



Contract Award for SAP Time and Attendance Project

Date: July 7, 2021
To: TTC Board
From: Interim Chief Financial Officer
Chief People Officer

Summary

The purpose of this report is to obtain the Board's authorization for the award of contract C25PN19945 for hardware, software and implementation services for the SAP Program Phase 2, Time and Attendance project. The total contract price of this award is \$29,123,241 (inclusive of HST non-refundable tax), for a duration of five years with three optional extensions for the hardware and software maintenance, with terms of five years, five years and four years, at the TTC's sole discretion.

The scope of work in this Request for Proposal (RFP) will be led by a certified SAP implementation partner. It includes, but is not limited to: implementation services to develop a solution design based on industry leading practices to standardize the end-to-end time recording and reporting business processes, education and training for TTC staff on the introduction of the new SAP certified time and attendance and workforce management technology, and implementation of time card reader devices and integration services to connect with other TTC systems including the operator and maintenance areas. Change and communication management services are also included in this contract to support the TTC's transition to the re-engineered business processes, as the solution is deployed and becomes operational.

The TTC SAP Program is one of the key initiatives identified in TTC's Five-Year Corporate Plan 2018-2022. The Program includes the upgrading of the back-office processes by enabling the transformation and modernization of the legacy financial, budget, human resources, payroll and procurement business processes. By implementing industry leading SAP business practices, this multi-year modernization program supports three of the five Corporate Plan's major critical paths and outcomes: Transforming for Financial Sustainability, Enabling our Employees to Succeed, and Innovating for the Long-Term.

In 2018, the first phase of the SAP program delivered the modernization of payroll and benefits administration and processing using SAP, leveraging industry standard Canadian Payroll rules including annual provincial and federal tax compliance. This SAP implementation enabled employees to receive their pay statements online and completed 50% of the transformation.

As part of the second phase of the SAP program, the modernization of the time and attendance business processes is one of the key focus areas along with the elimination of the 1970s mainframe system that currently processes employee time calculations. These processes are manual and paper-based with information being recorded and re-keyed into multiple systems by departments with the inability to centrally manage attendance and absence management with accurate time reporting.

The Time and Attendance project objective is to modernize time recording, attendance, absence and overtime reporting business processes by applying over 2000+ pay and time rules.

Recommendations

It is recommended that the TTC Board:

1. Authorize the award of contract C25PN19945 for the system implementation services, hardware and software for the SAP Time and Attendance project to IBM Canada Ltd., providing the highest ranking proponent score, for a term of five years, with the total sum of \$29,123,241 (inclusive of HST non-refundable tax), with three optional extensions for the hardware and software maintenance, with terms of five years, five years and four years, at the TTC's sole discretion.

Financial Summary

The SAP Program total project cost is approximately \$272.8 million, which includes costs of \$77.6 million as of the end of 2020. \$195.2 million in approved funding is included in the 2021-2030 Capital Budget and Plan, under Program 7.1 Information Technology Computer Services, which was approved by the TTC Board on December 21, 2020 and City Council on February 18, 2021.

The total award for contract C25PN19945 is \$29.12 million from 2021 to 2025. Sufficient funds exist in the approved Time and Attendance project budget, within the SAP Program, estimated to be \$64.4 million based on a Class 3 estimate.

There are three optional extensions for the maintenance of the hardware and software, which can be executed, at the TTC's sole discretion. While this option has been provided, the TTC will re-assess the business needs, market conditions and options available at that time before any extension is executed, to ensure a cost effective price is achieved.

Funds will be included in future operating budgets, from 2025 onwards, to support operating budget impacts estimated to be \$2.28 million annually for the maintenance costs of hardware and software maintenance. Additionally, project staff will identify, monitor, capture and report on benefits to be realized from this project.

Table 1 below outlines the expenditures for each year of the contract term for the services, hardware and software licenses costs required for this project.

Table 1: Summary of Costs (\$millions)

	2021	2022	2023	2024	2025	Total
Vendor Services	1.95	7.99	8.55	2.52	0.20	21.21
Hardware (Time Clocks, Card Reader Devices)	-	-	0.40	0.05	0.05	0.50
Software Subscription Licenses	0.34	0.49	1.96	2.08	2.04	6.91
Total before HST (Non-Refundable)	2.29	8.48	10.91	4.65	2.29	28.62
HST Non- Refundable (1.76%)	0.04	0.15	0.19	0.08	0.04	0.50
Total	2.33	8.63	11.10	4.73	2.33	29.12

Equity/Accessibility Matters

As highlighted in the TTC's 2018-2022 Corporate Plan, the TTC is dedicated to promoting and supporting diversity, accessibility and inclusion in all of its corporate policies, programs and services.

The SAP Time and Attendance Project will provide a platform for all employees to accurately record their work hours and overtime, and allow for streamlined attendance management. The user interface will support the *Accessibility for Ontarians with Disabilities Act (AODA) Web Content Accessibility Guidelines (WCAG) 2.0* standard. The TTC will work with the software vendor during the course of the implementation to gain further compliance with WCAG 2.1 Level AA standard, which is currently in progress with the Workforce Software vendor.

Decision History

The subject matter of this report is in support of the TTC's Capital Program for the implementation of SAP to modernize business processes. The TTC needed to replace its aging legacy systems and was requested by the City of Toronto to use SAP as the technology to modernize in 2013, aligned with the "SAP First" Auditor General recommendation. Subsequently in 2014, the TTC initiated the planning of the SAP program business case, with the scope to modernize finance, payroll, human resource, Contract Award for SAP Time and Attendance Project

procurement and materials management legacy processes and systems dating back to the 1970's.

On November 20, 2013, the Board approved the 2014-2023 TTC Capital budget and plan which included \$63.4M for the SAP Program.

http://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Commission_meetings/2013/November_20/Reports/2014_2023_TTC_CAPITA.pdf

On February 2, 2015, a progress report was provided to the TTC Board as part of the 2015 – 2024 Capital Budget Submission. The Board approved the SAP Program capital budget.

https://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Commission_meetings/2015/February_2/Reports/2015_2024_TTC_CAPITAL_BUDGET.pdf

A competitive bid process was conducted in April 2015 for SAP Program Management Services to provide leadership for the SAP program.

On June 22, 2015, the Board authorized the procurement of SAP program management services to the Comtech Group Inc. to provide SAP program expertise.

https://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Commission_meetings/2015/June_22/Reports/Procurement_Authorization_Program_Management_Services_for_SA.pdf

A competitive bid process was conducted in August 2015 for SAP implementation services to lead the new business process design for the Wave 1 scope of Core Finance, Human Resources/Payroll and to configure and cutover the new SAP system to Production.

On March 23, 2016, the Board approved the award of the Wave 1 systems integrator services contract to IBM to provide implementation services to establish the foundation for the Finance, Human Resource and Payroll business processes.

https://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Commission_meetings/2016/March_23/Reports/PA%20System_Integrator_Services_for_SAP_ERP_Implementation_Pr.pdf

A competitive bid process was conducted in September 2016 for SAP Technical Service Assistance for SAP contractors to support the TTC SAP project team during the course of the SAP program implementation.

On December 20, 2016, the Board approved the award of SAP technical service assistance to three (3) vendors: The Addmore Group Inc., itelligence Business Solutions Canada, Inc., and Precision ERP Incorporated, to provide SAP specialists through an SAP vendor of record to support the SAP projects in the program.

https://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Commission_meetings/2016/December_20/Reports/13_Procurement_Authorization_SAP_Technical_Service_Assistanc.pdf

A competitive bid process was conducted in July 2016 for SAP Managed Services to support the TTC SAP staff to operate the SAP systems, as the SAP program progresses.

On March 20, 2017, the Board authorized a Managed Services contract to IBM to support the operation of the new SAP environment.

[https://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2017/March 22/Reports/9 Procurement Authorization Managed Services for SAP-ERP Imp.pdf](https://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2017/March%2022/Reports/9%20Procurement%20Authorization%20Managed%20Services%20for%20SAP-ERP%20Imp.pdf)

On June 16, 2021, an SAP Program overview and update was presented to the TTC Board to provide a full briefing of the Program and its progress and current status, in preparation for this award report.

[http://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2021/June 16/Reports/5 Presentation SAP Program Update.pdf](http://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2021/June%2016/Reports/5%20Presentation%20SAP%20Program%20Update.pdf)

Issue Background

Following the implementation of SAP's Payroll module in Wave 1, the planning and assessment phase of the Phase 2 SAP Program kicked off in 2019. The scope includes the Employee Mobile Communication App, Learning Management, Accounts Payable Release 1, Costing Release 1 for Operations and the Time and Attendance project.

SAP Time and Attendance Project

Project Planning, Assessment and Business Requirements Gathering

The Time and Attendance project objective is to modernize the time recording, absence attendance and overtime reporting processes that are still executed on the 1970s mainframe computer system.

As part of the initial assessment phase of the project, all current processes being used across TTC departments were documented in order to identify the various methods of time recording practices, with focus on the reporting of subway, streetcar, bus, wheel-trans operators, maintenance workers, and non-union staff time and attendance.

In doing the above work, it became apparent that the most common challenge was the inability to receive, report and use accurate and timely absence; attendance and overtime information for management given the extensive paper-based operator and staff timesheet processes. This resulted in clear documented business requirements to improve these processes and address these issues.

The current time rules, aligned with the Collective Bargaining Agreements, are complex in nature and require a multitude of time codes for payroll purposes. As a result, a review was conducted of the collective bargaining agreement rules against current departmental practices. This exercise provided the project team with visibility over discrepancies, which in turn allowed the project team to establish better business rules when configuring the new time, attendance and workforce scheduling system.

In addition, through collaborative knowledge sharing sessions, the TTC met with the City of Toronto to learn about their pilot implementation of their scheduling and time system in 2017 and lessons learned from the City’s experience. The TTC project team has factored those lessons into its project planning.

As per the corporate stage gate approach methodology, upon completing the planning milestone stage gate, the project presented an implementation strategy to the corporate Project Review Board (PRB) and the project received approval to proceed to the procurement phase.

Procurement Process

The project team authored an RFP to procure an SAP certified enterprise time, attendance and workforce scheduling system, with emphasis on requirements that focus on the ability for the solution to integrate with the operator scheduling and enterprise asset management systems, among other systems. The proposal also included a request for hardware clocks and card reader devices for employees to tap in and out for daily time recording.

The services specified in the RFP are to complete multiple work streams, including project management, project team and employee training, technical solution building, business process design using industry leading practices, integration with other TTC systems, reporting, data management, organizational change management, knowledge transfer to TTC staff to sustain the solution, testing, performance tuning, cutover management and warranty, production support and sustainment services.

Due to its complexity, the project will be implemented in three releases, allowing time to adopt the new business processes and systems, and apply lessons learned for the subsequent release. Table 2 below summarizes the release deployment timeline.

Table 2: Release Deployments

Planned Year	Release	Scope
2023	1	Non-Union Employees
2024	2	Maintenance Employees, and Wheel Trans Non-Operators
2024	3	Operators

Planned Benefits

Approximately \$18 million in cost savings are anticipated to be realized over a 10-year post go-live period as well as productivity gains and value added benefits resulting from modernizing operating scheduling and time entry processes and decommissioning legacy systems.

Some of the key planned benefits for the time and attendance project are summarized below and will be confirmed upon completion of the solution design phase and documented in accordance with TTC's benefits realization framework. These include:

- Automated and streamlined end to end business processes;
- Increased accuracy of time and attendance tracking;
- Data governance through the establishment of a single system of record for time, and attendance information;
- Real time analytics; and
- Legacy systems decommissioning.

Comments

A Request for Proposal was publicly advertised on the Merx website, as well as the TTC's website, in May 2020. A total of 12 companies downloaded copies of the proposal documents, out of which 3 submitted a proposal by the closing date of September 28, 2020. There were four addenda issued during the proposal period.

Evaluation of the Proposal Submissions

The three proposals received were reviewed for commercial compliancy, where one proposal was deemed non-compliant, resulting in two proposals rated by the evaluation team.

An evaluation team, consisting of nine members from the People Group, Operations and Information Technology Services, conducted the formal review and rating in accordance with the requirements outlined in the RFP, and attached as Appendix A. Staff from the Procurement and Category Management Department acted as the facilitator during the evaluation process.

A fairness monitor was retained by the TTC to provide an independent third party observation to ensure that the procurement process took place in accordance with the requirements established as set out in the RFP and to ensure fairness and transparency during this process. The final report provided by the Procurement and Category Management department confirms the fairness of the process based on their observations.

The recommendation for award is based on the highest scoring proponent. The evaluation of proposals was based on a qualitative and price component; 50.00 points allocated to the qualitative merit, 25.00 points allocated to the presentation and demonstration and 25.00 points allocated to pricing. Proposals were first scored based on qualitative criteria at the associated weightings as set out in the RFP documents.

A minimum threshold was set for three key evaluation criteria: Proponent Staff Team and Resources, Proposed Time and Attendance and Workforce Scheduling Solution and Proposed Services. Proponents who passed the minimum threshold and received at least 32.5 points out of 50 points (65%) in Stage 2 would be considered qualified. Proponents scoring below the threshold were eliminated from the evaluation stage and

not evaluated further. The minimum threshold for the presentation and demonstration stage was 17.5 points. One proponent met this threshold and advanced to the pricing evaluation stage. The pricing component for the proponent was then evaluated. The total weighted score was calculated as a sum of the weighted qualitative score and the weighted pricing score.

IBM Canada Ltd. received the highest total weighted score and is recommended for award of the contract.

Contact

Dhaksayan Shanmuganayagam, Head – Information Technology Services
416-393-3922
dhaksayan.shanmuganayagam@ttc.ca

Michael Moreira, Senior Director – SAP Program Delivery
416-393-4117
michael.moreira@ttc.ca

Signature

Josie La Vita
Interim Chief Financial Officer

Mary Madigan-Lee
Chief People Officer

Attachments

Appendix A – Evaluation Criteria
Appendix B – Proposal Evaluation Summary
Appendix C – Fairness Monitor's Report

Appendix A

Evaluation Criteria from Request for Proposal

A. Mandatory Pass/Fail Requirements

1. Mandatory Submission Requirements

- Each Proposal must include a Submission Form (Appendix K) with Attachment 1, 2 and 3 to the Submission Form completed and signed by an authorized representative of the Proponent. Should any of the Attachment be not applicable, the Proponent is to include these Attachments with fields completed as “Not Applicable”.
- Each Proposal must include pricing information on the Pricing Submission Forms that complies with the instructions contained in the Appendix M.
- Each Proposal must include the Certified Client References that complies with the instructions contained in the Appendix N

2. Mandatory Technical Requirements

- Proponents must have the right to represent, sell, license, deliver, install, train in the use of, service, maintain and support the products proposed, (including any Documentation to be provided in relation thereto), and the right to transfer to the TTC any required ownership, license rights, pass-through warranties and other ancillary rights for all proposed goods and services. In providing such products and services to the TTC the rights of any third-party must not be infringed or otherwise violated.
- Time, Attendance, and Workforce Scheduling solution must be cloud-based and must be hosted on data centers located within Canada. Proponent is requested to submit proof with their submission.
- Prime Proponent must be the SaaS Original Equipment Manufacturer Software Vendor. Proponent is requested to submit proof with their submission.
- Proponent must have a valid SAP PartnerEdge Program Service Authorization for SuccessFactors. Proponent is requested to submit proof with their submission.
- Proponent must be a SAP solution extension partner. Proponent is requested to submit proof with their submission.
- Proposed software must include analytics and reporting that is built-in to the application and it is not a third party application. Proponent is requested to submit proof with their submission.

B. Rated Criteria

- Proponent Profile
- Experience and Qualifications of the Proponent
- Proponent Staff Team and Resources
- Proposed Time and Attendance and Workforce Scheduling Solution
- Solution Warranty & Support and Maintenance
- Proposed Services

- Work Plan and Project Methodology

C. Presentation and Demonstration

1. Presentation

- Overview of the Solution integration approach with SAP SuccessFactors, Payroll and S/4 Hana.
- Overview of the proposed Time Capture Device, Integrated Voice Response (IVR), and Mobile Solution capabilities, including functionality, interface and integration approach with existing TTC platform.
- Overview of data and configuration integrity and control, audits trail and reports, job logs and audit reports which can give out the details of data changes and/or exception messages.
- Overview alerts and notification that can be generated by the Solution, and workflow management capabilities.
- An end-to-end journey of all the stages that starts from kick-off, through planning and implementation, change management with timelines.
- The presentation should also include a view of what role TTC will play at each stage in terms of deliverables, expectations, and associated competencies.

2. Demonstration

- Data Entry, Errors & Reporting
- User Setup
- Configuration Business Rules
- Demonstrations for 4 scenarios

D. Pricing

- Time and Attendance and Workforce Scheduling SaaS Subscription fees including Support & Maintenance Total Cost
- Time Capture Devices and Support & Maintenance Total Cost
- Professional Services Total Cost - Release 1
- Professional Services Total Cost - Release 2
- Professional Services Total Cost - Release 3

**Appendix B
Proposal Evaluation Summary**

COMPANY NAME	TOTAL QUALITATIVE SCORE (50 points)	PRESENTATION AND DEMONSTRATION (25 points)	TOTAL PRICING SCORE (25 points)	GRAND TOTAL WEIGHTED SCORE	RANKING
QUALIFIED PROPONENTS ACHIEVING A SCORE OF 65% (50 POINTS) OR MORE FOR THE RATED CRITERIA AND 70% (25 POINTS) OR MORE FOR PRESENTATION AND DEMONSTRATION					
IBM Canada Limited (*)	37.8	23.03	25	85.83	1
NON-QUALIFIED PROPONENTS A SCORE OF 65% (50 POINTS) OR LESS FOR THE RATED CRITERIA					
CALIAN INC.	31.66	N/A	N/A	N/A	N/A
NON-COMPLIANT PROPONENTS					
GALAGITITS INC.	N/A	N/A	N/A	N/A	N/A

(*) - Indicates Recommended Proponent

**Appendix C
Fairness Monitor's Report**

JD CAMPBELL & ASSOCIATES

**Enterprise Time and Attendance
and Workforce Scheduling
SaaS Solution and Services**

Fairness Monitor's Report

Note that this is confidential information and is not for general circulation.

JD Campbell & Associates

16 Burnhamthorpe Park Blvd.
Toronto, ON, M9A 1H9
Tel No: (416) 231-2292
Email: jr1campbell@sympatico.ca

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1.0 EXECUTIVE SUMMARY

1.1 Introduction

This report presents our findings for the TTC Enterprise Time, Attendance and Workforce Scheduling SaaS Solution and Services RFP. In our capacity as Fairness Monitor, we reviewed and monitored the communications, evaluation and decision-making associated with the procurement process with a view to ensuring consistency with the stipulations of the Procurement document and standard TTC procurement practice.

The TTC 2018-2022 Corporate Plan identified the need for modernization of back - office systems. To achieve this objective, the TTC was looking for a new cloud - based enterprise Time, Attendance and Workforce Scheduling Software-as-a-Service (SaaS) solution that will enable the adoption of industry best practice for the associated business processes across its workforce of more than 17,000 unionized and non-unionized employees. The solution is expected to provide a cost effective, innovative, flexible, turnkey solution with minimal assistance from the TTC.

Our role, as Fairness Monitor was to review this procurement from the release of the RFP to the selection of the Successful Proponent. Note that our engagement started after the original release of the RFP but included it's review and all subsequent steps, including:

- Review of the evaluation criteria;
- Consistency of Proponent treatment;
- Adherence of staff to conflict of interest and confidentiality requirement;
- Communications and information to Proponents;
- Security of Proposal s and evaluation documents;
- Objectivity and diligence respecting the evaluation process;

This Report is based on our observations of the processes used, a review of the procurement documents and information provided by the Project Team. Note that the Fairness Monitor attended the consensus review meetings.

The Report was prepared for the staff of the TTC. Any other person who wishes to review this document must first obtain the written permission of the TTC. JD Campbell & Associates, or the individual author of this Report, bear no liability whatsoever for opinions that unauthorized persons may infer. This Report is in no manner to be considered a legal opinion.

1.2 Findings

As Fairness Monitor, we can attest to the fact that:

- Evaluation decisions concerning the proposals were consistent with the stipulations outlined in the RFP document;
- During the open period, all Proponents were treated consistently and in accordance with the stipulations of the RFP;
- TTC staff adhered to conflict of interest and confidentiality requirement;
- Evaluations were conducted using only the evaluation criteria stipulated.

Particular note was made of the following:

- **Communication** – The opportunity was publicly advertised and proposals were submitted to the TTC Bonfire Portal. This meant that all interested vendors would have knowledge of the opportunity and would have a secure and reliable means of submission. The date of posting was posted May 29, 2020 with a final closing date of September 28, 2020. This was considered a reasonable posting time for an RFP of this nature.
- **Conflict of Interest** – Project Team members and evaluators were bound by employment obligation were required to declare any conflicts. They also were required to sign a declaration in this regard.
- **Confidentiality and Security of Documents** – Steps were taken to ensure that procurement materials and proposals were kept secure when not in use. The use of the Bonfire electronic distribution of procurement materials internally within the TTC assisted in this effort. To our knowledge, no inappropriate information about the procurement documents, or the evaluations, was communicated to Proponents or other parties outside of the TTC.
- **Full Disclosure** - The RFP contained a suitable description of deliverables, terms and conditions, evaluation criteria and background information such that adequate Quotations could be created;
- **Consistency of Format** – Wording in the RFP encouraged Proponents to provide their proposals in a like-manner such that they could be consistently evaluated. Detailed forms were provided for this purpose;
- **Reserved Rights** – While the reserved rights for the TTC, as detailed in the RFP, gave broad latitude to act in an arbitrary manner, our observation of the evaluation process was such that no unfair action was evident;
- **Evaluator Qualifications** – Project staff provided assurance that evaluators had been selected specifically for the relevance of their expertise. Nine evaluators ensured an appropriate check on human error and bias.

1.3 Outcome

- Three proposals were received;
- One of the Proponents did not meet the Mandatory requirements;
- One of the Proponents did not meet the threshold score for the first section of the rated requirement and thus was not considered further. See Section 2.3 for a brief description of the evaluation process;
- The remaining Proponent passed all remaining threshold scores including a presentation/demonstration component and were thus deemed to be the Successful Proponent to move to negotiations.
- Note that the RFP contained wording that allowed for a Best and Final Offer (BAFO) exercise. Since there was only one Proponent to proceed through the rated evaluation, this latter process was not required.

1.4 Report Organization

The remainder of this Report is organized into short sections that focus on the major aspects of the procurement process and contain a description of evidence of appropriate actions.

2.0 WORDING OF THE RFP DOCUMENT

2.1 Overview

The RFP document provided the framework within which the evaluation process was to be conducted. It outlined such items as the; purpose, definitions, schedule, requirements and conditions, deliverables, scope, evaluation and selection and negotiation process.

Forms were included that helped Proponents to organize their proposals to ensure all necessary and relevant information would be included and to make consistent evaluation easier.

2.2 Form of Agreement Terms and Conditions

While this RFP was not binding, a Form of Agreement was included. Wording in the RFP indicated that the Successful Proponents would need to sign a contract that would materially follow the Form of Agreement. However, the TTC did indicate that it might consider changes in the following categories only:

- Insurance
- Third Party Software
- Ownership of Project Documentation
- Time periods set out in Subsections 15(1) and 15(2) – Termination Provisions;
- Right to Audit

2.3 Reserved Rights

Reserved right wording was included that gave broad discretion to TTC staff and could potentially have been used in an arbitrary and unfair manner. As Fairness Monitor, I paid particular attention to the exercise of these rights and found no evidence of them being used in an unfair manner. It was stated that References and past performance could be consider in evaluation and that Past Performance or Past Conduct could be grounds for prohibiting a Proponent from participating. Note that these rights were not used in this procurement.

2.4 Debriefing and Dispute Procedure

The RFP offered the opportunity of a debriefing to unsuccessful Proponents. Note that this was an opportunity for the Proponent to learn from the experience and receive feedback rather than as an opportunity to dispute the outcome.

2.5 *Evaluation*

Stage 1

Mandatory Submission Requirements

Each proposal needed to meet the following criteria in order to be considered further:

- 1 - Submission forms - must include a Submission Form (Appendix K) with Attachment 1, 2 and 3 completed and signed by an authorized representative. Should any of the Attachment be not applicable, the Proponent is to include these Attachments with fields completed as "Not Applicable".
- 2 - Pricing Submission - must include pricing information on the Pricing Submission Forms that comply with the instructions contained in the Appendix M.
- 3 - Certified Client References - must include the Certified Client References that comply with the instructions contained in the Appendix N

Mandatory Technical Requirements

- 1 - Must have the right to represent, sell, license, deliver, install, train in the use of, service, maintain and support the products proposed, (including any Documentation to be provided in relation thereto), and the right to transfer to the TTC any required ownership, license rights, pass-through warranties and other ancillary rights for all proposed goods and services. In providing such products and services to the TTC the rights of any third-party must not be infringed or otherwise violated.
- 2 - Time, Attendance, and Workforce Scheduling solution must be cloud-based and must be hosted on data centers located within Canada.
- 3 - Must be the SaaS software OEM or must have a valid Partner Program authorization of the proposed SaaS solution, where the Proponent is authorized and trained to deploy the proposed SaaS solution. The Proponent is requested to submit a letter issued by SaaS OEM stating the named Proponent's authorization status.
- 4 - Must have a valid SAP PartnerEdge Program Service Authorization for SuccessFactors. The Proponent is requested to submit a letter issued by SAP stating the named Proponent's partnership status.

5 - Must be a SAP solution extension partner or proposed software must have a seamless bi-directional integration with SAP SuccessFactors and SAP ERP system, by providing an open API SaaS solution.

6 – The Proposed software must include analytics and reporting that is built-in to the application.

Rectification

The TTC reserved the right to issue the Proponent a rectification notice identifying any deficiencies and providing an opportunity to rectify within a specific rectification period.

Stage 2 Rated Evaluation

The Rated evaluation was scored using the criteria listed below. Note that for each criterion, a detailed breakdown of sub-criteria with weightings were provided. Each sub-criterion was described in terms of what the TTC sought and provided guidance on how the Proponent should demonstrate capability. For the Functional Requirements, Proponents were required to self declare on the capability of their product and to provide supporting evidence to substantiate their declaration.

The weighting for the Rated Requirements Evaluation was worth 50 points.

(a) Proponent profile

(b) Experience and Qualifications of the Proponent

(c) Proponent Staff Team and Resources:

Only Proponents who receive a score of at least 6.5 points (65%) out of 10 on the Proponent staff team and resources would proceed further in the RFP process. The Proponents scoring below the threshold would be eliminated from the RFP process and not evaluated further

(d) Proposed Time and Attendance and Workforce Scheduling Solution:

Only Proponents who receive a score of at least 10.5 points (70%) out of 15 would proceed further.

(e) Solution Warranty and Maintenance & Support

(f) Proposed Services:

Only Proponents who received a score of at least 6.5 points (65%) out of 10 were to proceed further in the RFP process.

(g) Work Plan and Project Methodology

In order to move to Stage 3 - Presentation and Demonstration, a Proponent needed to receive a minimum overall score of 32.5 points (65%), or greater, out of 50 for Stage 2.

Stage 3: Presentation and Demonstration – 25 points

Up to three top-scoring Proponents that exceeded the Stage 2 minimum threshold were to be invited to participate. The agenda, requirements, and scripts were provided. The Proponent's Account Executive and key Project resources needed to be present with a cap of seven participants.

In order to move on to Stage 4 - Pricing, a Proponent needed a minimum score of 17.5 points (70%) or greater out of 25.

Stage 4 - Pricing – 25 points.

Stage 4 consisted the application of a pricing formula defined in the RFP.

Best and Final Offer (BAFO)

The RFP also described in some detail, a BAFO process. This process was not used given that only one Proponent passed all required threshold scores for the rated evaluation.

3.0 COMMUNICATION AND INFORMATION TO PROPONENTS

3.1 *One Point of Contact*

Provision was made for one designated source of information for the procurement process. Proponents that wanted additional information were instructed to submit their questions in writing. This was done to control the communication to Proponents and to discourage lobbying activity.

3.2 *Distribution*

The opportunity was publicly advertised and proposals were submitted to the TTC Bonfire Portal. This meant that all interested vendors would have knowledge of the opportunity and would have a secure and reliable means of submission. The date of posting was posted May 29, 2020 with a final closing date of September 28, 2020. This was considered a reasonable posting time for an RFP of this nature.

In addition, there was a voluntary Proponent Briefing provided to better acquaint Proponents with the RFP. It was made clear that this session was informal and that all formal answers needed to be submitted in writing. After the meeting, all information shared was sent to Proponents whether they had attended the meeting or not.

3.3 *Addenda and Proponent Questions*

Four Addenda were published to make amendment to the RFP and additional Question and Answer documents were provided to answer Proponent questions. In each instance, this communication was provided to all Proponents at the same time. Staff assurance was obtained that the answers provided were designed to improve clarity and understanding rather than to advantage a particular Proponent.

3.4 *Clarifications*

Seven requests for clarifications asked of Proponents. Each clarification focussed on an issue of ambiguity in the proposal. Proponents were required to respond by answering in a binary manner e.g. yes/no or by referring to information already provided in the proposal rather than by providing new information or being allowed to correct their bid.

4.0 CONFIDENTIALITY/CONFLICT OF INTEREST

4.1 *Security of Proposals and Evaluation Documents*

The evaluators were instructed to ensure that all procurement related documents in their possession remained confidential and secure. The use of the Bonfire electronic system assisted with secure internal communications in this regard.

4.2 *RFP Development and Review*

The RFP document was developed by a team of TTC staff. The Proposals were evaluated by TTC employees who were bound by the stipulations of their employment relationship. They were also asked to sign a Confidentiality and Conflict of Interest Declaration.

4.3 *Proponent Provisions*

The RFP document contained standard Conflict of Interest provisions, prohibited contacts between Proponents, lobbying, and collusion. Proponents were also offered the opportunity to raise issues of concern or complaint.

5.0 THE EVALUATION PROCESS

5.1 *Clarity of Roles and Evaluator Training*

There was an orientation session provided for evaluators to explain the process and to provide an understanding of why it was important that the appropriate steps be followed. Topics covered included:

- Project overview;
- Roles and responsibilities;
- Need for confidentiality and treatment of conflict of interest;
- Evaluation steps;
- Review of scoring procedures;
- Use of evaluation forms;
- Group meetings and procedures.

5.2 *Management of Undue Influence*

At no point in the process were decisions affecting the outcome of the evaluation process to be made by one individual. All final decisions, at each stage, were to be signed off by the evaluation committee members. Note that several of the evaluators held management positions within the organization. Advice was provided that these individuals needed to be sensitive to perceptions of potential undue influence and that it was critical that a value of equality among the evaluators be adopted. As Fairness Monitor, I paid particular attention to this risk and did not identify an issue.

5.3 *Common Scoring Sheets and Process Description*

Common evaluation forms and scoring card (benchmark material) were developed. The use of these forms helped ensure the Proposals would be judged on the same basis making consistency of treatment much easier. They also were designed to aid appropriate documentation.

For a description of the evaluation stages refer to Section 2.0 of this Report.

5.4 Evaluation

During the individual evaluations, evaluators were asked to do their work independently.

Nine evaluators were used. This helped to ensure a robust defense against human error and bias.

It was agreed that no substitutions would be allowed for consensus committee members and that the group evaluations would not take place unless all were present and had completed their evaluations. This helped to promote fairness, completeness and consistency.

Based on observations of the process we found no instance in which evaluation criteria were used, other than those that had been identified in the RFP document. The participants came prepared to engage in meaningful discussion. Participants recognized the value of group discussion and did not rush to a final decision. No one individual was in a position to unduly influence the entire process and there was no undue pressure to conform to the group opinion.

5.6 Outcome

- Three proposals were received;
- One of the Proponents did not meet the Mandatory requirements;
- One of the Proponents did not meet the threshold score for the first section of the rated requirement and thus was not considered further. See Section 2.3 for a brief description of the evaluation process;
- The remaining Proponent passed all remaining threshold scores including a presentation/demonstration component and were thus deemed to be the Successful Proponent to move to negotiations.
- Note that the RFP contained wording that allowed for a Best and Final Offer (BAFO) exercise. Since there was only one Proponent to proceed through the rated evaluation, this latter process was not required.