GROW EARLY LEARNING

ADDENDUM NO. 1

RFP No. 060226 — Cloud Financial Management, Budgeting, and Expense Management System

Date issued	July 23 2026
Issued to	All registered bidders of record under RFP No. 060226
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Proposals due	July 30, 2026, 5:00 PM ET — **unchanged by this Addendum**

CONFIDENTIAL — *Issued to registered bidders under the Confidentiality Acknowledgment (RFP § 12.1). Certain responses reference the NDA-protected Detailed Requirements Package ("DRP").*

Purpose and Effect

This Addendum No. 1 is issued pursuant to Section 5 (Notice to Respondents) of the RFP to respond to written questions received on or before the July 16, 2026 question deadline and to clarify the solicitation. Questions have been consolidated and are reproduced substantially as submitted; identifying information has been removed. Where more than one respondent raised the same point, questions have been combined.

Except as expressly modified by this Addendum, all terms of the RFP and the DRP remain in full force and effect. In the event of a conflict between this Addendum and the originally issued RFP or DRP, this Addendum controls to the extent of the clarification stated herein. Only written addenda issued by Grow Early Learning modify the RFP; oral or informal statements are not binding.

Acknowledgment required. Each Proposer must acknowledge receipt of this Addendum No. 1 in the Execution of Offer (Section 17) and in Attachment D (Acknowledgment of Addenda). Failure to acknowledge may render a proposal non-responsive.

Consolidated Questions and Responses

1. Organizational Structure and Sizing

Q1. How many legal entities / tax IDs will the solution support? Is inter-entity consolidation with eliminations required, or is dimensional roll-up reporting sufficient — and is consolidation anticipated in the future?

Response: A single legal entity / single tax ID. As stated in the DRP (Sizing Baseline and § 17), the organization operates as one legal entity with one chart of accounts and one dimensional structure; sites, programs, and funds are tracked as dimensions rather than separate entities.

Formal multi-entity consolidation and inter-entity eliminations are **not** required in steady state; dimensional roll-up reporting is sufficient. The organization does not currently anticipate a multi-entity consolidation requirement. Proposers should note whether the proposed platform can accommodate future multi-entity consolidation without re-platforming, as a differentiator.

Q2. Do all entities share a single chart of accounts and the same fiscal year?

Response: Yes. A single, shared chart of accounts and dimensional structure applies. The organization's fiscal year end is December 31 2026

Q3. Approximately how many operating sites/locations are in scope across the eight states?

Response: Approximately 50 operating sites/locations across eight states and the District of Columbia. Sites are tracked as a reporting dimension, not as separate entities, and do not affect the entity/licensing model. Site count is relevant to training reach and change-management sizing only.

Q4. How many full-access (business) users versus limited/employee users (expense entry, approvals, timesheets) are anticipated, and approximately how many staff require expense-management access?

Response: Per the DRP Detailed Sizing Parameters: approximately **15 full business/finance users** (core accounting, administration, reporting, and configuration) and approximately **150 employee/limited-access users** (distributed approval, entry, and inquiry). These are planning estimates; proposers shall confirm the recommended license model and any role-based distinctions.

For expense-management access, proposers may assume up to 150 users unless otherwise stated during discovery.

2. Process Improvement and Change Management

Q5. Is the Contractor expected to identify and recommend process improvements and workflow redesign (approval chains, close-cycle steps, allocation methods) during discovery, or is the engagement scoped to replicate existing processes?

Response: The organization expects the Contractor to **recommend process improvements and future-state workflow redesign** as part of discovery rather than replicate current-state processes. Modernization of allocation, approval, and close processes is an objective of this procurement.

Q6. Are there specific pain points or manual workarounds (month-end close, budget-to-actual reconciliation, allocations) the solution should resolve, and can these be quantified (e.g., current close timeline)?

Response: Current-state detail will be shared during discovery. At a high level, target improvements include manual cost allocations, excel based budget to actuals, monthly close improvements. Proposers should describe how the proposed solution addresses these.

Q7. Should a process-optimization / business-process-reengineering (BPR) workstream (future-state process maps, business-process review) be included in Implementation Services pricing, or proposed as an optional item under Section 8.7?

Response: Proposers should include a right-sized process review and future-state design component **within base Implementation Services pricing** (sufficient to configure the redesigned processes the solution requires). More extensive, standalone BPR beyond what is needed to implement the solution should be proposed separately as an optional item under Section 8.7.

Q8. Given the multi-state, multi-site user base, what change-management effort does the organization expect the Contractor to provide versus resource internally?

Response: The organization will provide executive sponsorship and an internal super-user / champion network, attend status meetings, and complete assigned tasks (see DRP "Responsibilities to Plan For"). The Contractor should provide the change-management methodology, a communications plan and templates, role-based training, and a recommended champion-network structure and adoption-measurement approach. Proposers shall state their assumed division of responsibility

Q9. Does the organization anticipate a phased/staggered rollout across sites and states, or a single cutover, and how should change-management effort be priced under Section 8.5?

Response: A **single production cutover** is anticipated, consistent with the single-entity environment, the approximately 2–6 month implementation timeline, and the approximately 45-day hypercare period in the

DRP. Distributed-site rollout is a training and adoption activity, not multiple system go-lives. Proposers should price change management under Section 8.5 on that basis.

Q10. Are there any AI requirements or constraints we should be aware of?

Response: No standalone AI tooling is required. Any AI features embedded in the proposed SaaS must: (a) keep organization data and PII within the SOC-attested, U.S.-resident production boundary; (b) not use organization data to train vendor or third-party models without the organization's prior written consent; and (c) be fully disclosed — proposers shall describe any AI/ML features, associated data handling, and available opt-outs.

3. Grant and Cost Allocation

Q11. Does the organization operate under a negotiated indirect cost rate agreement (NICRA), a cost allocation plan, or both? If a NICRA exists, what is the methodology and current provisional rate, and who is the cognizant agency?

Response: The organization allocates costs between 2 awards. The proposed solution must support dimensional allocation consistent with the negotiated methodology.

Q12. How are shared, administrative, and personnel costs currently allocated across grants and programs, and at what frequency?

Response: Monthly cost allocations. The solution must support recurring dimensional allocations at this frequency.

Q13. Approximately how many active grants/funding awards are managed at a given time, and is that number expected to grow?

Response: Approximately *1-5* active awards at a given time; the number is stable.The DRP planning baseline provides a grant/project dimension with at least 10 configurable fields and import of an initial grant/project list.

Q14. Do any grants require reimbursement requests or milestone/conditional revenue recognition?

Response: Federal awards are generally cost-reimbursement / periodic-draw in nature; the solution must support cost-reimbursement tracking and reporting.

Q15. Do you provide any fee-for-service or cost-reimbursable grants to customers (sub-awards)?

Response: The organization issues subawards to two delegate agencies.

3A. Payroll, Integrations, and Adjacent Systems

Q16. What payroll/HRIS system is currently in use?

Response: ADP Workforce Now (per DRP § 2.1).

Q17. Is labor/salary allocation across grants and programs required and posted to the general ledger?

Response: Yes. Labor/salary allocation across grants and programs, posted to the general ledger, is required. This is contemplated through an interface from ADP Workforce Now to the financial system (payroll journal entry / labor distribution), identified in the DRP (§§ 2.1, 14, 17) as an **optional, separately priced, future-phase item**.

Q18. Is grant-based time capture (employee effort by grant) required in the financial system?

Response: Employee effort by grant is captured in the HRIS/timekeeping layer (ADP Workforce Now), not as native functionality of the financial management system. The financial system must **receive and post the resulting labor distribution** by grant/program dimension.

Q19. Does the current HRIS/payroll system include timekeeping, and do exempt and non-exempt staff enter time based on level of effort?

Response: ADP Workforce Now includes timekeeping. Exempt and non-exempt staff enter time.

Q20. What adjacent systems require integration (CRM/donor, case management, banking, etc.), and are real-time API integrations required, or is scheduled/file-based integration acceptable?

Response: In addition to ADP Workforce Now (optional interface), adjacent systems include either Concur or a proposed expense management solution. Scheduled/file-based integration (Excel/CSV via standard import tools) is **acceptable for the base scope**; real-time API integration is not required, but proposers should identify API/web-services capability for future phases. The DRP baseline includes at least one file-import integration in base scope.

Q21. Are there specific future-state integration targets to be priced as optional items?

Response: Yes. Future-state integrations — including the ADP Workforce Now payroll/labor-distribution connector — are to be priced separately as optional items under Section 8.7 and the DRP.

4. Data Migration and Configuration

Q22. How many years of historical data must be migrated, and at what level (opening balances only or transactional detail)? From which source system(s)?

Response: Source system: **MIP Fund Accounting** (general ledger / fund accounting). Per DRP §§ 8 and 17, migration scope includes: opening balances; open AP, open AR, outstanding checks, and deposits-in-transit for the first bank reconciliation; a trial-balance import via journal entry; current-year GL detail through go-live mapped to the new COA and dimensions (enhanced scope); and 1099 balance carryover from MIP. Additional prior-year transactional detail, if desired, should be priced separately as an option.

Q23. Is a redesign of the chart of accounts and dimensional structure expected, or will the existing structure be retained?

Response: A **redesign** of the chart of accounts and dimensional structure is expected, with an old-to-new mapping crosswalk and reconciliation/sign-off to the MIP trial balance (DRP §§ 8, 17). The organization will participate in and approve the mapping.

5. Expense Management

Q24. Does the required expense scope include mileage and per-diem calculation, and dimensional coding (fund/grant/program) at the expense-line level integrated to the GL and AP?

Response: Yes to both. Per DRP § 11.1, the solution must support per-diem and mileage handling, and dimensional coding of expenses (fund, grant, program, location, department, funding source) at the line level, integrated to the general ledger and accounts payable with a complete audit trail and export.

Q25. Is credit card reconciliation in scope, and approximately how many cards are issued? Is the card program corporate or business, and is retaining the current card provider important, or is the organization open to integrated alternatives?

Response: Corporate/purchasing-card feed import and reconciliation is in scope (DRP § 11.1). Approximately 50 cards are issued; the program is a corporate account. The organization the current card program; proposers may propose integrated card alternatives as priced options.

Q26. Is there an incumbent or preferred expense-management tool?

Response: Concur is existing, but there is no connection or automation between any of the systems. There is no preferred product; expense management may be native to the proposed financial platform or a separately licensed, integrated component.

6. Cash Management and Banking

Note: *Specific bank identities and account detail are provided only within the confidentiality framework and, where applicable, to shortlisted proposers. The following confirms solution scope.*

Q27. Which banks and payment types (check, ACH, positive pay, virtual card) are in scope?

Response: Bank identities are withheld pending shortlist under the confidentiality framework. Payment types in scope: **check and ACH/NACHA**. Positive Pay is in scope]; virtual card is not in scope. The DRP base configuration assumes at least 5 checking accounts and at least 1 ACH/NACHA (or equivalent) payment file.

Q28. Is direct bank-feed connectivity required, or is bank statement import sufficient?

Response: Direct bank-feed connectivity is preferred where available (at least 1 feed in base configuration); bank-statement import is acceptable where a feed is unavailable. Additional bank feeds are priced separately (DRP §§ 9, 17).

Q29. Are there existing bank integration or payment-file format constraints?

Response: At least one ACH/NACHA (or equivalent) payment file is required. Proposers should identify supported payment-file formats.

7. Security, Accessibility, and Compliance

Q30. What SSO / identity provider must the solution integrate with, and is MFA enforced at the IdP level?

Response: SSO via SAML or OIDC with enforced MFA is required (DRP § 16). The organization's identity provider is Microsoft Entra and MFA is enforced at the IdP level.

Q31. What are the specifics of the pre-award security, privacy, and risk review (Section 16.9) — required documentation and timing?

Response: The review will be requested of the shortlisted/selected proposer(s) prior to contract execution and may include: SOC 1 Type II and SOC 2 Type II reports (or summaries); data-residency and encryption attestations; documented availability, backup, and disaster-recovery commitments (RPO/RTO and uptime SLA); user provisioning/deprovisioning documentation; and completion of the organization's security questionnaire. Anticipated timing is within the evaluation-to-award window (approximately August 13–27, 2026).

Q32. Is vendor VPAT / conformance documentation sufficient to satisfy the WCAG 2.1 AA / Section 508 accessibility requirement?

Response: Yes. A current VPAT / Accessibility Conformance Report (ACR) addressing WCAG 2.1 AA and Section 508 is acceptable evidence of conformance. The organization reserves the right to request additional detail or remediation timelines for any material gaps.

Q33. Are specific report outputs (Schedule of Expenditures of Federal Awards, funder-specific templates, board book) expected as implementation deliverables?

Response: The solution must support Single Audit / SEFA and funder reporting (public RFP requirements and DRP § 16). As implementation deliverables, the Contractor shall configure at least one financial report and one dashboard and train staff to build and maintain reports (DRP § 10). Whether specific named outputs (SEFA, funder templates, board book) are delivered as pre-built templates is to be finalized in discovery / in scope as configured templates . Additional report-build support beyond the DRP baseline is priced separately.

8. Procurement, Commercial, and Process

Q34. For a proposal composed of integrated components, must third-party software publishers be identified and approved as subcontractors, or is prime-delivered integration sufficient (Section 16.8)?

Response: Prime-delivered integration is sufficient. The prime Contractor must **identify** all third-party software publishers and implementation partners in its proposal (Sections 10 and 11) and remains fully responsible for all work (Section 16.8). Publishers of licensed SaaS components need not be separately "approved as subcontractors," but must be disclosed; the organization's prior written consent under Section 16.8 applies to subcontracting of implementation work.

Q35. For the required Year 2–5 renewal uplift caps, is a stated cap percentage acceptable where third-party component pricing is set by the publisher?

Response: Yes. A stated annual uplift cap percentage is acceptable. Where a third-party component's renewal pricing is set by the publisher, the proposer shall state the cap it can commit to, clearly identify the pass-through component and its assumptions, and note any publisher-driven exceptions.

Q36. Can the format, duration, and structure of the demonstrations (August 16–20 window) be confirmed for shortlisted proposers?

Response: Demonstrations/oral presentations, if held, will occur August 16–20, 2026. Anticipated format: [e.g., one scripted session per shortlisted proposer, up to 2 hours], using a scenario script provided under the confidentiality framework at least [e.g., 3] business days in advance (DRP § 13.1). Final format, duration, and scheduling will be confirmed with shortlisted proposers.

Q37. Is there a page limit or required format/template for the Technical Proposal volume?

Response: No page limit applies.

Q38. Who is the organization's current external audit firm (requested to confirm independence for any future advisory services)?

Response: The organization's current external (Single Audit) auditor is CliftonLarsonAllen Proposers must disclose any relationship or potential organizational conflict of interest consistent with Section 18 and 2 CFR 200.318(c).

End of Addendum No. 1

All other terms, conditions, and requirements of RFP No. 060226 and the Detailed Requirements Package remain unchanged. Proposers must acknowledge receipt of this Addendum in the Execution of Offer and Attachment D.