

CARAHSOFT'S RESPONSE TO THE

State of Maine:
Department of Administrative and Financial Services



Request for Proposal

eProcurement Solutions and Services

Section II - Organization Qualifications and Experience

SOLICITATION NO. 202102021

August 4, 2021

SOLUTION PROVIDED BY



CARAHSOFT TECHNOLOGY CORP.
11493 SUNSET HILLS ROAD, SUITE 100
RESTON, VA 20190

888.66.CARAH | WWW.CARAHSOFT.COM

TABLE OF CONTENTS

Section II - Organization Qualifications and Experience 1

1. Overview of the Organization 1

Executive Summary..... 1

Prime Contractor: Carahsoft Technology Corp. 1

Solution Provider: SAP..... 2

2. Previous Projects 6

3. Subcontractors 7

4. Organizational Chart 7

5. Litigation..... 7

6. Financial Viability 7

SECTION II - ORGANIZATION QUALIFICATIONS AND EXPERIENCE

1. Overview of the Organization

Present a brief statement of qualifications. Describe the history of the Bidder's organization, especially regarding skills pertinent to the specific work required by the RFP and any special or unique characteristics of the organization which would make it especially qualified to perform the required work activities.

Executive Summary

Carahsoft Technology Corporation understands that the State of Maine is seeking eProcurement Solutions and Services to provide States, Territories, and their authorized political subdivisions with access to high quality providers in the form of a menu of eProcurement solution and/or service offerings. As the Prime Contractor, Carahsoft has assembled a team for the initiative that includes our Solution Provider, SAP, as the best solution to meet the State's requirements.

SAP is uniquely positioned to offer enhanced solutions and processes for each of the NASPO 2021 Top 10 Priorities for State Procurement now and in the future including:

- 1) eProcurement
- 2) Central Procurement Office for as a Strategic Leader
- 3) Customer Services to Agency Stakeholders
- 4) Change Management
- 5) Analytics for Data-driven Decision Making
- 6) Continuous Process Improvement
- 7) Talent Management and Succession Planning
- 8) Effective Contract Administration
- 9) Covid-19 Response
- 10) Training and Certification

The following link provides our Point of View into strategic priorities that will help the State and NASPO on its eProcurement and Intelligent Spend Management journey:

<https://sap2021naspo-jy2e2ngujp.dispatcher.us1.hana.ondemand.com>

Prime Contractor: Carahsoft Technology Corp.

Carahsoft Technology Corp. is an IT solutions provider delivering best-of-breed hardware, software, and support solutions to federal, state and local government agencies since 2004. Carahsoft has built a reputation as a customer-centric real-time organization with unparalleled experience and depth in government sales, marketing, and contract program management. This experience has enabled Carahsoft to achieve the top spot in leading software license GSA resellers.

VENDOR RELATIONSHIPS – Carahsoft has a unique business model focusing on providing superior sales and marketing execution, a track record of success, high integrity, and a focus on strategic vendor relationships, of which **SAP** is an important part. Carahsoft's contract vehicles carry over 200 vendors.

PROVEN EXECUTION – Carahsoft has leveraged its vast contracting experience and extended it to quoting and order management. Carahsoft seamlessly generates quotes within 30 minutes or less and processed over 94,000 orders in 2019 that were each completed the same day received.

CONTRACT VEHICLES – Since 2004, Carahsoft has acquired and maintained a wide variety of purchasing contract vehicles for agencies at the state, local, and federal levels. Associated with all contracts are dedicated and experienced contract management resources. A list of available contracts can be found at www.carahsoft.com/contracts/index.php.

GROWTH & STABILITY – Carahsoft has continued to show impressive growth year after year, with annual revenue of \$3.4 million in our first year in 2004 to \$6.6 billion in 2019. In September of 2019, 11,521 orders were processed worth nearly \$1.4 billion. We are a stable, conservative, and profitable company and have received numerous accolades, as detailed on our awards page: <http://www.carahsoft.com/awards>.



- Top Ranked GSA Schedule 70 Contract holder for software
- #30 on Washington Business Journal's Largest Government Contractors List for 2016
- #40 on Washington Technology's Top 100 Government Contractors List for 2017
- Fed 100 Winner and Ernst & Young Entrepreneur of the Year, Craig P. Abod, President and CEO; Fed 100 Winner, John Lee, Vice President of Cloud Services

Solution Provider: SAP

SAP is the global leader in business applications and analytics software, a market leader in digital commerce, and the world's largest enterprise cloud company with over 200 million cloud users. They have over 440,000 customers in more than 180 countries, from small companies (80% of our customers are small and mid-size enterprises) to global organizations (92% of the Forbes Global 2000 companies run SAP software). Globally, more than 77% of all business transactions worldwide touch an SAP software system.

The SAP Ariba cloud solutions portfolio combines connectivity and insights of the world's largest business network with market-leading cloud-based applications to fuel collaboration across the entire source-to-settle process and enable the digital transformation that can help companies address challenges across many spend types—from indirect spend to direct materials to labor.

These solutions support the marketplace for modern business, creating exchanges between buyers and suppliers across the entire source-to-settle process. Our solutions enable companies to simplify collaboration with their trading partners, make smarter business decisions, and extend their collaborative business processes with an open technology platform.

SAP eProcurement Solutions for the State and NASPO

Our proposal features the SAP Ariba eProcurement solutions Strategic Sourcing Suite including Supplier Lifecycle and Performance, SAP Ariba Sourcing, SAP Ariba Contracts and Supplier Buying and Invoicing. Scaling supplier performance management in an economy where globalization has exponentially increased the number of parties involved can be a challenge. This is largely because onboarding, qualification, and segmentation are typically not integrated with other procurement processes. Added to this is the complexity of managing vendor master data from multiple sources, and the lack of visibility across the supply base.



Digital technologies are forcing procurement leaders to rethink traditional operations so they can streamline processes to avoid savings leakage, make it easier for suppliers to manage their information, and get a more comprehensive view across all suppliers to prevent supply chain disruptions.

Driving spend to preferred suppliers and scaling compliance calls for supplier management to align with procurement and extend across the entire supplier base. And SAP Ariba Supplier Lifecycle and Performance delivers the resources the State and NASPO needs to make it happen.

SAP Supplier Lifecycle and Performance

SAP Ariba Supplier Lifecycle and Performance provides comprehensive tools to help the State and NASPO onboard, qualify, segment, and manage supplier performance more effectively. Integrated into your procurement processes, it lets you drive spend to preferred suppliers and scale compliance for your entire supply base using an array of key capabilities:

- Unified vendor data model in the cloud provides a single accurate supplier record
- Supplier self-service in the cloud via Ariba Network makes it easy for suppliers to self-maintain their own information
- Flexible matrix for supplier qualification and segmentation lets you manage suppliers based on specific parameters
- Full integration with other SAP Ariba procurement applications supports speed and consistency throughout the entire procurement business

SAP Ariba Supplier Lifecycle and Performance enables the State and NASPO to drive spend to preferred suppliers and scale compliance.

SAP Buying and Invoicing

Effective business requires effective tools. When organizations need to control their business while staying agile, flexible tools are needed that allow you to dial up or down the resources you need as you need them to achieve your goals. There are few areas within a business more dynamic than the procure-to-pay process. Yet many continue to rely on antiquated methods and infrastructure-heavy solutions to manage it.

A unique software-as-a-service solution, the SAP Ariba Buying and Invoicing solution will help the State and NASPO stay flexible where it really counts while helping ensure control and compliance between your vendors, contracts, regulations, buyers, and finance organizations. You can scale your resources to dynamically manage suppliers, processes, budgets, approvals, and payments on a global basis. Languages, enterprise resource planning (ERP) systems, and business locations are no longer concerns since all you need is a computer connection. And the processes are secure— currently used by some of the world's largest and most security-conscious companies and government agencies.

SAP Ariba Buying and Invoicing deployment is by configuration versus customization – making it much easier and less resource intensive to maintain. Delivered at a lower cost than other delivery methods, SAP Ariba Buying and Invoicing comes with best in-class features that are automatically updated with each new release.

SAP Ariba Sourcing

A strategic approach to sourcing is essential for achieving immediate needs as well as for sustaining enterprise-wide cost reductions. Locating a supplier and pricing an item simply isn't enough. Sustainable savings come from identifying cost-cutting opportunities, defining and executing a supplier selection process, and creating contracts that convert them into actual savings. And this requires being able to evaluate the total cost impact of sourcing decisions, while shortening the amount of time and effort spent on administrative tasks.

Effective supplier discovery and supplier information management are critical for the sourcing process to drive sustainable results, yet many organizations struggle to keep their supplier information current. Strategic sourcing provides the single greatest opportunity to impact the cost, quality, and performance of the supply chain and is among the quickest paths to lower costs and improved revenues. But increased globalization, soaring energy and commodity costs, and tightening supply markets have kept many companies from achieving their full sourcing potential.

The SAP Ariba Sourcing solution is designed to help organization overcome these challenges. A unique software-as-a-service solution, SAP Ariba Sourcing is the most widely adopted and complete strategic sourcing offering in the marketplace used by thousands of companies to create and implement competitive best-value agreements.

By combining best-in-class sourcing and negotiation technology with access to a global network of suppliers and unparalleled strategy and category expertise, SAP Ariba Sourcing enables organizations and businesses of any industry, size, or geography to drive fast, sustainable results by automating and streamlining critical tasks across the sourcing lifecycle, including:

- Strategy development – Identify savings opportunities, assess market dynamics, and develop an informed sourcing strategy
- Sourcing and negotiating – Identify and qualify suppliers, negotiate best-value agreements, derive optimal award allocations, drive project collaboration, and standardize processes and manage knowledge
- Monitoring and managing suppliers and agreements – Quickly implement supplier agreements, track and realize savings, and manage supplier performance

SAP Ariba Contracts

The SAP Ariba Contracts solution helps legal, finance, procurement, and sales operations professionals tasked with driving contract management to manage all types of agreements, including procurement, sales, and internal contracts. With SAP Ariba Contracts, companies can develop best-value agreements by addressing the two major components of the contract lifecycle:

- Contract management from contract request, contract authoring, and workflows to address the contracting process, negotiation and approval, and contract execution with electronic signatures
- Commitment management including all ongoing compliance and performance management through task-driven reminders, search and reporting capabilities, and contract-renewal activities

With SAP Ariba Contracts, the State and NASPO can connect directly with customers when creating, negotiating, executing, and managing the ongoing administration of contracts. And this means greater efficiency, lower administrative costs, and improved relationships that result in higher-value agreements.

A unique software-as-a-service (SaaS) solution, SAP Ariba Contracts delivers market-leading technology in a fully hosted environment with data security standards that exceed those of any enterprise company. With SAP Ariba Contracts, companies can be up and running faster with fewer resources – enjoying faster time to value and lower total cost of ownership.

2. Previous Projects

Provide a description of projects that occurred within the past five years which reflect experience and expertise needed in performing the functions described in the "Scope of Services" portion of the RFP. Each description is to include:

- a. Client Name
- b. Contact person
- c. Contact person's telephone number
- d. Contact person's email address

Previous Projects	
Client Name	Washington, DC (Government)
Contact person	George Schutter
Contact person's telephone number	(202) 724-4242
Contact person's email address	george.schutter@dc.gov
Description of Project: Washington DC government is in the process of a full digital transformation of their procurement operations and processes. As a tenured customer of SAP Ariba On-Premise Software they have spent the past few years planning a strategic move to the cloud and selected SAP Ariba to support them in this transformation. Our contact, George Schutter (Chief Procurement Officer) and his team can discuss their overall strategy to the cloud and why they selected SAP Ariba over all other solutions.	

Previous Projects	
Client Name	California Department of Healthcare Services (DHCS)
Contact person	Joy Mukherjee
Contact person's telephone number	916-373-2636
Contact person's email address	joy.mukherjee@dhcs.ca.gov
Description of Project: California DHCS has deployed the complete SAP Ariba procurement platform, including strategic sourcing and buying & invoicing solutions. One of the primary goals of this project is to break down the agency silo's and allow DHCS to work from "one source of truth" with regard to their suppliers and contracts data.	

Previous Projects	
Client Name	City of San Diego
Contact person	Arlo Magpantay
Contact person's telephone number	(619) 235-5207
Contact person's email address	amagpantay@sandiego.gov
Description of Project: The City of San Diego implemented the SAP Ariba procurement platform to modernize their legacy procurement processes. The City is increasingly expanding their usage of SAP Ariba into new departments and capturing new categories of spend such as complex services, with the goals to bring more spend under management driving a higher degree of compliance, savings, and increased end-user satisfaction.	

3. Subcontractors

If subcontractors are to be used, provide a brief description of the subcontractors' organizational capacity and qualifications. Bidders must provide the subcontractor's:

- a. Name
- b. Address
- c. Contact person
- d. Contact person's telephone number
- e. Contact person's email address

Not applicable.

4. Organizational Chart

Bidders must provide an organizational chart. The organization chart must include the project being proposed. Each position must be identified by position title and corresponding to the personnel job descriptions.

<https://www.sap.com/about/company/leadership.html>

5. Litigation

Bidders must attach a list of all current litigation in which the Bidder is named and a list of all closed cases that have closed within the past five (5) years in which the Bidder paid the claimant either as part of a settlement or by decree. For each, list the entity bringing suit, the complaint, the accusation, amount, and outcome.

Carahsoft has no current litigations or closed cases that within the past five (5) years.

6. Financial Viability

Bidders must provide a current copy of their Dun & Bradstreet Business Information Report Snapshot.

SAP

SAP prepares its consolidated annual financial statements in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union (EU). The company also provides separate financial statements according to the requirements of the German Commercial Code (Handelsgesetzbuch HGB).

All publications (such as SAP SE's Annual Report, SAP Integrated Report, SAP Annual Report on Form 20-F, Half-Year Report, and Quarterly Statements) are submitted according to the post-admission obligations to the Frankfurt Stock Exchange, the German Federal Register (Bundesanzeiger) and the U.S. Securities and Exchange Commission (SEC).

SAP's Annual Report on Form 20-F can be found at the following link:

https://www.sap.com/investors/en/reports.html?tab=reports&sort=latest_desc

Carahsoft

As a privately owned company, Carahsoft does not report to Dun & Bradstreet (D&B). As such, the information in D&B does not provide an accurate assessment of Carahsoft's financial viability. Further, Carahsoft does not publicly release information pertaining to our financial statements.

We are a stable, conservative, and profitable company which has grown, since founding in 2004, from \$4M in bookings to more than \$8.1B in 2020. The company has received numerous accolades for our business performance from our manufacturing partners and the industry, including annual recognition ([detailed further on our website](#)) in the CRN Solution Provider 500 (2006—Present), Washington Technology's Top 100 Government Contractors (2010—Present), and the Washington Business Journal's Largest Government Contractors (2011—Present).

We currently maintain a \$25M line of credit available (currently 100% available) with Atlantic Union Bank.

We currently administer and manage a NASPO ValuePoint Contract with the State of Utah for Cloud Solutions.

Should you require our audited financial statements or have further financial inquiries, we would be happy to provide additional information under separate cover to the specific individual that would be reviewing them.

Specific questions may be referred to Craig P. Abod, President of Carahsoft Technology Corp.