explaining the proposed solution's data provision mechanism.

If available, the offeror must provide separate, complete proposals for the offeror's proposed solution to be hosted by the offeror, by the State on its internal infrastructure, and on the State's Azure cloud hosted tenant as a PaaS solution. If any of the hosting options is not available, the offeror must clearly state that in the offeror's proposal and provide an explanation as to why the hosting option is not available.

5.2.3 Single Sign-On Requirements

If the offeror's proposal includes a deliverable with a login component, the

proposal must describe how the deliverable will integrate with the State's standard identity management service single sign-on (SSO).

The State's SSO supports the industry standard OAuth 2.0 protocol. This identity management will handle password recovery and multi-factor authentication (MFA). MFA is required for all application Administrators and may be required for other users. The State's SSO requirement and links to Microsoft's official documentation can be found at:

https://www.sd.gov/bit?id=bit_standards_single_sign_on

If the offeror is not able to fulfill this identity management standard, the offeror's proposal will be rejected from consideration.

5.2.4 SSO Logout Initiation Requirements

- The offeror's deliverable must provide users with a clear and easily accessible logout mechanism (e.g., a "Logout" button/link).
- The logout functionality of the offeror's deliverable must trigger a session-based logout process utilizing the sign-out endpoint found in the metadata document provided during implementation.

5.2.5 Session Timeout Requirements

- The offeror's deliverables must allow for a customizable, State-defined inactive user session timeout period.
- The offeror's deliverables must notify users of impending session expiration five minutes before the timeout occurs, providing users with the option to extend the session.

5.2.6 Session Termination on Browser Close Requirement

The offeror's deliverables must clearly notify users that closing the browser window or tab is not a valid logout because the SSO session may remain active. The notice must further notify users that they are responsible for explicitly logging out to ensure complete session termination.

5.2.7 Onboarding/Provisioning of Users Requirement

The offeror's proposal must describe how new users are onboarded or provisioned into the deliverable. The offeror must provide an automated process for onboarding and offboarding users or must provide a process that requires minimal manual steps.

5.2.8 Interfaces and Integration Requirements

The offeror's proposal must describe how the deliverables can adapt to business necessary interfaces using widely adopted open APIs and standards. Additionally, the offeror must make available or expose software services that would enable third-party developers to interface other business applications. The offeror must publish documentation for the software services in question. The offeror's proposal must include a detailed description of system capability.

5.2.9 Web Application Vulnerability Scan Requirements

Any web-based deliverable must undergo a web application vulnerability scan (“Vulnerability Scan”). The Vulnerability Scan must identify misconfigurations or vulnerabilities such as those found in the OWASP Top Ten and must detail the certainty level of each finding.

Unless expressly indicated in writing, the State assumes all price estimates and bids are for the delivery and support of deliverables that will pass Vulnerability Scans. If the State determines that any aspect of the deliverable has security vulnerabilities that must be corrected, the State will inform the offeror of the nature of the issue and the offeror will be required to respond in writing regarding mitigation plans for the security vulnerabilities. If the deliverable does not pass the initial Vulnerability Scan or the offeror cannot provide a satisfactory Vulnerability Scan report, additional scans may be required to confirm the deliverable is secure.

State Hosted: For state hosted web-based deliverables, the Vulnerability Scan will be performed by the State and the offeror’s proposal should take that into consideration when responding to this RFP. As a condition of the resulting contract, the state hosted web-based deliverable will have to successfully pass the Vulnerability Scan prior to the deliverable being allowed to go in a production environment. Any offeror who responds to this RFP must accept such a contract term and must factor this security requirement into the offeror’s proposal.

Vendor Hosted: For vendor hosted web-based deliverables, any offeror who makes it to the “Tech Review” stage of the RFP process must provide the State a copy of the full report of the deliverable’s most recent Vulnerability Scan, a summary will not be accepted. The offeror should mark the vulnerability report as “Confidential” if it treats such a report as confidential information. If the offeror requires a Non-Disclosure Agreement (NDA) to be in place before the State may review the Vulnerability Scan report, the offeror must notify the State of such a requirement and resolve the signing of an NDA with enough time to respond to this RFP within the timeframe.

The offeror’s Vulnerability Scan report must consist of, at a minimum:

- The system that was evaluated,
- The categories that were evaluated (examples: SQLi, XSS, or RCE),
- What were the general findings,
- Technical detail of each issue found,
- Remediation status of enumerated issues (if any).

The cost of any Vulnerability Scans done by the offeror or the offeror’s costs associated with the State performing Vulnerability Scans must be part of the offeror’s cost proposal. Failure of a deliverable to satisfactorily pass a Vulnerability Scan may result in the offeror’s proposal being rejected.

5.2.10 Test System Requirement

The offeror must include a test system for its application deliverables to be used at the discretion of the State. All resource costs, including licensing costs, associated with keeping the test system available must be detailed in the offeror's cost proposal. If the offeror does not include the test system costs in the offeror's proposal, then the offeror will bear the costs. The offeror will maintain the test system as a mirror image of the production system code base.

5.2.11 Internal Processes and Procedures Requirement

The offeror must use industry standard processes and procedures, such as a software development lifecycle, when planning the development, configuration, implementation, and support of a proposed deliverable. The offeror must outline their internal processes and procedures in their proposal, including, but not limited to, alerting key stake holders (such as: Operations, Systems Support staff, Desktop Support staff, Administrators, Help Desk personnel, Client Representatives, and others) of changes that will be occurring within State or offeror resources or systems.

5.2.12 Email Domain Name Requirement

If the offeror's proposal includes a website or a web application that generates email and is hosted by the offeror or in the State's cloud, the proposed website or web application cannot use state email domains as the originating domain name.

5.2.13 Banned Entity Requirement

The offeror's proposed deliverables cannot include any hardware or hardware components manufactured by Huawei Technologies Company, Nuctech, or ZTE Corporation or any subsidiary or affiliate of such entities. This includes hardware going on the State's network as well as the offeror's network if the offeror's network is accessing the State's network or accessing State data. This includes Infrastructure as a Service, Platform as a Service, or Software as a Service situations. Any company that is considered to be a security risk by the government of the United States of America under the International Emergency Economic Powers Act, in a United States appropriation bill, an Executive Order, or listed on the US Department of Commerce's Entity List will be included in this ban.

5.2.14 Access Management Requirement

If the offeror's proposed deliverables require accounts allowing access to State systems, then the offeror must indicate the number of the offeror's staff or subcontractors that will require access, the level of access needed, and if these accounts will be used for remote access. These individuals will be required to use Multi-Factor Authentication (MFA). The State's costs in providing these accounts will be a consideration when assessing the cost of the offeror's proposal. All costs associated with providing an account to the offeror will be

borne by the agency.

5.2.15 Testing Requirements

The following testing may be required:

1. **Regression Testing** – Regression testing is the process of testing changes to computer programs to make sure that the older programming still works with the new changes.
2. **Integration Testing** – Integration testing is a software development process which program units are combined and tested as groups in multiple ways. In this context, a unit is defined as the smallest testable part of an application. Integration testing can expose problems with the interfaces among program components before trouble occurs in real-world program execution. Integration testing is also known as integration and testing (I&T).
3. **Functional Testing** – Functional testing is primarily used to verify that a piece of software is meeting the output requirements of the end-user or business. Typically, functional testing involves evaluating and comparing each software function with the business requirements. Software is tested by providing it with some related input so that the output can be evaluated to see how it conforms, relates or varies compared to its base requirements. Moreover, functional testing also checks the software for usability, such as ensuring that the navigational functions are working as required. Some functional testing techniques include smoke testing, white box testing, black box testing, and unit testing.
4. **Performance Testing** – Performance testing is the process of determining the speed or throughput of an application. This process can involve quantitative tests such as measuring the response time or the number of MIPS (millions of instructions per second) at which a system functions. Qualitative attributes such as reliability, scalability and interoperability may also be evaluated. Performance testing is often done in conjunction with load testing.
5. **Load Testing** – Load testing is the process of determining the ability of an application to maintain a certain level of effectiveness under unfavorable conditions. The process can involve tests such as ramping up the number of users and transactions until the breaking point is reached or measuring the frequency of errors at your required load. The term also refers to qualitative evaluation of factors such as availability or resistance to denial-of-service (DoS) attacks. Load testing is often done in conjunction with the more general process of performance testing. Load testing is also known as stress testing.
6. **User Acceptance Testing** – User acceptance testing (UAT) is the last phase of the software testing process. During UAT, actual software users test the software to make sure it can handle required tasks in real-world scenarios, according to specifications. UAT is one of the final and critical software project procedures that must occur before newly developed or customized software is rolled out. UAT is also known as beta testing, application testing or end user testing. In some cases, UAT may include piloting of the software.

5.2.16 Website Requirements

Any website must meet the Web Standards listed in this RFP and as found in the following:

https://www.sd.gov/bit?id=bit_standards_web

https://www.sd.gov/bit?id=bit_standards_vendor_client_sec_req

5.2.17 Web Content Accessibility Guidelines Requirement

The offeror's proposed deliverables must conform to the Web Content Accessibility Guidelines 2.1 Level AA.

5.2.18 Browser Compatibility

The offeror's proposed deliverables must be compatible with supported versions of Edge, Chrome, Safari, and Firefox browsers.

5.3 STATE HOSTED SOLUTIONS (ON-PREM OR STATE CLOUD) REQUIREMENTS

5.3.1 Virtualized Environment Requirement

The offeror should state whether its proposed solution will operate in a virtualized environment. The offeror must identify and describe all differences, restrictions, or limitations of its proposed solution with respect to operation, licensing, support, certification, warranties, and any other details that may impact its proposed solution when hosted in a virtualized environment. This information must be included with the system diagram.

5.3.2 Network Vulnerability Scan Requirement

All deliverables hosted by the State will be subject to a network vulnerability scan by the State.

5.3.3 Load Balancing Requirement

The offeror must state if its proposed deliverables can be load balanced across multiple servers, which is a requirement for an application to operate within the State's computing environment.

5.3.4 Use of Abstraction Technologies Requirement

The offeror must describe how its proposed deliverables use abstraction technologies, which is defined as the removal of the network control and forwarding functions that allows the network control to become directly programmable and the underlying infrastructure to be separated for applications and network services.

In addition, the offeror must affirmatively state that its proposed deliverables do not use hard-coded references.

5.3.5 Non-Standard Hardware and Software Requirement

State standard hardware and software should be utilized unless there is a reason

not to. If the offeror's proposal recommends using non-standard hardware or software, the proposal must very clearly indicate what non-standard hardware or software is being proposed and why it is necessary to use non-standard hardware or software to complete the project requirements. The costs of such non-standard hardware or software should be reflected in the offeror's cost proposal. See https://bit.sd.gov/bit?id=bit_standards_overview, for lists of the State's standard hardware and software. The offeror's proposal must include a link to the offeror's hardware and software specifications if one is available or explain why a link is not available. BIT must approve the use of any non-standard hardware or software before a contract can be awarded.

5.3.6 Vendor to State Hosted Transition

If, as part of the proposed project plan, the offeror intends to set up or configure a deliverable outside of State's IT infrastructure, even in part, and then move said deliverable to the State's infrastructure, then the offeror must provide a complete and detailed project plan on how that transition will occur. The offeror's proposal should include any additional time and money considerations for the transition.

5.4 VENDOR HOSTED SOLUTION REQUIREMENTS

5.4.1 General Vendor Hosted Requirements

In the offeror's proposal, the offeror must describe its:

- Data loss prevention methodology;
- Data sanitization methodology and procedures;
- Identity and access management;
- Security intelligence;
- Annual security training and awareness;
- Manual procedures and controls for security;
- Perimeter controls;
- Security certifications and audits.

5.4.2 Import and Export of Data Requirement

The offeror's proposed deliverables must allow the State the ability to import or export the State's data piecemeal or in its entirety at the State's discretion without interference from the offeror. The data must be able to be exported in a non-proprietary format and must include information such as metadata (data structure descriptions, data dictionary, and data). The offeror's proposal must describe how this functionality works within its deliverables.

6 Resources

Historically, the most successful projects are those that use the team approach. The team approach utilizes a combination of consultant staff, BIT staff, and Agency staff. Below is a description of how the team will be structured.

6.1 Team Organization: Provide the following information.

6.1.1 Project Organization Chart

List names, job titles (designate vacancies), and the city and state in which individual will work on this project.

6.1.2 List of all Consultants and Subcontractors

List all entities to be used for performance of the services described in this RFP. In the work plan, describe which responsibilities will be assigned to consultants or subcontractors and the city and state in which the consultants or subcontractors are located.

6.2 Project Staffing Roles

The overall project team may be comprised of the following potential project roles. These roles will be based on the size and complexity of the project.

Consultant Project Manager

Who: an employee of the offeror.

Role: Some of the duties performed by the Consultant Project Manager are:

- Plan, organize, and execute the tasks needed to meet project requirements. Identifying and documenting project goals and scope
- Planning and documenting project tasks and schedule
- Planning project kickoff meeting
- Ensuring deliverables are delivered on-time
- Managing project resources
- Effectively communicating with stakeholders
- Eliminating blockers and potential risks
- Documenting project's process using various project management tools
- Ensuring top-quality results and project success
- Responsible for test and training strategies, System Integration Testing, and UAT
- Responsible for Cutover and Transition Plans
- Responsible for Change Management and training documentation

Reports to: The Agency Project Sponsor as part of the project status meetings. When issues arise, this person must be able to make recommendations to the team regarding amendments and changes to the deliverables, schedule, or budget.

Project Security Lead

Who: an employee of the offeror.

Role: Some of the duties performed by the Project Security Lead are:

- Certify in writing the security of each deliverable
- Responsible for the security of the application development, management, and update process throughout the contract period.

Reports to: The Agency Project Sponsor as part of the project status meetings. When issues arise, this person must be able to make recommendations to the team regarding amendments and changes to the deliverables, schedule, or budget.

Agency Project Sponsor

Who: an employee of the Agency for whom the project is undertaken and who is the primary stake holder and the primary risk taker.

Role: Some of the duties performed by the Agency Project Sponsor are:

- Resolves agency resource and priority conflicts
- Approves the Project Charter and/or Plan
- Approving project changes that affect scope, time, and budget
- Holds subordinate managers accountable for their performance
- Direct communication and reporting relationship with the Agency Project Manager.
- Chief advocate for the project
- Keeps the agency team focused on appropriate goals
- Keeps the agency updated with new information
- Holds the project team accountable planning and executing the project
- Holds the team accountable for delivering agreed-upon results

Reports to: Agency leadership.

Agency Project Manager

Who: an employee of the Agency appointed by the Project Sponsor.

Role: Some of the duties performed by the Agency Project Manager are:

- Plans, organizes, and executes the Agency's tasks needed to meet project requirements
- Provides day-to-day oversight of the project
- Approves consultant payments based on contract language
- Provides directions to Agency employees as well as the Project Steering Team
- Keeps Agency Project Sponsor informed on a weekly basis regarding progress and status of the project

Reports to: The Agency Project Sponsor. When issues arise, this person must be able to make recommendations to the team regarding amendments and changes to the deliverables, schedule or budget.

Project Steering Team

Who: This team consists of at least one member from each impacted departmental area and may include an offeror representative.

Role: Some of the duties performed by the Project Steering Team are:

- Oversee the project in terms of the contract and work order agreements. Specific items of oversight include:
 - What are the deliverables for the State, and are they being met?
 - Is the project on schedule? If not, what are the consequences?
 - Should or can the project be put back on schedule and how will that be done?
 - What expenditure has been made? Is the project on budget? If not, what are the circumstances surrounding it?
- Recommend approval of any scope changes or any changes that affect cost and schedule based on cost benefit to the State

Reports to: Agency leadership.

Authority: Each Project Steering Team member should have authority to make decisions for the member's respective departmental area.

BIT Project Manager

Who: an employee of BIT

Role: Some of the duties performed by the BIT Project Manager are:

- Plan, organize, and execute the BIT tasks needed to meet project requirements
- Coordinate or collaborate with the Agency and Consultant Project Managers to develop a project plan and schedule for the BIT project deliverables
- Manage and report on BIT project deliverables
- Work with BIT management to ensure necessary BIT resources are available to execute the project
- Develop a project communication plan to project stakeholders for BIT project deliverables
- Be in close communication with Agency stakeholders and, when applicable, the Agency and Consultant Project Managers to ensure that all deliverables are met
- Document and communicate BIT project risks, issues, decisions, actions, and change requests with project stakeholders
- Provide executive level project reporting on the BIT project deliverables

Reports to: BIT manager and provides project reporting on BIT project deliverable to stakeholders and others as specified in the communication plan.

6.3 Staff Resumes and References

Resumes and references from key personnel are required as part of the offeror's proposal. Key personnel are those who are accountable for the completion of one or more major deliverables, has the responsibility of any or all of the total project management, or is responsible for the completion of the project. Provide resume details for all key personnel, including any subcontractors' project leads, by listing the following in the order in which it appears.

- Name
- Title
- Contact Information (telephone number(s), e-mail address)
- Work Address
- Project Responsibilities (as they pertain to this project)
- Percentage of time designated to this project
- Brief listing of work experience in reverse chronological order over the last five years (only provide company name, job title(s)/position(s) held, date started, and date left each position, brief description of job duties, responsibilities, and significant accomplishments)
- RFP Project Experience
- Technical Background related to this project
- Experience in Similar Projects
- Names of the Similar Projects they were involved in

- Role the person played in the projects like this project
- Project Management Experience
- Technical Knowledge
- Education
- Relevant Certifications
- Three Professional References (name, telephone number, company name, relationship to employee)

7 Proposal Submission Requirements

The offeror's proposal should be prepared simply and economically and provide a direct, concise explanation of the offeror's proposal and qualifications. Elaborate brochures, sales literature, and other unnecessary presentations to a complete an effective proposal should not be submitted.

The offeror is cautioned that it is the offeror's sole responsibility to submit information related to the evaluation categories. The State of South Dakota is under no obligation to solicit any information that is not included with the proposal. The offeror's failure to submit all requested information in this RFP may have an adverse impact on the evaluation of the offeror's proposal. The offeror should respond to each point in Sections 3 and 4 in the order they were presented.

7.1 Use of State Seal Restriction

The offeror's proposal should refrain from using the State of South Dakota State Seal in its proposal. Offerors are cautioned that use of the State Seal in any of its documents is illegal as per South Dakota Codified Law § 1-6-3.1. *Use of seal or facsimile without authorization prohibited--Violation as misdemeanor. No person may reproduce, duplicate, or otherwise use the official seal of the State of South Dakota, or its facsimile, adopted and described in §§ 1-6-1 and 1-6-2 for any for-profit, commercial purpose without specific authorization from the secretary of state. A violation of this section is a Class 1 misdemeanor.*

7.2 Format of Proposal

- 7.2.1** The offeror's proposal must be submitted pursuant to the requirements of Section 1.5 of this RFP.
- 7.2.2** The offeror's proposal should be page numbered and should have an index or a table of contents referring to the appropriate page number. Each of the sections listed in Section 6.2.3 should be tabbed or bookmarked.
- 7.2.3** The offeror's proposal should be prepared using the following headings and, in the order that they are presented below. Please refer to the section for details on what should be included in your proposal.
 - Statement of Understanding of the Project
 - Deliverables
 - Project Plan
 - IT Requirements
 - Required Diagrams (If not a separate document)
 - Security and Vendor Questionnaire (If not a separate document)

- Response to the State's Contract Terms
- Corporate Qualifications
- Project Experience and References
- Team Organization and Staff Resumes
- Background Investigations
- Cost (If not a separate document)
- Audited Financial Statement (Upon request)

7.3 Statement of Understanding of the Project

The offeror's proposal must summarize the offeror's understanding of the State's needs as enumerated in Section 3 and the work required to meet those needs ("Executive Summary"). The Executive Summary should include, but not be limited to, the offeror's understanding of the purpose and scope of the project, critical success factors and potential problems related to the project, and the offeror's understanding of the deliverables. The offeror must include their specialized expertise, capabilities, and technical competence as demonstrated by the proposed approach and methodology to meet the project requirements. The Executive Summary should be limited to no more than two pages.

7.4 Deliverables

The offeror's proposal must include a Deliverables section which constitutes the major portion of the work to be performed. The offeror's Deliverables section must include a complete narrative detailing the assessment of the work to be performed, approach and methods to provide the requirements of this RFP, the offeror's ability to fulfill the requirements of this RFP, the offeror's approach, the resources necessary to fulfill the requirements, project management techniques, specialized services, availability to the project locale, familiarity with the project locale, and a description of any options or alternatives proposed. The offeror's Deliverables section should address each evaluation requirement enumerated in Section 8. If the offeror has an alternative methodology or deliverable it would like to propose to meet the needs of the State, please include a detailed description of the alternative methodology or deliverables and how the alternative options will meet or exceed the requirements of this RFP.

7.5 Project Plan

The offeror's proposal must provide a project plan that indicates how the offeror will complete the required deliverables and services and addresses the following:

- Proposed project management techniques
- Number of offeror's staff needed
- Tasks to be performed (within phase as applicable)
- Number of hours each task will require
- Deliverables created by each task
- Dates by which each task will be completed (dates should be indicated in terms of elapsed time from project inception)
- Resources assigned to each task
- Required state agency support
- Show task dependencies

- Training (if applicable)

Microsoft Project is the standard scheduling tool for the State of South Dakota. The schedule should be a separate document, provided in Microsoft Excel, and submitted as an attachment to your proposal.

7.6 IT Requirements

The offeror's proposal must highlight any requirement in Section 5 that the offeror's proposed deliverables cannot comply with, and the offeror must provide any suggested "work-around" to the requirement in question or a future date that the offeror will be able to comply with the requirement.

7.7 Required Diagrams

7.7.1 System Diagram. The offeror's proposal must include a system diagram which must provide specific details so that the State can understand the components, the system flow, and system requirements. The offeror must provide a system diagram for each hosting option. It is preferred that the diagram be provided as a separate document or attachment. The file must be named "(Your Name) System Diagram and Requirements." If the offeror elects to make the diagram part of the proposal, then the location of the diagram must be clearly indicated in the Table of Contents.

7.7.2 Solution Diagram. The offeror's proposal must include a solution diagram which must provide specific details on how the offeror's proposed deliverables will meet the requirements of this RFP. The solution diagram must include integration with the State's infrastructure; existing systems that will integrate with the proposed deliverables; how data would flow between systems; all components, tools, and products the proposed deliverables will utilize, the technology stack of the proposed deliverables including any dependencies; and include, but not be limited to, user onboarding/provisioning and SSO.

7.8 Security and Vendor Questionnaire

The offeror must submit a completed Security and Vendor Questionnaire, which is attached to this RFP as Appendix B, for each proposed deliverable. The offeror must complete a Security and Vendor Questionnaire for each hosting option proposal. The Security and Vendor Questionnaire will be used in the proposal evaluation. The offeror must complete the Security and Vendor Questionnaire in the Microsoft Word format as it is provided to the offeror.

7.9 Response to the State's Contract Terms

The offeror's proposal must indicate any issues the offeror has with specific contract terms found in Section 2 and Appendix A. If the offeror does not indicate that there is an issue with a specific contract term, then the offeror will be deemed to have accepted the contract terms as written.

7.10 Corporate Qualifications

7.10.1 Offeror Company Information

The offeror's proposal must include responses to the each of the following questions:

- What year was your firm established?
- What is your firm's website?
- Has your firm ever done business under a different name and if so, what was the name?
- How many employees does your firm have?
- How many employees in your firm are involved in this type of project?
- How many of those employees are involved in on-site project work?
- Has your firm ever done business with other governmental agencies? If so, please provide references.
- Has your firm ever done business with the State of South Dakota? If so, please provide references.
- Has your firm ever done projects that are exactly like or similar to this project?
- How many clients are currently using your proposed solution? How many of those clients are public sector: local, state, and federal?

7.10.2 Offeror Parent Company

If the offeror has a parent company, the offeror's proposal must include responses to the following questions:

- What is the name of your parent company?
- What year was your parent company established?
- What is your parent company's website?
- What is the business of your parent company?
- What is the total number of employees in the parent company?
- What are the total revenues of your parent company?
- How many employees of your parent company have the skill set to support this effort?
- How many of those employees are accessible to your organization for active support?
- What percent of your parent company's revenue (if applicable), is produced by your firm?

7.11 Project Experience and References

The offeror's proposal must provide details about the four most recent projects that the offeror was awarded and managed through to completion. If the offeror cannot provide four examples, the offeror must explain why it cannot provide four examples and must provide as many examples as possible. These most recent projects will serve as references. Project examples must include the following information (if available):

- Client Name
- Client Address, including City, State and Zip Code

- Client Contact(s), including **Name**, **Title**, **Telephone Number**, and **E-mail Address**.
- Project Start Date and Completion Date
- Estimated Project Timeframe and Actual Project Timeframe (if actual timeframe is greater than estimated, please provide an explanation)
- Project Description and Goals
- Offeror's Role in Project
- Offeror's Responsibilities
- Offeror's Accomplishments
- Description of How Project Was Managed
- Estimated Project Cost and Actual Project Cost (if actual costs exceed estimated costs, please provide an explanation)
- Description of special project constraints, if applicable
- Description of offeror's ability and proven history in handling special project constraints
- Description of all changes to the original plan or contract that were requested (describe which changes were completed)
- Description of how change requests were addressed or completed by offeror
- Was there any litigation or adverse contract action regarding contract performance? (If "Yes" provide explanation)
- Feedback on offeror's Work by Client
- Offeror's Statement of Permission for the State to contact the Client and for the Client's contact(s) to release information to the State

7.12 Team Organization and Staff Resumes

In this subsection, the offeror's proposal must provide the requested information and identify the individuals who will fulfill the roles for the offeror found in **Section 6 Resources**.

7.13 Background Investigations

The offeror must include the following statement in its proposal:

(Company name here) acknowledges and affirms that it understands that the (company name here) employees who have access to production Personally Identifiable Information (PII), data protected under the Family Educational Rights and Privacy Act (FERPA), Protected Health Information (PHI), Federal Tax Information (FTI), any information defined under state or federal statute as confidential or have access to secure facilities will have fingerprint-based background investigations. These background investigations will be used to check the criminal history records of the State as well as the Federal Bureau of Investigation's records. (Company name here) acknowledges and affirms that this requirement will extend to include any subcontractors, agents, assigns, and affiliated entities.

7.14 Cost

In this subsection, the offeror's proposal must provide the requested information in **Section 8 Cost Proposal**.

The project plan and the costs stated in **Section 8 Cost Proposal** must include service

desk and support, since BIT can only guarantee best effort support for on-prem vendor proposed solutions. If any software development may be required in the future, hourly development rates must be stated in the offeror's proposal and **Section 8 Cost Proposal**. The project plan must include the development and implementation of a disaster recovery plan since vendor hosted solutions will not be covered by the State's disaster recovery plan and must be reflected in the costs.

7.15 Audited Financial Statements

Upon the State's request, the offeror may be required to submit a copy of its most recent audited financial statements.

8 Cost Proposal

Cost will be evaluated independently from the technical proposal. The offeror must submit a cost proposal for each hosting proposal. Each of the offeror's proposals must include all costs related to the required services, including all third-party software licenses the State is expected to pay. If available, the offeror must submit a cost proposal for a vendor-hosted solution, a cost proposal for a state-hosted on-prem solution, and a cost proposal for a State cloud-hosted PaaS solution if applicable, or a combination of the three hosting options.

The offeror must submit a statement in the offeror's proposal that attests the offeror's willingness and ability to perform the work described in this RFP for the price being offered.

If, as part of the project, the State will be acquiring the right to use vendor or third-party software, the offeror's proposal must clearly state if the software license is perpetual or a term license. If both are options, the offeror's proposal should clearly say so and state the costs of each type of license separately.

8.1 Other Costs

Show any other costs such as: software, hardware, ongoing costs, etc.

	One Time	Year 1	Year 2	Year 3	Totals
Hardware					
Software					
Maintenance					
License Fees					
Training					
Other					

Totals					
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8.2 Additional Work

The offeror may be expected to perform additional work as required by any of the State signatories to a contract. This work can be made a requirement by the State before allowing the application to go into production. This additional work will not be considered a project change chargeable to the State if it is for reasons of correcting security deficiencies, meeting the functional requirements established for the application, unsupported third-party technologies, or excessive resource consumption. The cost for additional work should be included in the offeror's proposal.

9 Best and Final Offers

The State reserves the right to request best and final offers; best and final offers cannot be initiated by an offeror. Best and final offers may not be necessary if the State is satisfied with the proposals received.

If best and final offers are sought, the State will document which offerors will be notified and provide them an opportunity to submit best and final offers. Requests for best and final offers will be sent stating any specific areas to be covered and the date and time in which the best and final offer must be returned. Conditions, terms, or price of the proposal may be altered or otherwise changed, provided the changes are within the scope of the RFP and instructions contained in the request for best and final offer. If an offeror does not submit a best and final offer or a notice of withdrawal, the offeror's previous proposal will be considered that offeror's best and final offer. After best and final offers are received, final evaluations will be conducted.

Appendix A – Included I/T Contract Terms and Conditions

Appendix B – Security and Vendor Questions