



Procurement and Contracting Services
 30 Victoria Street
 Gatineau, Quebec K1A 0M6

REQUEST FOR PROPOSAL AMENDMENT

The Request for Proposal is hereby amended; unless otherwise indicated, all other terms and conditions of the Request for Proposal remain the same.

RFP Amendment No.	RFP Amendment Date:
3	March 1, 2018
Office of the Chief Electoral Officer File No.	
ECAT-RFP-17-0552	
Title:	
Pay and Related Payroll Services for Workforce Management of Field Personnel	
Request for Proposal Closing Date:	
March 6, 2018	
ENQUIRIES – address enquiries to the Contracting Authority:	
Office of the Chief Electoral Officer of Canada Procurement and Contracting Services 30 Victoria Street Gatineau, Quebec K1A 0M6 proposition-proposal@elections.ca	
Attention:	Tel No.
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Part 1. Interpretation

- 1.1** Elections Canada hereby amends in accordance with this amendment the Request for Proposal for Pay and Related Payroll Services for Workforce Management of Field Personnel bearing number ECAT-RFP-17-0552 and dated January 23, 2018 (the “RFP”). This amendment hereby forms part of the RFP.
- 1.2** Unless defined herein or unless the context otherwise requires, all of the words and phrases defined in the RFP and used in this amendment shall have the same meanings assigned to them in the RFP.

Part 2. Questions and Answers

The following questions have been asked in response to the Request for Proposal and Elections Canada hereby answers as follows:

2.1 Question No. 6

Question: In the RFP, Part 4 Evaluation Procedures and Basis for Selection, paragraph 4.4.4 states that “If any Phase 2 proposal does not obtain the required minimum of 150 percent overall of the points” Could Canada please clarify its intention, and the phrase, concerning 150 percent overall of the points for technical evaluation?

Answer: Subsection 4.4.4 of Part 4 incorrectly stated 150 “percent” instead of “points” in the English version of the RFP. As such, the RFP is amended in accordance with Section 3.1 of this amendment.

2.2 Question No. 7

Question: In the Contract, Section 8.01.02(f) Services Levels, Canada makes clear that earn-back is possible if service level targets are “met, or exceeded, during each of the six monthly measurement periods following the service level failure.” This means that for any service level failure occurring during the final 6 months of the 36 months of the period of the contract, the contractor is unable earn-back service credits. This creates a financial disadvantage to bidders that will be reflected in pricing submitted to Canada. Will Canada modify this paragraph so that earn-back is possible if service levels targets are met, or exceeded, during each of the two monthly measurement periods following the service level failure?

Answer: Yes, Elections Canada will modify this paragraph. As such, the RFP is amended in accordance with Section 3.2 of this amendment.

2.3 Question No. 8

Question: Statement of Work, Part III Scope of Work, paragraph 4.01 states that the “Contractor must provide a COTS solution for use by EC on its own premises ...” Further, Statement of Work, Part III Scope of Work, paragraph 5.05.05 states that “The initial deployment and configuration of both the production instance and the user acceptance instance of the COTS software on EC’s infrastructure”. However, Statement of Work, Appendix A Solution Delivery, paragraph 4.03 User Acceptance Testing (UAT), sub-paragraph 4.03.02 states “EC requires that the Contractor provides (a) an appropriate test environment; ...” This would appear to contradict the earlier statements drawn from the Statement of Work. Could Canada please clarify its intention, and the phrasing used in the Statement of Work, to make clear its precise requirements?

Answer: Elections Canada is open to a solution where the data capture and data storage is done from an on premise solution and data exchange with the contractor’s data centre for processing (i.e. Payroll calculator) is taking place using secure connectivity protocols (e.g. Transmission through dedicated port, through SFTP file exchange, etc.) to facilitate self-serve workforce management and to calculate net pay, statutory deductions and so on. Using this solution model, the Contractor will be required to provide an appropriate test environment to confirm data exchange with the Contractor’s data centre for processing exists and is using secure connectivity protocols throughout the entire process, particularly during such data exchanges, all information must reside within Canada.

2.4 Question No. 9

Question: Annex B, Pricing Tables, paragraph 2 Approach to Compensation Structure, sub-paragraph 2.01 includes references to “equipment, software, peripherals, cabling, storage accessories ...” and yet the pricing tables allow for no pricing beyond software solutions, maintenance thereof, and professional services. Could Canada please make clear its requirement concerning the supply of any “hardware” or physical goods related to this procurement?

Answer: Section 2.01 of Annex B - Basis of Payment emphasizes that the nature of the Work defined in the RFP is for Services. The requirement is not for the supply of any "hardware" or physical goods related to this procurement. The Pricing Tables list the required services, and bidders are to ensure that all costs associated with providing the services (including any costs associated with the specified examples of type of costs) are included in their proposed prices in response to the RFP.

2.5 Question No. 10

Question: On the assumption that Canada does not require hardware equipment of any kind to be proposed and supplied by the bidders, could Canada please provide detailed infrastructure documentation concerning the hardware platform(s), network

architectures and related matters that would influence overall system performance and throughputs? This is vital to understand as Statement of Work, Appendix B Service Delivery, Paragraph 2 Service Levels provides clear performance requirements that the contractor must adhere to even though the contractor neither has authority over, nor responsibility for, the underlying hardware. Could Canada please detail how the operating condition of the underlying hardware, network and other related components will be taken into consideration in the event of a service level failure?

Answer: It is correct that the procurement does not include the acquisition of hardware equipment. EC has on-premises equipment which the contractor solution will be installed on. EC will use that equipment to communicate with/transmit data to the contractor for the contractor to calculate/generate net pay, etc., using the contractor solution on its own premises. EC will transmit the data using EC network infrastructure. The contractor will be responsible for generating net pay, etc., using its calculation engine and equipment for which it is responsible.

For greater clarity:

- a) the contractor performs the calculations, e.g. net pay calculation engine/portion of its solution housed in its premises.
- b) EC connects to the Contractor solution using EC supplied equipment (e.g. our paymaster uses the third party payroll provider client of the solution) and:
 - i. through the EC LAN, the data is transmitted to the contractor where,
 - ii. the contractor calculates applicable deductions and net pay using its equipment, and
 - iii. then return to EC the payment files via a secure transmission.

The equipment the contractor uses to facilitate this process and to generate the statements of earnings (e.g. pay stubs) and statutory reports: records of employment, T4/T4a/RL1, etc., is the responsibility of the contractor and is provided as part of the contracted service.

EC hosts its infrastructure and services in an Ottawa-based data center. The Data Center is connected to the GC network (GC Cloud) via redundant routers providing 80mpbs bandwidth to the internet. Internally EC runs redundant firewalls connected to redundant switch cores providing 10GB network connectivity to IBM/Lenovo blade servers hosting the virtual infrastructure. In the event of a hardware failure, EC has SLAs and service contracts in place to replace the hardware.

Should the contractor not be able to meet a service level defined in the Contract as a result of EC infrastructure failure, the provisions of the General Conditions, Article 18 ***Excusable Delay*** would apply.

2.6 Question No. 11

Question: Statement of Work, Part III Scope of Work, paragraph 3.07.03 Current COTS Applications. In order to develop a plan for frictionless transition of data between systems, will Canada please provide the name of the COTS application currently being used?

Answer: Ceridian Insync.

2.7 Question No. 12

Question: Is it Canada's intention to fully replace the current COTS solution referenced in Statement of Work, Part III Scope of Work, paragraph 3.07.03 Current COTS Applications?

Answer: It is Elections Canada's intention to transition to the COTS solution of the successful bidder based on a defined transition plan. To ensure sound change management and continuity of payroll services to its field workers, Elections Canada will work with the successful bidder throughout the transition-in period.

2.8 Question No. 13

Question: Can Canada confirm which team (Canada or the contractor) will be the responsible of executing the following processes

- a. Gross to Net processing
- b. Remittance processing (Income Tax, G/L, Direct Deposits and similar

Answer: the Contractor will be required to accept transactional details for each field worker which will include worker profile data (e.g. tombstone, method of payment, banking details, etc.), gross amounts for fees and allowances and calculate the statutory deductions and resulting net amounts.

All pay related deposits to workers (cheque and direct deposit) will be done by the Receiver General through the Standard Payment System using the detailed data at the worker level including method of payment and banking information returned to Elections Canada by the Contractor.

All filings and remittances payable to the governing bodies will be calculated by the Contractor and may be remitted to each governing body by the Contractor within the prescribed deadlines, provided that there is no requirement for Elections Canada to pre-pay such amounts to the Contractor. Elections Canada will require to be invoiced for such amounts including applicable competitive administration and processing fees associated with these filings. Elections Canada may also pay the governing bodies directly if the individual governing body permits filings and payments to be made separately.

As such, the RFP is amended in accordance with Section 3.3 of this amendment.

2.9 Question No. 14

Question: It is correct that Canada intends to maintain the current ROPS application and look at a replacement at some time in the future? If yes, it is correct that bi-directional data and control feeds will need to be communicated between ROPS and the contractor's solution via the EC Data Service Layer as described in Statement of Work paragraph 5.05.01, Data Exchange? If yes, will Canada please provide detailed technical documentation describing the operation of the EC Data Service Layer so that accurate integration costs and timeline can be developed?

Answer: As specified in the Statement of Work, ***the data exchanges rules & protocols will be mutually agreed upon and set between the Contractor and EC as a part of the technical design.*** It is the intention of Elections Canada to continue the file transfer between ROPS and the contractor using flat files in the contractor's prescribed format as is presently done between ROPS and the current payroll provider.

2.10 Question No. 15

Question: In Annex B, Pricing Tables, Table 2 the three columns are labeled Column 1, Column 2, Column 3. Could Canada please confirm that the correct labels for these columns are Contract Period, Option Period 1, and Option Period 2?

Answer: The three columns referred to in the question are correctly labelled. The Options 1, 2 and 3 refer to the Event Operating Hours specified in Annex A, Statement of Work, Appendix B – Service Delivery, section 1.02.02. Table 2 of both Annex B and Part 8 – Appendix A: Pricing Tables include the initial contract period and option periods 1 and 2 in the description column. Bidders are reminded that they are to complete the Part 8– Appendix A: Pricing Tables for their financial proposal; not the tables in Annex B.

2.11 Question No. 16

Question: Given the complexity of the requirements, the transition planning, and the broad and detailed nature of the requirements we are requesting that the close date of the tender period be extended to Thursday March 22, 2018. Will Canada agree to this extension?

Answer: No, Elections Canada will not extend the solicitation closing date at this time.

2.12 Question No. 17

Question: Concerning end-user support during events such as a general election, could

Canada please describe in detail the current support and escalation model that is in place, including specific details about which group (EC, or current COTS vendor, or other, for example) provides first line telephone / email support, and second and third level escalation support?

Answer: Firstly, only authorized Elections Canada account holders may dialogue with the third party provider. A process is followed for the approval and establishment of Elections Canada-approved user accounts.

Tier 1 support are generally about issues processing a batch or maintenance/pay run schedules, between Election Canada's authorized user (e.g. paymaster, system administrator, business owner, etc.) and the third-party payroll provider via telephone and via email to that provider's generic email account. A ticket is created and tracked accordingly. If unable to respond at first contact, may either be responded by voice/email or escalated, depending on the nature of the support call.

Tier 2 support are generally more complex support requirements such as payment rules, reconciliation issues, etc. or technical in nature about batch not running. This is between Elections Canada's authorized user (e.g. paymaster, system administrator, database admin, etc.) and the third-party payroll provider payroll expert via telephone and via email to that provider's generic email. The request may then be escalated to a technician or dba or script writers as necessary. This is often resolved over the phone or via script exchanges in email or SFTP site.

Tier 3 support requires on-site visit to remedy and is usually in respect to contractor software or database fixes. This may also entail SME support to assist in the use of the software.

Note: Depending on the period in the electoral calendar, delays in escalation and on-site visits will vary. Refer to the Annex A – SOW Appendix B for further details on service delivery requirements.

2.13 Question No. 18

Question: Can Canada please confirm that field worker profile information such as full name, SIN, address et cetera will continue to be captured into the ROPS application and then form part of the data records that are delivered to the contractor solution?

Answer: ROPS is an in-house application that is only active during an event. During that period, field worker profiles – excluding election administrators – are captured into ROPS and form part of the data records delivered to the contractor solution for net pay calculations, remittances, statutory reporting, etc.

Important to note that for payments that may be due to a field worker prior to/or after

an event while ROPS is decommissioned entails that the worker profile and associated fees and allowances and expenses are captured directly into the contractor solution in the same manner as the information is captured for the Election Administrators.

2.14 Question No. 19

Question: Regarding Statement of Work paragraph 5.03.08 can Canada please describe in complete detail the file format that is to be made ready for transfer to the FreeBalance solution?

Answer: This information will be provided as part of the implementation.

2.15 Question No. 20

Question: In Statement of Work section 3.05 'Roles and Responsibilities' Canada provides a description of current role and responsibility for a number of different teams within EC. In Statement of Work section 5.04 'Payroll Processing' Canada provides details of requirements that must be fulfilled by the Contractor without specific reference to the Contractor's COTS solution. The statements in SOW 5.04 overlap with many details in SOW 3.05. Could Canada please clarify its intention and requirements regarding future role and responsibility of the EC staff including but not limited to the Pay Master and the Pay Master staff, and any Contractor supplied professional services team?

Answer: ALL OF THE requirements identified in Section 5.04 Payroll Processing of the SOW refer to tasks that must be completed by the contractor once they have received – through their solution – the transactions approved by EC for payroll processing by the contractor. The term processing in this case entails calculating net pay, statutory deductions, statutory reporting, payroll registers, etc.... all elements that are part of the payroll services under contract. For example, producing payment files in the prescribed format that will be sent by the contractor to the EC paymaster for payment issuance by the receiver general.

2.16 Question No. 21

Question: In Statement of Work 5.04.09 Canada notes that the Contractor must provide ad-hoc reports to fulfill various EC requirements. Are the reports referenced in 5.04.09 the same reports listed in Annex B, Pricing Tables, Tab 4, Row 5 "professional services to develop custom reports"?

Answer: Yes.

2.17 Question No. 22

Question: In Statement of Work 5.04.12 Canada states that the Contractor must provide the ability to add or change various data points. Could Canada please clarify if these edits are to be performed by EC staff or by Contractor staff? Further, when an edit made to a data record, to which system(s) are these edits to be posted? Are they to be communicated back to ROPS, or another system?

Answer: Elections Canada recognizes that some data elements may be easily configured in tables where other elements may require enhancement of the database layout/tables in order to address the requirement. In this specific requirement, the expectation is that, through a user interface, Elections Canada can easily add, change, and delete job codes, rates, allowances and entitlements. Notwithstanding, the aforementioned, it is not Elections Canada's expectation that they would be required to configure and change statutory deduction rates for example as these would be performed by the contractor.

2.18 Question No. 23

Question: In Annex B, Pricing Tables, Tab 4, Row 4 states "Per Report (*reports will be listed individually*)" Could Canada please provide a complete and detailed listing of all known reporting requirements?

Answer: There is an expectation that the contractor will be in a position to produce standard payroll reports and pay registers and that these are available electronically. In addition, it is also expected that the contractor be able to produce all statutory reports and filings. For example, EC currently uses the following report types:

- payroll registers
- reconciliation reports
- statutory deductions
- statutory reports such as record of employments, T4, T4A, RL1, statement of earnings (pay stubs), year-end report
- batch processing reports
- pay period summary and details reports
- period and year-end balancing reports
- statutory filing reports

2.19 Question No. 24

Question: In Annex B, Pricing Tables, Tab 4, Optional Services, Canada describes a specific task physically mailing, cheques, T4/T4A/RL1 and other documents. Is it correct that Canada is expecting this service to be supplied by a Contractor supplied services team working from within the EC HQ in Ottawa? If that is not correct, please clarify what the limitations of this operation may be. What volumes of each type of document can bidders expect to manually process in this manner in a year when there is no electoral event? What volumes of each type of document can bidders expect to

manually process in this manner connected to (a) GE, (b) a referendum, and (C) a by-election? Are the costs of postage, envelopes and similar supplies to be incorporated into the price quoted by bidders?

Answer: Currently, mail outs such as pay stubs are produced by the contractor and shipped to Elections Canada headquarters where postage is affixed and then mailed through Canada Post. Elections Canada may opt to contract out that service and request that these mail outs be done by the contractor, from their production site within Canada. For example, since the cost of producing the pay stubs (per pay stub) is already captured in Table 4 of the pricing table, the contractor would only indicate the incremental cost associated with affixing postage and processing these mail outs. The contractor may indicate x for processing plus actual cost of postage as this may fluctuate during the active contract period.

For the volumetric, based on historical data, Elections Canada has already estimated those volumes for each of the contract and option periods; please refer to part 8 - table b2 for these details

2.20 Question No. 25

Question: Please note that a limitation to Contractor's liability is a standard and commercially reasonable provision in any service contract and/or license in the information technology field. The absence of such a limitation could seriously impede a Contractor from submitting a bid. Therefore does Elections Canada agree to amend the RFP to include in the form of Contract attached to the RFP a limitation to Contractor's liability?

Answer: Yes, Elections Canada will insert a limitation of liability clause. As such, the RFP is amended in accordance with Section 3.4 of this amendment.

Part 3. Amendments

3.1 Amendment to Subsection 4.4.4 of Part 4

Subsection 4.4.4 of Part 4 of the RFP is hereby amended to read in its entirety as follows:

4.4.4 Phase 2 – Rated Technical Evaluation

In Phase 2, the proposals that are deemed responsive in Phase 1 will be evaluated against the rated technical evaluation criteria set out in Section 4 of Part 7 – Technical Evaluation Criteria (the "Phase 2 Proposal").

If any Phase 2 Proposal does not obtain the required minimum of **150** points for the technical evaluation criteria which are subject to point rating, such proposal

will be deemed non-responsive and will not be given further consideration. The rating is performed on a scale of **250** points.

3.2 Amendment to Subsection 8.01.02, Paragraph F of Part 6

Subsection 8.01.02, Paragraph F of Part 6 of the RFP is hereby amended to read in its entirety as follows:

- (f) Service levels earn back: Following any service level failure, Elections Canada will allow the Contractor the opportunity to earn-back the service level credits charged. If the service level target for the relevant service level is met, or exceeded, during each of the six monthly measurement periods following the service level failure, Elections Canada will return all of the service level credit associated with that service level, except for the last measurement period within two months of the expiry date of the Contract.

Following any service level failure within two months of the expiry date of the Contract, Elections Canada will allow the Contractor the opportunity to earn-back the service level credits charged. If the service level target for the relevant service level is met, or exceeded, during the two-month measurement period following the service level failure, Elections Canada will return all of the service level credit associated with that service level.

3.3 Amendment to Annex A, Subsection 5.04.07 of Part 6

Annex A, Subsection 5.04.07 of Part 6 of the RFP is hereby amended to read in its entirety as follows:

- 5.04.07. Submit electronic filings with details for T4/T4A/RL1 and detailed breakdown of statutory deductions by worker on behalf of EC to the appropriate governing bodies. Amounts owing may be remitted to each governing body by the Contractor within the prescribed deadlines, provided that there is no requirement for EC to pre-pay such amounts to the Contractor. EC will require to be invoiced for such amounts including applicable competitive administration and processing fees associated with these filings. EC may also pay the governing bodies directly if the individual governing body permits filings and payments to be made separately.

3.4 Amendment to Part 6

The RFP is hereby amended by adding after Article 20 the following new Article 21:

Article 21 Limitation of Liability

21.01.01 Any reference in this Article to damages caused by the Contractor also includes damages caused by its employees, as well as its subcontractors, agents, and representatives, and any of their employees. This Article applies regardless of whether the claim is based in contract, tort, or another cause of action. The Contractor is not liable to Elections Canada with respect to the performance of or failure to perform the Contract, except as described in this Article and in any section of the Contract pre-establishing any liquidated damages. The Contractor is only liable for indirect, special or consequential damages to the extent described in this Article, even if it has been made aware of the potential for those damages.

21.01.02 With respect to first party liability:

- (a) the Contractor is fully liable for all damages to Elections Canada, including indirect, special or consequential damages, caused by the Contractor's performance or failure to perform the Contract that relate to:
 - i. any infringement of intellectual property rights to the extent the Contractor breaches Article 17 of the General Conditions entitled "Intellectual Property Infringement and Royalties";
 - ii. physical injury, including death;
- (b) the Contractor is liable for all direct damages caused by the Contractor's performance or failure to perform the Contract affecting real or tangible personal property owned, possessed, or occupied by Elections Canada;
- (c) each of the Parties is liable for all direct damages resulting from its breach of confidentiality under the Contract;
- (d) each of the Parties is liable for all indirect, special or consequential damages in respect of its unauthorized disclosure of the other Party's trade secrets relating to information technology;
- (e) the Contractor is liable for all direct damages relating to any encumbrance or claim relating to any portion of the Work for which Elections Canada has made any payment. This does not apply to encumbrances or claims relating to intellectual property rights, which are addressed under Subparagraph 21.01.02 (a)(i); and
- (f) the Contractor is also liable for any other direct damages to Elections Canada caused by the Contractor's performance or failure to perform the Contract that relate to:

- i. any breach of the warranty obligations under the Contract, up to the total amount paid by Elections Canada (including any applicable taxes) for the goods and services affected by the breach of warranty; and
- ii. any other direct damages, including all identifiable direct costs to Elections Canada associated with re-procuring the Work from another party if the Contract is terminated by Elections Canada either in whole or in part for default, up to an aggregate maximum for this Subparagraph 21.01.02(f)(ii) of 0.75 times the total estimated cost or \$1,000,000.00 whichever is greater (meaning the dollar amount shown on the first page of the Contract in the block titled "Total Estimated Cost (incl. applicable sales tax)");

In any case, the total liability of the Contractor under paragraph (f) will not exceed the total estimated cost (as defined above) for the Contract.

- (g) if Elections Canada's records or data are harmed as a result of the Contractor's fault, the Contractor's only liability is, at the Contractor's own expense, to restore Elections Canada's records and data using the most recent back-up kept by Elections Canada. Elections Canada is responsible for maintaining an adequate back-up of its records and data.

21.01.03 With respect to third party claims:

- (a) regardless of whether a third party makes its claim against Elections Canada or the Contractor, each Party agrees that it is liable for any damages that it causes to any third party in connection with the Contract as set out in a settlement agreement or as finally determined by a court of competent jurisdiction, where the court determines that the Parties are jointly and severally liable or that one Party is solely and directly liable to the third party. The amount of the liability will be the amount set out in the settlement agreement or determined by the court to have been the Party's portion of the damages to the third party. No settlement agreement is binding on a Party unless its authorized representative has approved the agreement in writing;
- (b) if Elections Canada is required, as a result of joint and several liability, to pay a third party in respect of damages caused by the Contractor, subject to Paragraph 21.01.03(c), the Contractor must reimburse Elections Canada by the amount finally determined by a court of competent jurisdiction to be the Contractor's portion of the damages to the third party; and
- (c) with respect to special, indirect, and consequential damages of third parties covered by this Subsection 21.01.03 and despite Paragraphs 21.01.03(a) and (b), the Contractor is only liable for reimbursing Elections Canada for the

Contractor's portion of those damages that Elections Canada is required by a court to pay to a third party, as a result of joint and several liability, that relate to:

- i. the infringement of a third party's intellectual property rights;
- ii. the physical injury of a third party, including death;
- iii. damages affecting a third party's real or tangible personal property;
- iv. liens or encumbrances on any portion of the Work; or
- v. breach of confidentiality.

(d) the Parties are only liable to one another for damages to third parties to the extent described in this Subsection 21.01.03.