REQUEST FOR PROPOSAL PS-# 1000
ADDENDUM NO. 2
SAP TECHNICAL UPGRADE CONSULTING SERVICES

September 9, 2008

1.   Please note the following changes to Request for Proposal PS-#1000.   All changes shall be incorporated in and become part of the respective proposal.

   See attached RFP corrections, questions and answers.

2.   All other specifications, provisions, and conditions remain unchanged.

Phill Haley - BUYER

_____
ACKNOWLEDGMENT

_____
Dated

The foregoing addendum is hereby acknowledged and was considered in final submission of Request for Proposal PS-# 1000, to be opened on September 19, 2008.

_____
Proposer

_____
Authorized Signature

PLEASE SIGN ACKNOWLEDGEMENT AND RETURN WITH PROPOSAL.

RFP Pre-Proposal Conference Call Q&A
Friday August 29, 2008

Firms Present:
Excelsior Consulting Group LLC
Sage Group
Ariston Consulting & Technologies
LSI Consulting
Promorphics
MindWorks

Jim Erb provided an overview of the following:
 - Our current project status and initial implementation and talked about our current staff support for the project
 - An overview of what services we need- Basis & Portal Consultants, some Project Management and some Functional & ABAP support.
 - Informed the group that we are looking for a long term consulting partner beyond upgrade.
 - Local Vendor Preference - Are any Local? Answer: Not that we know of.

Correction to RFP Document:
Section 9.3 - The point distribution should read…. Total of 45 points - a. (25 points) b. (20 points)
Clarification on Section 9.4 "Additional Costs" - We do not expect these things to be part of the upgrade, but we would like to know if they can be worked in, and if so, what the additional cost would be to add them.

Questions:

1. Question regarding client copies - After the upgrade, are we going to take a copy of the PRD database and copy it to Support (SUP) and Training (TRN)?
Answer: We will for SUP but not for TRN. For TRN we will perform all the upgrade steps to it.

2. Was an Upgrade Assessment performed?
Answer: High Level assessment was done by SAP. Note that SAP excluded our Portal in this assessment. SAP assessment document is now available on the RFP website.

3. FI - FM Update profile - How is that set up now and any upgrades wanted/expected?
Answer: We want to keep this vanilla. We currently record expenses based on Goods Receipt. After the call we determined the update profile in use is 000102 – "Payment budget, invoice basis; posting date". We have no plans to change it.

4. Is BCS or Grants Management (GM) in use?
Answer: Yes to BCS and No to GM.

5. What fields do we have activated and do we use the special ledger?
Answer: We use Business Area, Functional Area, Funded Program, Fund Center, Cost Center, Internal Orders (Real & Stat), WBS. We are using the Special/Split Ledger.

6. How are we tracking Grants?
Answer: Internal Orders

7. Are we going to or considering the New G/L?
Answer: No we are keeping the split ledger.

8. Are we using Business Warehouse?
Answer: No

9. Are we migrating our current ESS content or installing the new ESS business packages?
Answer: We are hoping for recommendations.

10. Do we want ESS to be fully functional?
Answer: Yes

11. Question regarding our current HRPY Consultant mentioned in the RFP.
Answer: We are hoping for basic services at this time - Leave Balance, Timecard, etc. We have a local independent payroll consultant we would like to continue to use throughout the project and in the future.

12. Question to consultants - What do you think of the RFP and the Timeline?
Answer: All concurred the Timeline is manageable.

13. Are we planning to use Solution Manager?
Answer: We do not know enough about the Solution Manager functionality to decide at this point. We are hoping for recommendations. We are using the basics required to upgrade to ECC 6.0.

14. What type of contract works best for us?
Answer: A fixed contract is always best for the County and the Funds are approved for this contract.

15. Is the portal used for anything besides ESS and what is expected for the upgrade?
Answer: No. We want to have at least what we have now after the upgrade. We copied the vanilla PZ40 service and modified it to create a ZPZ40. Possibly in the new version's PZ40 will be sufficient but other wise we need to apply the changes we made.

16. How much time can our current staff spend on upgrade efforts?
Answer: About 80% by all support staff. We will continue daily business maintenance.

17. Do we plan on implementing support packs prior to upgrade?
Answer: We would like help with this decision, but would assume we will do this.

18. What is our current VM Ware environment and what additional help do we expect?
Answer: Sandbox and Support layers are on a virtual environment. We would like someone who is knowledgeable about SAP VM Notes who can provide knowledge and recommendations prior to the upgrade.

19. What kind of blade center do we have?
Answer: Production Cluster (64 bit with SMP)
IBM Blade Center HS21 XM 7995-AC1 (4x Blades) (64 bit with SMP)
Intel Xeon Quad-Core LV 2.0GHz/1333MHz FSB, 8MB L2 Cache
32GB RAM (8x 4GB PC5300 CL2.5 ECC DDR SDRAM RDIMM)
Dual IBM 15.8GB Solid State HDD
Currently have VMWARE ESX Server 2.0.2 blades but will upgrade in the next few months to 3.5

20. Do we have interface programs and if so can we provide a list?
Answer: We have Tab delimited, test files, and some extracts. We will include a list at the bottom of this document.

21. Are testing scripts manual or automated?
Answer: We have manual scripts on excel sheets that are updated periodically.

Other Questions received after the conference call:

1. Page 7 of the RFP - Section Lead contractor or consortium-
   Does the County expect in the RFP a firm commitment as to the complete staffing (company employees plus contractors)?
   Answer: Yes, we hope the project will be starting within a couple of months after the selection process. Therefore, scheduling of actual staff who will work on the upgrade should be possible.

2. Page 11 of the RFP - Section Consultant qualifications
   Lead consultant needs to take on a module as well. Does the County categorically oppose having a dedicated project manager for this effort?
   Answer: No, the staffing structure proposed can be flexible. We would hope the consultants for Basis and Portal would be able to lead those particular teams during a PM absence.

3. Page 9, Section 6.3 of the RFP - Technical releases/statistics -
   In the pre-proposal meeting you mentioned that the county would post a list of the interfaces. In addition, can you provide us a list of all
   -     15 SapScripts:

> **Answer:** We have included a broad Description of the sapscripts in the SLO County Custom Interface section of this document.

- 2 Smartforms:
> **Answer:** Once again, both smartforms are discussed in the SLO County Custom Interface section of this document.

- 10 Z versions of standard transactions
> **Answer:** We have included the custom transaction code and a short description in this document.

- 14 enhancements
> **Answer:** We have included a description of the enhancements in this document.

4. Has the County implemented Data Archiving?
   Answer: No but we are considering implementing it for a few objects prior to the upgrade.

5. What version of Solution Manager do you use?
   Answer: Solution Manager 7.0

6. Does the County want Hardware sizing and pricing included in the proposal:
   Answer: No, we are not expecting this to be part of the proposal.

7. The County made it clear that they are looking at the Consultant to provide them with recommendations in regards to the VM Ware and Landscape design. As that is the case, we put a few more questions together:

   - You have several systems (Sandbox, Training, and support) currently on a VMware host. Are you hoping to implement all your SAP systems, including your Production R/3 system, as well as EP and ITS on a VMware platform? If not, then what failover/DR system are you planning to implement with the upgrade? An example would be an MS Cluster scenario for your PRD system.
   Answer: More research needed to provide the correct answer. We are working on the answers.

   - When implementing SAP on a VMware landscape, it will be prudent to install a DB instance and 1, 2 or 3 Application instances on separate VMware hosts. Is that an option you would consider? This would allow for better load balancing and easier server management. Of course, you can also install the Database instance on a stand-alone server, with the application instances running on VMware hosts. You will want this Production scenario to be on the same network/subnet and separate from other systems to ensure proper communication between the DB and app servers.
   Answer: More research is needed to provide the correct answer. We are working on the answers.

- Is the VMware hardware in place for the upgrade already? Are you expecting consulting firms to recommend a hardware scenario with a VMware landscape?
Answer: More research is needed to provide the correct answer. We are working on the answers.

- A pre-implementation sizing survey will be critical to the success of the VMware installation to ensure there is adequate hardware (disk, memory, CPU) and network resources available.
Answer: More research is needed to provide the correct answer. We are working on the answers.

8. In Addendum 1 – The SAP Assessment - On slide 18 there are two inserted documents that are not readable. Can you share those two "attachments"?
Answer: We did not receive copies of these documents. They are generic documents discussing SAP Upgrades and Deltas between versions and are not specifically developed for San Luis Obispo County.

SLO County Custom Interfaces, Sapscripts and Smartforms

Interfaces:
The following is a summary of the typical custom interfaces actively being used at SLO County. This list is not meant to include all interfaces but is intended to provide a general idea of what types of customization is in use at SLO County.

Incoming and Outgoing Interfaces
Interface input files are ftp'd from legacy and external applications for processing.
Interface output files are placed in a secure folder to be ftp'd from trusted external applications.
Interface input files are tab delimited text files.
Scheduled processing programs identify appropriate input file by file extension.
Many of the processing programs for processing input files are BDC's for transactions like:
    FB01
    KB15N
    KB21N
    FCH5

Other interface programs are custom written to extract specific information like personnel, job information and check reconciliation information.

Outgoing interface files to Benefit providers like Aetna, VSP, CalPers, and Delta are custom written programs that create XML files.

Vendor check printing is done outside of SAP. A custom program collects the vendor check information created in F110 and creates a tab delimited text file for input into the purchased vendor package called AvantGard Secure32 which handles the form printing.

Payroll check/remuneration printing is done outside of SAP. A custom form (via PE51 HR Form Editor) was created containing the information to print on the remuneration statement. A custom program reads the form and creates a tab delimited text file for input into the purchased vendor package AvantGard Secure32 which handles the printing.

Sapscripts (most used)
Custom form for Work Orders
Custom form for several Cobra letters

Smartforms
Custom form for Purchase Orders
Custom form for 1099 (using the delivered SAP form and only customized to fix alignment problems)

Customized Transactions
ZKOB1   Display Actual Cost Line items for orders
ZCJI3   Project Actual Cost Items
ZKSB1   Display Actual Cost Line Items for cost centers
ZDP   Park Deposit Permit
ME23N   Custom code to print Blanket Purchase Orders
MI21   Print physical inventory document.
ZFIR02   Delete information on checks created manually.
ZFCHN   Check register.
ZFBV0   List of parked documents.
ZFMR_BUDSTATUS Report writer drill down interface program to FM Actuals Line Items.

Portal Customization
ZPZ40   Customization to FSA Claims service
Customization to the ESS Family/Related information screen.

Enhancements (14)
1. ZACHBOE1   EXIT_RFFOEXIT_104
2. ZACHPGE1   EXIT_RFFOEXIT_103
3. ZACHPGE2   EXIT_SAPMFDTA_001
4. ZCM00001   EXIT_SAPMF02D_001
5. ZCO_IO01   EXIT_SAPLRKIO_001
6. ZFI_BAI   EXIT_RFEBBU10_001
7. ZHR_LIFE   EXIT_SAPLHRBEN00FEATURE_006
                 EXIT_SAPLHRBEN00GENERAL_010
                 EXIT_SAPLHRBEN00GENERAL_011
                 EXIT_SAPLHRBEN00GENERAL_023
8. ZMM   EXIT_SAPLEBND_004
9. ZSD   EXIT_SAPLAD1C_002
10. ZU_CAT2   EXIT_SAPLCATS_002
11. ZU_CAT3   EXIT_SAPLCATS_003

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                    EXIT_SAPLCATS_006
                    EXIT_SAPLRPIN_001
                    EXIT_SAPFP50M_001
                    EXIT_SAPFP50M_002
12. ZU_CAT5         SAPLCATS   (Menu exit)
                    SAPLCATS   (Screen exit)
                    CI_CATSDB  (include tables)
13. ZUMM_POD        EXIT_SAPLFMFA_004
14. ZVM00001        EXIT_SAPMF02K_001
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Modified SAP Code (93)

We would need more details on what specifically you need to know about the modified SAP code in order to provide answers.