Te Kura ā-Tuhi
The Correspondence School

Systems Replacement Project
Stage 2 Processes: Procurement Plan

Table of Contents

1   Executive Summary

The Systems Replacement Project (SRP) aims to replace several of The Correspondence School's existing business applications, including Xtend and ākona, with new systems, and to provide additional content management functionality for managing both learning materials and general corporate documents.

The approach which will be adopted to securing new applications will be to identify commercial off-the-shelf products from the market, rather than to develop bespoke software. These products will be secured by means of a competitive tender process, as set out in this document.

Three tenders are included in the scope of this document, namely:

- Student Management System (SMS)

- Learning Management System and Learning Content Management System (LMS/LCMS), which we have "branded" as our Online Teaching and Learning Environment (OTLE)[1]

- Electronic Document and Record Management System (EDRMS)

In broad detail, the tender process will proceed as follows:

- RFP documents, including detailed requirements and a model contract, have been widely advertised, including on the NZ Government Electronic Tender Service website, which is widely monitored by vendors.

- Various formal avenues for intending respondents to ask and have answers provided to their questions have been defined.

- Proposals will be logged and stored securely, but not opened until the tender closes.

- All proposals will be opened together after the tender closes, and a précis prepared.

- The précis and copies to the proposals will be provided to evaluation teams, who will use a common evaluation template to score responses individually. Then the evaluation teams will each meet as a group to compile aggregate scores and rankings.

- One team, the Business Evaluation Team, which is common to all three tenders, will prepare a short list of vendors with whom to proceed to presentations. All evaluation teams will document their findings in brief Evaluation Reports.

- As soon as the short lists are known, work will commence on updating the business cases.

- Short listed vendors will present their proposals, provide generic[2] demonstrations of their offerings, and answer questions from TCS selection staff.

- A Selection Panel will choose the preferred vendor(s), and commence due diligence, a primary component of which is careful reference checking.

- The Selection Panel will make final recommendations to the Board of Trustees for approval.

- The contract(s) will be completed in two steps, because completing all of the schedules to the full contracts will require considerable investigative work (actually, the beginning of the implementation project) and take a few weeks. However, the principles of the agreement can be settled relatively quickly, and documented in a heads of agreement ahead of the full contracts.

- Unsuccessful vendors will be notified and thanked for their participation. At TCS's discretion, debriefing meetings may also be provided.

The timetable for the process aims at completion of the contracts in November or December 2008.

---

[1] We have done so to avoid being "typecast" as wanting a traditional LMS, because our requirements, particularly in respect of cohort management, are atypical.

[2] There will be insufficient time for vendors to perform any customisation of their products; what we will see will be their "out of the box" product.

2   Introduction

2.1   Project Background

The Systems Replacement Project (SRP) aims to replace several of The Correspondence School's existing business applications, including Xtend and ākona, with new systems, and to provide additional content management functionality for managing both learning materials and general corporate documents.

The approach which will be adopted to securing new applications will be to identify "commercial" off-the-shelf products from the market, rather than to develop bespoke software.

The programme will progress in three stages, with approval "gates" between them:

Stage 1: Preparation of the tender documents (complete)

Stage 2: Tendering, evaluation, product selection, contract negotiations (described herein)

Stage 3: Implementation

Three systems fall within the scope of this procurement plan, namely:

- Student Management System (SMS)
- Online Teaching and Learning Environment (OTLE), in turn comprising:
   - Learning Management System (LMS)
   - Learning Content Management System (LCMS)
   - and possibly some additional collaboration components
- Electronic Document and Record Management System (EDRMS)

Selection of one or more vendors to provide replacement software will be conducted by open tender, as described herein.

The Procurement Plan is dependent upon the inclusion of complete and clear descriptions of the new system requirements within the Request for Proposal (RFP) documents prepared during project Stage 1.

Abbreviations and common terms used in this Procurement Plan are defined in Appendix A.

2.2   Purpose

The purpose of this Procurement Plan is to define the process that TCS will employ to identify and engage external vendors to supply and implement the new SRP applications.

2.3   Scope

Three tenders are included in the scope of this document, namely:

- Student Management System (SMS)
- Learning Management System and Learning Content Management System (LMS/LCMS), which we have "branded" as our Online Teaching and Learning Environment (OTLE)
- Electronic Document and Record Management System (EDRMS)

In each case, the scope for the services to be supplied includes:

- Specification and design
- Analysis and definition of detailed functional requirements
- Application configuration/customisation design
- Establish host environment
- Implementation
- Integration

- Data migration
- Testing
- System documentation
- Training
- Support services

2.4   References

The following are the reference documents for this Procurement Plan:

Reference	Description
TCS Procurement Policy	TCS Governance Policies, Procurement Policy, BOT reference March 2007, Item 13)
Programme Initiation Document (PID)	The PID is a reference document against which the Systems Replacement Project activities and deliverables can be assessed.
Mandatory Rules for Procurement by Departments	Standards and procedural requirements for the conduct of procurement by government departments. Published 2 May 2006. http://www.med.govt.nz/templates/MultipageDocumentTOC_____19669.aspx
Government Procurement in New Zealand – Policy Guide for Purchasers	This Ministry of Economic Development guide explains the Governments procurement principles and is intended to help government departments and other taxpayer-funded agencies to support the Government's Procurement Policy. http://www.med.govt.nz/templates/MultipageDocumentTOC_____29467.aspx
Procurement: A Statement of Good Practice	The Auditor-Generals publication that sets out the principles of good practice and gives detailed advice on planning and conducting the procurement process and contract management. http://www.oag.govt.nz/2008/procurement-guide/
Guidelines for Managing and Monitoring Major IT Projects	These State Service Commission and Treasury guidelines set out the expectations and standards for managing and monitoring major IT projects within the New Zealand Government sector. http://www.ssc.govt.nz/display/document.asp?DocID=6418

In addition, several general policy documents (including the Code of Conduct, Privacy Procedures for staff including contractors, Media and Public Enquiries Policy, and the draft Conflict of Interest Procedures for staff) were consulted, to ensure consistency with overall TCS policy.

2.5   Terms and Definitions

The definitions of terms and abbreviations used in this document can be found in Appendix A.

3   Procurement

3.1   Regulatory Requirements

The New Zealand public sector is expected to conduct procurement activities based on the principles of:

- best value for money over whole of life;
- open and effective competition; and
- fair opportunity for domestic vendors

(refer *Policy Guide for Purchasers*, issued by the Ministry of Economic Development).

Although not required to do so by law, TCS voluntarily complies with the *Mandatory Rules for Procurement by Departments*, published by the Ministry of Economic Development (refer to TCS Governance Policies → Procurement Policy, BOT reference March 2007, Item 13).

In summary, the *Mandatory Rules* "reflect and reinforce New Zealand's established policy of openness and transparency in [public sector] procurement."

These principles have also been applied in the preparation of this Procurement Plan, along with the best practice recommendations and rules provided in the other documents listed in the references section.

3.2   Approach

The procurement process comprises the following steps:

- Publish open Requests for Proposal on the New Zealand Government Electronic Tenders (GETS) web site.
- Initial scan to identify compliant/non-compliant responses
- Evaluation Team scoring and ranking
- Short-listing for presentations
- Final selection
- Rework Business Cases
- Sign-off
- Agree basic contract parameters; sign heads of agreement
- Commence analytical work, partly to inform contract schedules
- Sign full contract

A graphical view of the steps to this process is provided below.
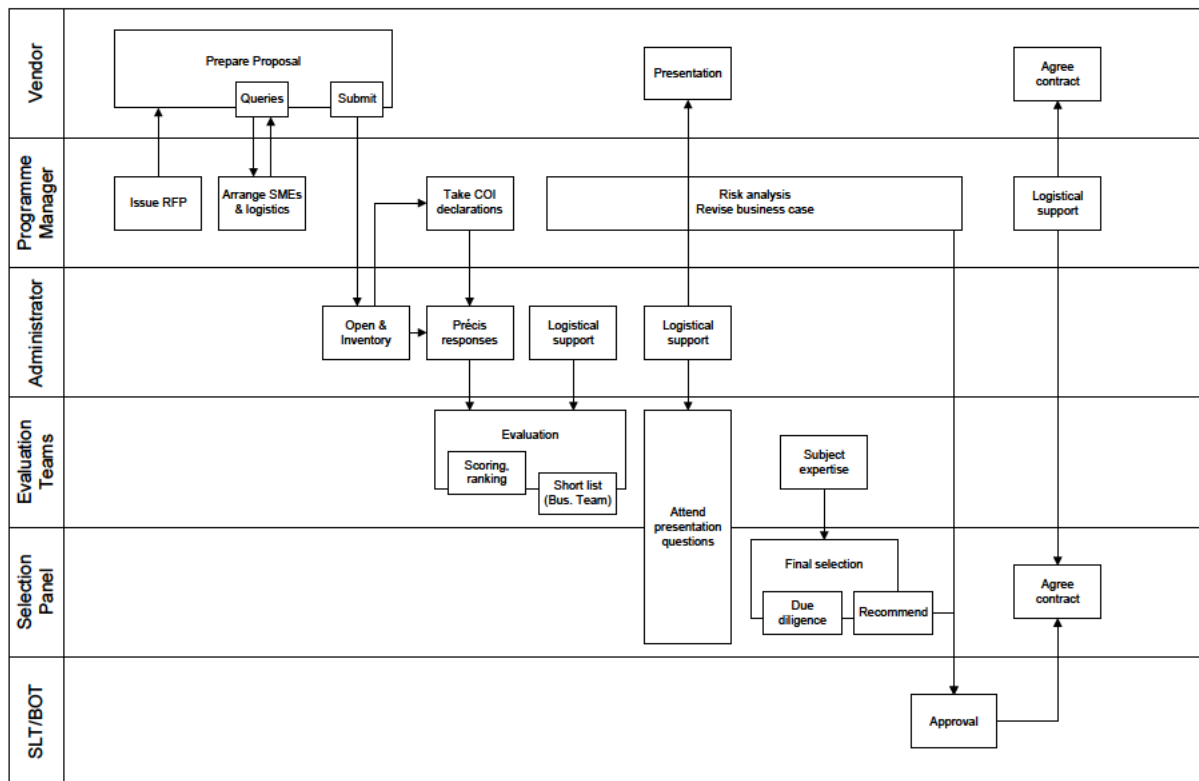
3.3 Process Review

An independent auditor will be engaged to review this procurement process. The auditor will be responsible for the development of a probity audit plan. The scope and methods described in that plan will be used to update this document where necessary.

The audit will confirm that:

- the adequacy of the process outlined in this document;

- that the procurement process complies with the probity principles;

- any issues arising during the course of the procurement process were adequately dealt with, and

- there are no outstanding probity issues.

3.4 Overview and Timetable

An approximate timetable for the principal milestones is set out below. Milestones advised to vendors in the RFP documents are indicated ("*In RFP?*" column) together with quicker and slower time forecasts which are not necessarily best case and worst case estimates (more like lower and upper quartile).

A more detailed timetable is maintained in the project documentation.

Event	In RFP?	Quicker	Slower
Issue SMS+OTLE RFP	Y (11 Aug)	11-Aug-08	11-Aug-08
Issue EDRMS RFP	Y (18 Aug)	18-Aug-08	18-Aug-08
Q&A SMS+OTLE	Y (25 Aug)	25-Aug-08	25-Aug-08
Q&A EDRMS		1-Sep-08	1-Sep-08
Appoint administrator		1-Sep-08	8-Sep-08
Finalise functional evaluation matrices		8-Sep-08	8-Sep-08
Finalise functional evaluation teams		8-Sep-08	8-Sep-08
Brief functional evaluation teams		12-Sep-08	12-Sep-08
RFP Closes	Y (15 Sep)	15-Sep-08	15-Sep-08
Open and inventory responses		16-Sep-08	16-Sep-08
Take COI declarations		18-Sep-08	18-Sep-08
Précis responses, copying, etc.		22-Sep-08	29-Sep-08
October BOT meeting		1-Oct-08	1-Oct-08
Short-list	Y (6 Oct)	6-Oct-08	13-Oct-08
Revise business case		13-Oct-08	20-Oct-08
Presentation	Y	13-Oct-08	20-Oct-08
Final Selection		20-Oct-08	3-Nov-08
Reference Check	Y (27 Oct)	27-Oct-08	10-Nov-08
Revised BC approved		27-Oct-08	10-Nov-08
Commence Negotiation	Y (27 Oct)	27-Oct-08	10-Nov-08
Notification	Y (3 Nov)	3-Nov-08	17-Nov-08
Limited Commencement		3-Nov-08	17-Nov-08
November BOT meeting		5-Nov-08	5-Nov-08
Contract Completed		24-Nov-08	22-Dec-08

4   RFP Procedures

The purpose of the RFP process is to solicit responses in the form of proposals from appropriate vendors to supply and implement suitable applications, assist with training, and provide on-going support services for the replacement systems. The requirements of the systems are detailed in the Request for Proposal documents.

The RFP process must collect enough information to allow the selection of the preferred vendor and for the planning and negotiation of an engagement contract. The RFP documents set out the information required and include details of the following:

- the deliverables and specific duties that the successful vendor will be required to perform;

- the mechanisms for communications prior to contract awards, and terms and conditions that the vendor must adhere to if awarded the contract;

- instructions that cover the vendor's proposal content as well as requirements for physical preparation and delivery of the proposal, and

- the criteria on which each proposal will be assessed.

The key principle in administrating the tendering process is to ensure that all potential vendors are treated in a fair and equitable manner. The following sections detail the RFP process activities that are to be performed to ensure that this principle is applied.

A high level explanation of the process, together with strict compliance rules, is outlined to prospective RFP respondents in Part A of the tender documentation (especially Section 4.2).

4.1   RFP Issue

The RFP package will be posted on GETS (automatically picked up by the Australian Tenders.Net) to ensure:

- widest possible advice to potential vendors in the New Zealand market

- effective point-in time publication ensures no vendor receives an undue time advantage or disadvantage.

Additionally, individual vendors that have previously indicated an interest in providing to TCS will be notified that the RFP is published, and advised of the GETS reference number.

4.2   Communications – General

4.2.1   Protocol

Respondents wishing to clarify the requirements of the RFP or requiring further information in order to respond are required to observe the contact protocol set out below (Part A, Section 4.1.4):

1   TCS staff are not to be approached directly, or by phone, fax or letter.

2   Where there is a need for follow-up questions or clarification, these must be requested in writing via e-mail to a purpose-built email address which is monitored by the Programme Manager, and be received by TCS no later than five days before the closing date for the submission of proposals.

3   The nature and the purpose of the request should be clearly stated by the Respondent.

4   At its discretion, TCS may schedule a meeting or provide clarification or further information by other means.

4.2.2   Single Point of Contact

Proposals are required to include the name and full contact details of a nominated Coordinating Officer, acting for the Respondent as a single point of contact through which further discussion or information about its proposal can be co-ordinated (Part A, Section 4.1.6).

4.2.3   Registration of Intent to Respond

Vendors have been advised (but are not required) to "register" their intention to respond (RFP Part A, Section 4.1.5).

The Programme Manager will maintain the register.

All communications are via purpose-built email accounts; copies of all emails will become part of audit log which will be included as an appendix to the Tender Evaluation Report.

The Programme Manager will monitor email accounts and coordinate responses (with appropriate advice).

4.3   Requests for Additional Information

The following procedures will be applied when vendors request additional information:

- the RFP specifies the single point of contact at TCS for requests for additional information or for clarification on the interpretation of the requirements;
- the mandatory recording of the questions and responses given;
- the maintenance of an Intending Respondent register to record RFP package copy holders, and
- any amendment to, or clarification of, the tender documents are passed to the RFP package copy holders by way of a formal notification.

4.4   Receiving Responses

4.4.1   On Time

The following procedures are to be implemented for the receipt of responses to the RFP:

- the date and time of receipt of each response is to be recorded;
- responses will be securely stored until they are opened, and
- responses will not be opened until the nominated closing time.

4.4.2   Late Responses

Where a late proposal is received, the time and date of receipt shall be noted on the document and endorsed by the recipient. Late and incomplete proposals may be admitted to evaluation at the absolute discretion of TCS (RFP rules, Part A, Sections 4.2.2 and 4.2.29). In deciding whether to admit a late proposal for evaluation, the TCS may take into account any factors it considers relevant, including without limitation:

- whether the late vendor is likely to have had an opportunity to obtain some unfair advantage from a late submission;
- the lateness of the proposal;
- the reasons given for lateness and evidence available;
- whether the proposal was mishandled by the TCS, by an official postal service or by a reputable delivery service, and
- evidence of unfair practices.

4.4.3   Individual Vendor Extensions

TCS will not agree to a request by an individual vendor to extend the time for submitting a proposal, unless there are exceptional circumstances.

In such a case, the extension will be advised by means of an addendum to the RFP documents, which is to be given to all vendors' with sufficient notice to enable all to benefit (RFP rules, Part A, Sections 4.2.11).

4.5   RFP Recall

TCS has reserved the right (Part A, Section 4.2.30) in its sole discretion to withdraw, cancel or amend this RFP at any time.

The RFP may be recalled if:

- all of the responses received are non-compliant – whether contractually or technically;
- the responses received cannot be adequately or fairly compared, in the view of the Evaluation Teams;
- there is evidence of collusion between vendors, or
- there has been a significant change to the requirement.

All vendors will be formally advised that tenders have been recalled, and the reasons for the decision. However, TCS will not be liable to compensate any Respondent if the RFP process is cancelled, withdrawn or amended.

TCS has reserved the further right (Part A, Section 4.2.29) to "not accept the lowest or any proposal, or enter into any contract"

4.6   Extending the Tendering Period

If it becomes necessary to recall the RFP and reissue, the tender period is to be extended as appropriate.

5   Evaluation Process

Processes must be constructed and carried out ethically and with probity, to ensure those involved in purchasing activities act with honesty and maintain the highest ethical standards in all business dealings.

They must ensure:

- that the tendering processes is conducted with honesty, fairness and in good faith;
- any conflict of interest or potential conflict of interest will be managed as soon as possible after it has been declared or discovered;
- participants in the procurement and evaluation process do not engage in any practice, including an improper inducement, which gives anyone an unfair advantage over another;
- vendors submitting responses and proposals must be prepared to attest to their probity, and not engage in any form of collusive practice;
- each potential vendor must be subject to the same terms and conditions of tendering as every other potential vendor;
- all requirements must be clearly specified in the tender documents and criteria for evaluation must be clearly indicated;
- evaluation of proposals must be based on the conditions and selection criteria defined in the tender documents and evaluation plans;
- to protect the integrity of the procurement, appropriate standards of confidentiality must be maintained by all Evaluation Team members and key individuals, and
- all participants meet their legal obligations.

Sourced from *Procurement Statement of Good Practice*, Office of the Auditor-General (OAG)

5.1   Précis

The Programme Administrator will prepare a précis of responses for evaluation teams, including whether conforming to RFP rules, key features of response; make additional copies or excerpts as required.

5.2   Evaluation Teams

Three Evaluation Teams will be established, each with a specialist focus: (1) functional/operational, (2) financial, and (3) business. They will be supported, where required, by additional specialist (e.g. legal) advice.

5.2.1   General Responsibilities

The Evaluation Teams will be responsible for:

- maintaining probity;
- validation of the evaluation criteria and weightings;
- evaluating the responses in accordance with the criteria and methodology;
- documenting the evaluation process;
- preparing an Evaluation Report;
- assisting the Programme Board, as may be requested, with final selection and reference checking;
- debriefing the unsuccessful respondents.

Additionally, the business Evaluation Team will be charged with the further responsibility of collating the scores and comments of all three teams, to develop an overall ranking.

5.2.2   Composition of Teams

5.2.2.1 Business Evaluation Team

The Business Evaluation Team comprises the CEO and three DCEs, and the same team will assess proposals for all applications: SMS, OTLE and EDRMS.

The focus of the business evaluation is two-fold:

• Suitability of the vendor as a business partner for TCS, including consideration of the vendor's acceptance, or proposed changes, of the pro forma contract included in the RFP

• Risk assessment of the vendor, the product, the contract, and the implementation plan (informed by appropriate input from Financial and Functional Teams)

5.2.2.2 Financial Evaluation Team

The Financial Evaluation Team comprises the DCE Capability Services and CFO.

The same team will assess proposals for all applications: SMS, OTLE and EDRMS.

The focus is:

• Financial security of vendor

• Assessment of cost schedule (coherent, comprehensive, total cost over lifetime)

5.2.2.3 Functional Evaluation Teams

The Functional Evaluation Teams will assess both (1) the functional and operational suitability of the products and (2) the Respondents' implementation plans, against the defined business needs.

Subject to possible final adjustments, the membership of each of the teams is:

Person	SMS	OTLE	EDRMS
███████████	✓	✓	
█████████████	✓		
██████████	✓		✓
█████████	✓ chair		
███████████			✓ chair
██████████		✓	
███████		✓	
██████████	✓		
███████████	✓	✓	✓
████████████			✓
███████████	✓		
████████████	✓		
██████████	✓		
████████	✓		
████████████	✓	✓ chair	
███████████		✓	
██████████			✓
█████████		✓	
██████████			✓
████████████	✓		
████████████	✓	✓	
██████████			✓
████████████	✓		

Person	SMS	OTLE	EDRMS
███████████████		✓	
████████	✓	✓	✓

5.2.3   Specialist Advice and Support

Evaluation Teams may, as required, call upon specialist advice to assist in the evaluation process. The areas of experience may include:

- subject matter knowledge, from operational staff

- probity

- legal issues

5.3   Team Conduct

Evaluation team members must perform their duties and conduct themselves in a manner which maintains the integrity of the process and results in a fair and unbiased treatment for all vendors.

5.3.1   Communication with Vendors

It is possible that some aspects of Respondents' proposals may be unclear to the Evaluation Teams, and clarification may be sought from individual Respondents.

Informal communication between the Evaluation Team and Respondents, however, could prejudice the integrity of the procurement evaluation. Thus, all communication with external parties is to be conducted as follows:

- The text of the communication will be reviewed and approved by the Chairperson of the Evaluation Team.

- A copy will be provided to the Programme Manager, who will record it and file the copy in the audit log which will be included as an appendix to the Tender Evaluation Report.

Such communications shall not be revealed to any other party, except in accordance with this Procurement Plan.

5.3.2   No Canvassing/Undisclosed Benefits

Evaluation team members may not accept any gifts, including, without limitation, hospitality, from any of the Respondents, for a specified period after the evaluation.

The RFP rules (RFP Part A, Section 4.2.19) forbid Respondents' representatives from directly or indirectly canvassing or offering any form of inducement or reward to any TCS representative in respect of this RFP, and advises that the likely consequence of any such behaviour is the immediate rejection of the Respondent's proposal.

Any evaluation team member, believing themselves to have been improperly contacted, should immediately inform the Programme Manager who will record the details in the audit log and immediately escalate the matter to the Programme Board.

5.3.3   Declarations of Interest

"Impartiality and transparency in public administration are essential to maintaining the integrity of the public sector. Where activities are paid for by public funds or are carried out in the public interest, members of Parliament, the media, and the public will have high expectations."

However, "[i]n a small country like ours, conflicts of interest in our working lives are natural and unavoidable. The existence of a conflict of interest does not necessarily mean that someone has done something wrong, and it need not cause problems. It just needs to be identified and managed carefully" (from *Managing conflicts of interest: Guidance for public entities*, Office of the Auditor-General).

Evaluation Team members are required to disclose any actual or apparent conflict of interest and take steps to avoid that conflict. The responsibility lies with each Evaluation Team member to promptly

identify and disclose to the chairperson any actual, perceived or potential conflicts of interest involving themselves, their immediate family or any other relevant relationship.

All disclosures of conflicts should be fully documented.

5.3.4   Confidentiality of Information

The RFP (Part A, Section 4.2.13) commits TCS to using best efforts to maintain the confidentiality of information submitted in Respondents' proposals, while noting that TCS is "subject to various disclosure obligations, such as the Official Information Act 1982." Respondents are advised to clearly indicate those parts of their proposals which they regard as commercially sensitive and confidential.

Maintaining the highest levels of confidentiality is essential to ensuring the probity and fair dealing within the procurement process. Confidentiality is essential at all stages of the process and information should only be provided to people outside the Evaluation Team only on a 'need to know' basis. The number of persons given access or having access to the information should be kept to an absolute minimum.

The disclosure of information contained in responses may prejudice the commercial interests of the companies concerned and the bargaining position of the TCS during subsequent contract negotiations.

Where consultants are engaged to provide specialist advice or undertake part of the evaluation of tenders they will be required to sign a Confidentiality Agreement, and undertake not to disclose any confidential information for a specified period after the evaluation.

All documents and proceedings of the procurement process are 'Commercial-in-Confidence' and are to be secured when not in use by members of the Tender Evaluation Team.

5.4   Briefing

All members of the Evaluation Teams are to be made aware of their responsibilities, required conduct, and the need to demonstrate impartiality and equity to all respondents.

5.5   Methodology

5.5.1   Filtering

Non-compliant proposals may be considered at TCS's sole discretion (RFP rules, Part A, Sections 4.2.2 and 4.2.29).

Proposals may be initially eliminated from further consideration for such deficiencies as late submission, poor preparation, or an evident lack of understanding TCS's requirements.

Proposals so eliminated will be set aside, and only re-admitted to consideration if the qualifying responses fail to meet expectations.

5.5.2   Scoring

Each Evaluation Team will consider each of the proposals using the agreed evaluation criteria, scoring and weightings.

Each Evaluation Team member is asked first to read and evaluate each proposal *independently*: The RFP response evaluation scoring will be completed individually by each Evaluation Team member using an Evaluation Spreadsheet created for this purpose. All the Evaluation Team members will participate in the evaluation of responses, and there will be no reviewer weightings applied to the score each generates.

Questions arising during scoring may be posed to the Respondent using the protocol described in Section 4.3.

The Evaluation Team will then meet to examine their aggregate scores, and use this and the evaluation of proposal risk and cost/ price evaluation to determine the most suitable vendors from the perspective of their evaluation focus.

5.5.3   Evaluation Report

Each Evaluation Team is to complete an evaluation report at the end of the evaluation process, for consideration by the Selection Panel. The following information is included in the evaluation report:

- background to the process;
- the evaluation process, including
  - the order of preference of tenders;
  - comments and scores against each criteria;
- any further recommendations, such as
  - proposed methods for management of risks;
  - identification of any matters which should be resolved by negotiation, and
  - recommendations for vendor engagement.

5.5.4   Short Listing (Down Select)

The Business Evaluation Team will collate the scores and comments of all three teams, to develop an overall ranking.

The exact number of short-listed vendors will depend upon the construction of the proposals (whether individual or joint) and whether TCS needs to confirm a specific consortium.

Notwithstanding practical limitations to the number of vendors which can be investigated in detail in a reasonable time, good proposals should not be excluded at this stage simply to "keep the numbers down".

6   Selection Process

6.1   Selection Panel

Final selection will be made by a Selection Panel, comprising the Systems Replacement Project Board members.

6.2   Revision of Business Case

Proposals are required to present high-level project plans and full financials for the supply and implementation of the applications. Using this information, it will be possible to revise the existing business cases and perform risk modelling for the short-listed responses.

A final revision will be prepared upon final vendor selection.

6.3   Presentations

Short listed Respondents will asked to present their proposals.

The presentations will provide them with an opportunity to highlight the key strengths of their proposals and demonstrate the key features of their applications. A Q&A session will provide TCS staff with the opportunity to probe key aspects of each short-listed proposal.

Minutes will be taken at each session, to record any deviations or information which is additional to that provided in the proposals. The Programme Manager will request the vendor to confirm any such departures in writing, as soon as practical after the presentations.

The Selection Panel may reassess proposal scores after the presentations.

6.4   Final Selection

The final step is to compile a final, overall ranking of the short-listed Proposals from consideration of:

- the Evaluation Reports from the separate teams;
- the presentations by short-listed Respondents;
- the revised business case, including the risk analysis; and
- the qualitative aspects of the vendors and proposals, which are not easily captured with scores and weightings.

Final selection will be performed by the Selection Panel. In the event the Panel is not unanimous, additional weight will be accorded the views of the TCS employees, whose association with the chosen vendors and products will be longer those that of the external members.

Following final selection, a recommendation forwarded from the Systems Replacement Project Board to the BOT.

A summary of key considerations and notification of the final selection should be provided to the Programme Manager for inclusion in the Tender Evaluation Report.

6.5   Due Diligence

Having made a final selection, the Selection Panel will commission all necessary research of the short-listed vendors to assure their likely performance.

The key element of the research will be careful and detailed reference checking, preferably in person. The person performing reference checking should not be a member of the Selection Panel, but another trusted senior TCS manager.

Accurate records of due diligence enquiries and findings will be copied to the Programme Manager for inclusion in the revised Business Case, and the Tender Evaluation Report.

7   Agreement and Notification

7.1   Two Step Process

Once TCS is satisfied that the provider can deliver the services, the next step is to negotiate the contract itself. The contract sets out each party's undertakings to the other and is based on the criteria defined in the RFP and the vendor's response. The content and wording of the expected contract is included in the RFP document and the vendor's acceptance, or proposed changes, of that contractual framework is to be considered as part of the RFP response evaluation.

As further elaborated below, the tender documents included firm and specific guidance to the form and content of the final contract which TCS expects to execute with the successful vendors.

Completing all of the schedules to the contract will require considerable investigative work (actually, the beginning of the implementation project) and take a few weeks. However, the principles of the agreement can be settled relatively quickly, allowing us to notify the unsuccessful vendors, and move forward with the implementation more confidently.

Accordingly, a two step process is planned, in which an initial heads of agreement is reached, followed by the completion of the full contract schedules and signing of the contract itself two or three weeks later.

7.2   Negotiation

7.2.1   Heads of Agreement

Negotiation can commence once the revised Business Case, and the Selection Panel's recommendation, have been accepted.

The initial focus of negotiation with the preferred Respondent is the heads of agreement.

This step will end with the signing a heads of agreement which gives both parties sufficient confidence to commence the initial work required to populate the schedules of a full contract.

The heads of agreement will be reviewed by legal counsel before it is signed.

7.2.2   Essential Terms and Conditions

A draft Supply and Implementation Agreement is included with the RFP documents. Subject to supply of the necessary detailed content, TCS expects to execute this Supply and Implementation Agreement with the successful Respondent.

All Respondents are required to acknowledge in their proposals that they have read and accept the terms and conditions set forth in the agreement as the basis of a contractual relationship with TCS, if selected as the supplier. The willingness of Respondents to meet TCS's contractual requirements is a factor that will be taken into account in the evaluation of proposals.

Where any provision of the terms and conditions is not acceptable to a Respondent, the Respondent must in each case:

• identify the specific provision that is not accepted;

• provide the reasons for non-acceptance;

• propose alternative wording for the clause that would reasonably protect the interests of both parties; and

• confirm that all other clauses in the agreement are acceptable.

TCS will, at its absolute discretion, take such proposed amendments into account during the evaluation process, but TCS is under no obligation to accept any such proposed amendments.

TCS has reserved the right to amend or replace all or any part of the terms and conditions at any time prior to the execution of any agreement pursuant to the RFP process.

Respondents are required to agree that, if successful, their RFP response will be part of the agreement with TCS.

7.3   Notification

Letters advising the outcome of the process will be sent to all respondents to the RFP process. The letters advising unsuccessful outcomes will include the following:

- a statement demonstrating the TCS's appreciation for the submission received;

- a statement demonstrating the TCS's regret that they were unsuccessful;

- encouragement to submit offers in the future; and

- advice that, should negotiations with the preferred Respondent not proceed as expected, they may be contacted again, to discuss their earlier proposal.

The RFP documents (Part A, Section 4.1.9.3) indicates that TCS may, at its discretion, provide debriefings for unsuccessful Respondents after the announcement of the outcome, upon request. How TCS exercises that discretion will be decided by the Project Board, taking account of the number of requests received and any other pertinent considerations.

7.4   Completion

Completions of the final contracts are expected prior to Christmas (late November in the best case scenario).

8   Stage Closure

8.1   Tender Completion Report

All activities, decisions, and findings, as outlined above, will be compiled by the Programme Manager into a full tender Completion Report. It will include, at least:

- a summary of all proposals received;
- reasons for not admitting any tender;
- evaluation results;
- selection results and explanation; and
- the log of auditable communications and activities, as described herein.

8.2   Update Project Documentation

Systems Replacement Project documentation will be updated to reflect the new information available from the Respondents' proposals and the development of the Business Case, including:

- any changes in the project governance structure to support the management of the contract;
- addressing how the performance of the contract will be measured and reported;
- defining the administrative and financial arrangements;
- updating the high level project risks and risk management strategies; and
- updating the project schedule.

Appendix A: Abbreviations & Common Terms

This appendix contains a list of common terms and abbreviations used within this document.

Abbreviation	Description
BOT	Board of Trustees
Business Case	The fundamental document underpinning the justification for the project. It sets out the costs and benefits expected from the new system and provide information on the deliverables and timeframes for the investment.
EDRMS	Electronic Document and Record Management System
GETS	Government Electronic Tenders Service
heads of agreement	A non-binding document outlining the main issues relevant to a tentative partnership agreement. Generally, it is the agreed draft which serves as an interim guideline for two (or more) parties who are in the process of completing a contract.
LCMS	Learning Content Management System
LMS	Learning Management System
OAG	Office of the Controller and Auditor-General
OTLE	Online Teaching and Learning Environment, our "branding" of the LMS/LCMS solution
RFP	Request for Proposal
SMS	Student Management System
SMT	Senior Management Team
SRP	Systems Replacement Project