

## RFP K456 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- [Letter of Submittal](#)
- [Proposer's Authorized Offer](#)
- [Proposer Information](#)
- [Subcontractor Information](#)
- [Non-Cost Proposal](#)
- [Cost Proposal](#)

### **SUBMITTAL INSTRUCTIONS**

Complete Proposals must be received electronically on or before **August 23, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to [lcbids@liq.wa.gov](mailto:lcbids@liq.wa.gov).
- Clearly mark the subject line of the email: RFP- K456, Vendor Name (e.g. RFP- K456, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their Proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the [lcbids@liq.wa.gov](mailto:lcbids@liq.wa.gov) inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

### **SUBMITTAL CHECKLIST**

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

- |  |                                     |
|--|-------------------------------------|
| Letter of Submittal (see page 2)         | <input checked="" type="checkbox"/> |
| Proposer's Authorized Offer (see page 3) | <input checked="" type="checkbox"/> |
| Proposer Information (see page 4)        | <input checked="" type="checkbox"/> |
| Subcontractor Information (see page 5)   | <input checked="" type="checkbox"/> |
| Non-Cost Proposal (see pages 6-12)       | <input checked="" type="checkbox"/> |
| Cost Proposal (see page 13)              | <input checked="" type="checkbox"/> |



**3101 N. Federal Highway  
Suite 300  
Fort Lauderdale, FL 33306  
800.797.4711**

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August 22, 2013

[lcbids@liq.wa.gov](mailto:lcbids@liq.wa.gov)

Washington State Liquor Control Board  
3000 Pacific Ave SE  
Olympia, WA 98501

RE: RFP K456 Seed to Sale Inventory Tracking System, BioTrackTHC

To Whom It May Concern:

Thank you for the opportunity to bid on this Request for Proposal issued by the Washington State Liquor Control Board. Deployed in nearly 200 marijuana operations across seven states, the District of Columbia and Canada, BioTrackTHC is the preeminent developer of Seed-to-Sale Inventory Tracking Systems for Producers, Processors, and Retailers in the North American legal marijuana industry. From its headquarters in Fort Lauderdale, Florida, it operates the equivalent of a statewide system such as that sought by the WSLCB. Having processed nearly 60 million grams of product since its initial deployment over three years ago, BioTrackTHC can confidently attest to the robust and reliable capabilities of its web-based Seed-to-Sale Inventory Tracking System.

For the purposes of this contract, the principle contact is as follows:

Patrick Vo, Co-Chief Executive Officer and Chief Financial Officer  
3101 N Federal Highway, Suite 300  
Fort Lauderdale, FL 33306  
T: (800) 797-4711 C: (954) 696-3932 F: (954) 206-0200  
[patrick.vo@biotrackthc.com](mailto:patrick.vo@biotrackthc.com)

As of the date of this proposal, neither any of BioTrackTHC's employees nor any members of its governing board have worked for the State of Washington. Proposer Information and Subcontractor Information follow on subsequent pages. You will find, in addition, a list of the principal officers of BioTrackTHC following the Letter of Submittal.

Should BioTrackTHC secure this contract, the principal place of business shall be BioTrackTHC's headquarters office in Fort Lauderdale, Florida. However, BioTrackTHC will open a colocation facility in and place a dedicated full-time database administrator and a junior database administrator in the State of Washington to service this contract.

BioTrackTHC is in the process of obtaining its business licensure in the State of Washington and expects to receive its UBI the week of August 26, 2013. Having specialized in Marijuana-specific inventory management for over three years, BioTrackTHC's web-based application has been thoroughly tested and already meets approximately 97% of the desired functionality specified in the WSLCB Request for Proposal.

Should you have any further questions regarding any aspect of this Response to RFP, please do not hesitate to contact me at your earliest convenience. Thank you in advance for your consideration.

Sincerely,

Patrick Vo, Co-Chief Executive Officer and Chief Financial Officer

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*Robust*

*Feature-Rich*

*Secure*



*3101 N. Federal Highway  
Suite 300  
Fort Lauderdale, FL 33306  
800.797.4711*

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## PRINCIPAL OFFICER INFORMATION

**Steven C. Siegel, Ph.D., Chief Executive Officer and Chairman of the Board**

2212 Bayview Drive  
Fort Lauderdale, FL 33306  
(954) 850-2148

**Patrick P. Vo, Co-Chief Executive Officer / Chief Financial Officer and Executive Director**

3460 NE 15<sup>th</sup> Avenue  
Oakland Park, FL 33334  
(954) 696-3932

**Terrence J. Ferraro, Chief Technology Officer and Executive Director**

5230 NE 14<sup>th</sup> Way, Apt 1  
Fort Lauderdale, FL 33334  
(800) 797-4711

**PROPOSER'S AUTHORIZED OFFER**  
**(PROPOSAL SIGNATURE PAGE)**  
**Seed to Sale Inventory Tracking System – RFP K456**  
Issued by the Washington State Liquor Control Board

**Certifications and Assurances**

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

**Patrick Vo**



Proposer Signature

**Co-CEO / CFO**

Title

**Bio-Tech Medical Software, Inc.**  
**d/b/a BioTrackTHC**

Company Name

**August 22, 2013**

Date



# PROPOSER INFORMATION

**Proposer Profile:**

Firm Name Bio-Tech Medical Software, Inc. d/b/a BioTrackTHC  
Street Address 3101 N Federal Highway, Suite 300  
City, State, Zip Fort Lauderdale, FL 33306  
Federal Tax ID Number 208551162  
UBI \_\_\_\_\_  
Website URL www.biotrackthc.com

**Proposer Authorized Representative:**

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer’s Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name: Patrick Vo, Co-CEO / CFO  
Telephone: 954.696.3932  
Email: patrick.vo@biotrackthc.com

**Payment Options:**

YES  NO Do you offer a Prompt Payment Discount? If yes, please provide below.  
Prompt Payment Discount \_\_\_\_\_% \_\_\_\_\_ days, net 30 days.

## SUBCONTRACTOR INFORMATION

**Check the applicable box:**

Yes  No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K456, Seed to Sale Inventory Tracking System

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

**Subcontractor 1**

Name: \_\_\_\_\_  
Services: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Email: \_\_\_\_\_  
Fed ID: \_\_\_\_\_  
UBI: \_\_\_\_\_  
Work to be Performed: \_\_\_\_\_  
OMWBE certified: \_\_\_ Yes \_\_\_ No

**Subcontractor 2**

Name: \_\_\_\_\_  
Services: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Email: \_\_\_\_\_  
Fed ID: \_\_\_\_\_  
UBI: \_\_\_\_\_  
Work to be Performed: \_\_\_\_\_  
OMWBE certified: \_\_\_ Yes \_\_\_ No

**Subcontractor 3**

Name: \_\_\_\_\_  
Services: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Email: \_\_\_\_\_  
Fed ID: \_\_\_\_\_  
UBI: \_\_\_\_\_  
Work to be Performed: \_\_\_\_\_  
OMWBE certified: \_\_\_ Yes \_\_\_ No

**Subcontractor 4**

Name: \_\_\_\_\_  
Services: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Email: \_\_\_\_\_  
Fed ID: \_\_\_\_\_  
UBI: \_\_\_\_\_  
Work to be Performed: \_\_\_\_\_  
OMWBE certified: \_\_\_ Yes \_\_\_ No

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in providing implementation and ongoing support of a Commercial Off the Shelf (COTS) or a Modified Off the Shelf (MOTS) web-based Seed to Sale Inventory Tracking System (System). Please describe your usual methodology and approach to completing projects, including a description of the unique ways you have provided Inventory Tracking Systems.

With more than four years' experience designing, developing, implementing and supporting its Marijuana-specific Seed-to-Sale Inventory Tracking System – currently utilized in nearly 200 medical Marijuana Producer, Packager, and Retailer operations across the United States and Canada – the vendor's ability and expertise to fulfill this RFP is second to none. Developed under the auspices of a university business incubation program, the vendor's technology was originally created as a prescription drug and methamphetamine precursor tracking system to assist state governments and law enforcement prevent diversion and promote public safety. Subsequently modified for the legal Marijuana industry, but remaining true to its original goals with government users in mind, the vendor's web-based Seed-to-Sale Inventory Tracking System was designed to accomplish the following three objectives: 1) combat drug diversion and abuse; 2) facilitate medicine provider compliance with regulations; and 3) minimize obstacles for patients with legitimate medical needs from obtaining the care and medicine they require. As such, the vendor's system today already offers 97% of the components required by the Washington State Liquor Control Board's RFP including:

1. Ability to trace product from initial plant growth to sale, using a Unique Plant Identifier.
2. Track plant cultivation including, but not limited to, germinating plant inventory, plant transfer to vegetative growth areas, plant harvest, plant processing, and packaging.
3. Track inventory transactions including, but not limited to, inventory receipt and add, product assembly/bill of materials, location transfer, inventory disposal and adjustments
4. Track plant, lot, and batch disposal/destruction.
5. Track transfer of Marijuana products between Marijuana Licensee facilities/locations.
6. Track transfer of Marijuana products between Marijuana Licensees.
7. A web-based user interface for data entry by Marijuana Licensees.
8. The ability to create tax reports.
9. Reporting functionality for government personnel to support enforcement activities such as data analysis and auditing, and reporting functionality for Marijuana Licensees.
10. A data interface for data submittal from Marijuana Licensees' systems.

The vendor's Marijuana Seed-to-Sale Inventory Tracking System for state monitoring was developed in tandem with its industry-leading commercial seed-to-sale system. More than three years of hands-on technical support and fulfillment of customization requests to meet user-specific business logics have allowed the vendor to accumulate detailed, specialized knowledge and insight into the unique challenges and corner cases specific to tracing Marijuana, as well as its derivatives and wastes, throughout the product's entire lifecycle. Indeed, at the time of this submission, the vendor's web-based COTS Seed-to-Sale Inventory Tracking System can provide – out of the box – 97% of WSLCB's desired functionality— all of which have been battle-tested across nearly 200 Marijuana operations—and offers scalable architecture to meet future needs without significant modifications to the delivered System.

Gathering real-time location, growth-phase, production-phase, transportation, disposition and point-of-sale data, the vendor's system is the most accurate Seed-to-Sale Inventory Tracking System for the Marijuana industry on the market today. Because the vendor understands that data without tools for analysis lacks value, it comes pre-loaded with all of the reports required by the WSLCB RFP while providing the most comprehensive and flexible report creator available in this sector. This will allow the WSLCB to utilize the full wealth of captured data and thereby facilitate the effective monitoring of the industry as required by I-502. The ability to easily extract data at any point in the product lifecycle (e.g., by weights, strains,

batches, locations, adjustments, deviations, input characteristics, etc.), in addition to estimating Licensee revenues for tax calculations, maximizes the utility of the reporting function and the ability of the WSLCB to observe Licensees in real time, allowing for the facile enforcement of regulations, the promotion of public safety, and the collection of tax revenue. Finally, although user actions can be adjusted or voided, at no time is data ever fully deleted since the System maintains a log of every action. As such, an audit trail is maintained which allows for the comprehensive reconstruction of system history as necessary.

The vendor's system is now in nearly 200 locations across North America. The vendor has demonstrated remarkable capacity to scale rapidly in response to rising demand without compromising quality of deployment, customization or on-going support. Already this year, the vendor has completed over 80 individually tailored implementations of the commercial system. This growth has included a number of intricate deployments involving complex customizations as detailed in the Experience section of the *Response to Request for Proposal* such as simultaneous multi-location inventory auditing, accounting for partial plant harvesting or re-flowering, and creating the first system that allows for accurate inventory conversions from one type of product to another (e.g., stems to hash oil) while maintaining the integrity of seed-to-sale tracking. The vendor's product is currently deployed in nine jurisdictions including seven states, the District of Columbia, and Canada. Each of these governments enacted differing rules and regulations that required system modifications that were accomplished smoothly and without incident. In its more than three years of product deployment, the vendor has retained more than 99% of its clients while converting a number of customers from its competitors and is rapidly gaining market share.

The vendor's methodology and approach is to work in an iterative fashion with its clients to deliver a product that meets the specific needs of the end user. Its approach and methodology may be best described by its clients. The following letter was recently received from the Chief Technology Officer of a Marijuana operator with four production and two retail facilities. The letter is available upon request.

*When [vendor] first approached us, their system would not have cleanly fit into our physical and digital workflows. We are a completely prepackaged store; the [vendor's] system was designed with a bulk sale dispensary in mind. However, we as a business wanted other beneficial aspects of their system: local database storage, better user control and management, better reporting. Those benefits outweighed the work required to get the system in line with our workflows. We knew and discussed with [vendor] the fact that there would be many changes required and the fast pace that we would need to move in order to accomplish the deployment, and the staff at [vendor] was ready and willing to take on the challenge.*

*Throughout the entirety of the process the staff at [vendor] has been, in a single word, stellar. In the 9 years I have worked in this capacity, I have never partnered with a more dedicated, diligent, accessible, and understanding business partner. When I call for support or to make bug reports, I don't get a helpdesk line. I don't get an automated message-taking server. When I call for support, I get the lead programmer. That, in this industry, **is unheard of and immensely helpful.** [emphasis in original]*

*Through our entire deployment process, I would be making 2 to 5 calls a day to ... the lead programmer. I would request anything from major system changes to small and minor tweaks. I know that the way in which I was communicating these requests was stressful. Nothing more needs to be said than that [the lead programmer] took my requests with the gracefulness of a ballerina, prioritized them, executed them in a timely fashion with near 100% effectiveness and precision, and he did it without a single word of complaint.*

*In the end, nearly all of the system changes I needed to go live were completed prior to go live or shortly thereafter. [The vendor] continues to demonstrate their absolute dedication to the job through their amazing tech support to my retail and production staff while still taking in and executing changes that I request in tandem.*

2. **Experience.** Please list up to three (3) projects/engagements that your firm has completed since December 1, 2008 related to Inventory Tracking Systems. Each project submitted must include the following:

**Title:** Conversion from a Leading Competitor

Dissatisfied with their current seed-to-sale tracking system, the customer approached the vendor to address significant problems their current inventory system was creating for their physical and digital work flows. Due to the fact that their current provider was unable to accommodate the business logic of their entire supply chain, the customer had chosen to implement much of their business logic around and outside of their tracking system, including but not limited to manual spreadsheets and procedures that gave rise to compounding errors. Upon conversion, the vendor was able to unify their platform and performed several enhancements to further streamline their operations. Such enhancements included:

- Integrated batch tracking using the customer's internal batch numbering system in addition to the vendor's Unique Plant Identifiers, allowing side-by-side universal and relative inventory identification.
- Implemented category-level inventory controls that allowed the customer to set user permissions for inventory control as usual, but allow an automatic override in the case of non-medicated items.
- Developed a unique price cascading system. The customer's previous system required the sales clerk to arbitrarily define the price for certain corner-case scenarios that were relevant to the customer's pricing scheme. The vendor's modifications to the COTS Seed-to-Sale Inventory Tracking System allowed the customer to offer tiered pricing without granting unfettered access to the sales clerk to define pricing.

At the customer's request, the vendor developed a train-the-trainer method where the vendor's CTO trained the customer's CTO who, in turn, then trained their employees. The customer is now actively using the vendor's System across their entire supply chain including their four production facilities and two retail locations.

**Project Start/Finish Dates:** **May 2013 / August 2013**

**Reference:** Skippy Pineapple (The Farm)    Contact Name: Joe Leonardo    Phone: 650-866-5731

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**Title:** Conversion from a Leading Competitor

**Project Description:** The vendor successfully transitioned the customer from a hodgepodge of spreadsheets in the growing facility and the web-based point-of-sale system in the retail location. The customer was running a 100% Mac environment in their facilities and, due to deficiencies in the customer's previous system in handling Mac functionality, there were significant extra steps the customer was performing for even the simplest tasks.

With a combination of Mac expertise and additional development, the vendor's software engineers were able to seamlessly integrate the customer's production data with their sales data and develop a Mac-compatible version in under a week. Previously, the customer's system required them to resize the product label for every print, resulting in four to five extra steps for every single label printed. The vendor's system reduced this process to one simple step, just the same as any Windows client.

The vendor's out-of-the-box implementation also increased the accuracy of the customer's operations when transferring and converting inventory as their previous system was not measuring to the hundredth of a gram, which was adding up to a significant amount of "lost" inventory every month due to the accumulation of these rounding errors.

The customer also had a number of unique scenarios within their production facilities that the vendor was able to accommodate and build out reporting for. Multiple online and live training sessions for their 20+ employees were utilized for evaluating the customer's processes and automating their previously time-consuming and manual tasks.

**Project Start/Finish Dates: June 2013 / July 2013**

**Reference: Good Chemistry**

Contact Name: Will Magee

Phone: 415-215-5641

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**Title: Streamlining of Business Operations**

**Project Description:** Compassionate Pain Management approached the vendor in 2010 regarding the opportunity to convert the vendor's Seed-to-Sale Inventory Tracking System into a business suite that could help them manage their operations more efficiently while taking their compliance to an entirely new level. The customer had been utilizing an amalgamation of nursery management for producer operations, spreadsheets for inventory, and a web-based point-of-sale system for retail transactions. The vendor built on its already existing inventory management system to develop a custom solution that included, but certainly was not limited to, the following:

- A POS interface to manage all sales transactions in addition to quantities.
- Linking grow facility data to patient data to ensure 100% compliance with caregiver regulations in place at the time.
- Connecting their supply chain with seed-to-sale tracking before regulatory requirements were put in place to require such tracking.
- Developing complex reporting to determine inventory trends as they related to sales.

The vendor worked closely with the customer over several months prior to implementation to ensure a smooth transition from their disparate systems into a unified architecture that facilitated a continuity of business logic. Upon completion, the customer became the first known center across the country to digitally track cannabis from seed to sale.

**Project Start/Finish Dates: December 2010 / February 2011**

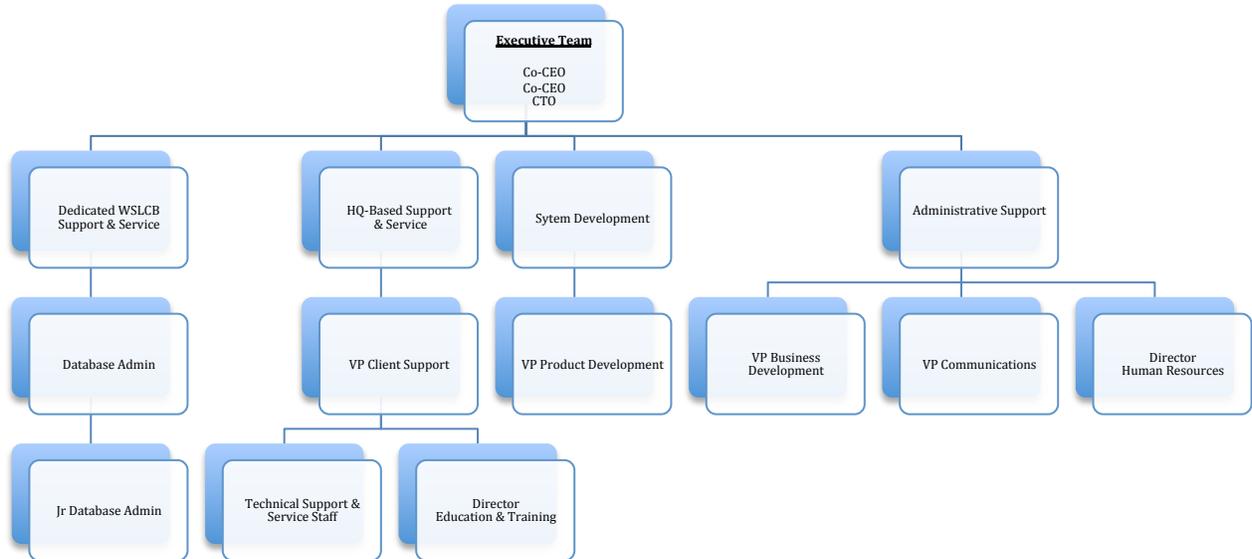
**Reference: Compassionate Pain Management**

Contact Name: Joey Gindi

Phone: 303-594-9981

3. **Project Team Structure/Internal Controls.** In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please provide an organizational chart of your firm indicating lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.

### Vendor Organizational Chart



The vendor employs a project management approach to all implementations. The vendor will utilize web-based ASANA project management software for the WSLCB implementation, which will provide for a high degree of internal control. All deliverables and tasks will be entered into ASANA and assigned an owner. ASANA project management software offers maximum transparency, revealing potential bottlenecks before they emerge because the entire team, including appropriate members of the WSLCB, will have the ability to view the progress on all tasks and underlying attached documents. Its reminder and reporting capabilities not only ensure timely project completion but will allow the WSLCB to remain apprised of, and able to respond to and comment on, all aspects of project implementation in real time.

For the purposes of the System implementation, the vendor’s Co-Chief Executive Officer, will provide overall leadership and direction. The Co-CEO has extensive experience in business leadership, strategic planning, project management, and project improvement. The Co-CEO will have responsibility for developing the project implementation and management plan, the risk management plan, and for ensuring that all aspects of the project are carried out to the WSLCB’s complete satisfaction.

Technical leadership will be provided by the Chief Technology Officer. Widely recognized for his programming expertise, CTO developed the first biometrics-based electronic-prescribing software platform to meet all Drug Enforcement Agency (DEA) requirements for the electronic prescribing of controlled (and other) substances in the United States. Co-founder of the vendor and co-inventor of its entire portfolio of products, CTO has consulted closely with high-ranking state and federal law enforcement officials regarding the technology solutions that the vendor developed for the prescription drug and methamphetamine precursor diversion problems in the United States. During the course of the

initial implementation, the CTO, and two database administrators will relocate to the State of Washington to oversee acquisition of an appropriate colocation facility, to setup the System's hardware environment, and to establish the Washington State-based technical support and service team.

The CTO will also oversee and work in tandem with the Vice President of Product Development and the Vice President of Client Support. The VP of Product Development will be responsible for programming the final modifications required of the S\system and for testing the system to ensure that it complies with the contract requirements. The VP of Client Support will be responsible for training both the dedicated local technical support team as well as the vendor's headquarters-based technical support team on the unique aspects of the WSLCB contract as well as well as any and all product modifications that are made in accordance with contract specifications. Reporting to the VP of Client Support is the Training Director who will develop and modify all existing training modules in accordance with any and all product modifications required by the WSLCB contract and will work with WSLCB trainers to create and present hands-on training sessions for WSLCB staff users. All user manuals and FAQs are based online and are available 24-7.

Reporting to the Co-CEO, the Vice President of Business Development will oversee Vendor-WSLCB communications, the Vice President of Communications will oversee Vendor-Licensee communications, and the Director of Human Resources will assist in sourcing and vetting qualified talent. The vendor's team will travel to Washington State during initial implementation to meet with the WSLCB to better understand the Liquor Control Board's requirements for communications. With that understanding, the vendor will develop a communications plan for initial presentation to the WSLCB that will be refined through an iterative process to ensure that it meets the needs of the WSLCB. Upon establishing the Washington State-based support team, those personnel will be available at all times to communicate with and respond to the needs and requirements of the WSLCB. During implementation, the WSLCB will be kept informed of all aspects of project implementation through its inclusion in the ASANA web-based project implementation tracking as well as regularly schedule teleconferences and in-person meetings. Finally, the VP of Communications will develop an external communications plan to keep Licensees (i.e., Producers, Processors and Retailers) fully aware of any and all upgrades, enhancements, and training opportunities well in advance of System implementation to ensure that participants have sufficient time to plan and incorporate changes into their ongoing operations.

With roll-outs to nearly 200 locations nationally since its launch in 2009, this project team has established a reputation for seamless implementation and excellent customer service. With a retention rate of better than 99%, the vendor has converted a number of its customers from its two primary national competitors and is rapidly gaining market share.

4. **Approach and Methodology.** Please provide a complete description of your firm's proposed approach and methodology, including tasks, services, work activities, etc., to be used for implementing and supporting the Seed to Sale Inventory Tracking System requested in this RFP. The response must contain sufficient detail to convey your firm's knowledge of the subjects and skills necessary to successfully complete the project.

At the time of this submission, the vendor's Seed-to-Sale Inventory Tracking System meets 97% of the technical components of the WSLCB's Request for Proposal. The remaining tasks include:

1. Completion of the remaining required components and capabilities of the Seed-to-Sale Inventory Tracking system which consists only of training modules specific to the WSLCB contract and the email alerts triggered by tracking events which are out of tolerance;
2. Development of a comprehensive project management plan to include:
  - a. Overall Project management
  - b. Communications
  - c. Quality Assurance
  - d. Risk Management
  - e. Change Control
3. Training
4. Testing
5. On-going support

The vendor will approach deployment from a project management perspective and include an iterative approach to its project management strategy to ensure WSCLB requirements are met. Using the collaborative management tool, ASANA, the vendor can allow all external parties to be included in the processes. This open feature allows the vendor to include WSLCB staff on work teams, allowing it to monitor task completion, underlying documents, and other progress in real time, as well as critique and comment as the work product develops. This guarantees exceptional transparency through real-time quality assurance.

As aspects of the project management plan are developed, they will be posted to ASANA as drafts for review and comment by other team members and the WSLCB. Given the WSLCB's unique system requirements, the vendor will develop a dedicated newsletter which it will push to the WSLCB monthly notifying it in advance of all pending updates and enhancements. In addition, the vendor will create a separate 800-number to support the WSCLB contract. The vendor also offers Live Chat, which, for the purposes of the WSLCB contract, will be placed directly on the Liquor Control Board's web portal. Finally, the vendor utilizes Zendesk ([www.zendesk.com](http://www.zendesk.com)), a web-based customer support/help desk product that features email ticket tracking, a customer self-service portal, and general help desk reporting and tracking. It offers an easy to use one-stop shop for ticket resolution.

The vendor's Co-CEO, will have overall responsibility for project implementation and execution. He will draft the overall project management plan. The VP of Business Development will have responsibility for developing the communications plan between the vendor and the WSLCB; the Vice President of Communications will have responsibility for developing the communications plan between the vendor and State of Washington Licensees. The Chief Technology Officer will have responsibility for the adaptation of existing quality assurance, risk management and change control protocols to address the unique requirements of the WSLCB contract. Mr. Ferraro will also oversee training, testing and on-going customer service and tech support.

The vendor's system has built-in redundancy that has resulted in a perfect track record in processing nearly 60 million grams of Marijuana since system deployment in 2009. At the time of RFP submission, the vendor's XML-enabled servers have been running continuously for 546 days. With the exception of a

scheduled, midnight maintenance shut down, the system has been up and running since its initial launch over three years ago, more than meeting the WSLCB's original requirement for 99.9997% uptime.

In conformance with the specifications of the RFP, the vendor will work closely with the WSLCB to test the system prior to deployment. It will design, implement and manage a secure testing environment. This will include comprehensive documentation of all aspects of testing to ensure that the system complies with all contract requirements. Currently, the vendor's change control policies and procedures minimize the possibility that changes will be introduced into the system without adequate customer input and testing. This has resulted in zero disruption to services in the more than three years since its initial deployment. The vendor's change control protocol pushes all changes to a test database where they are thoroughly tested by its team. When the vendor is satisfied with the functionality, reliability and stability of the changes, the vendor notifies its clients of the changes and offers them the opportunity to test the product in the test database. The vendor receives client feedback and makes further adjustments accordingly. When satisfied that product changes are ready for go live, the vendor notifies its clients and push the revised product to the live database. The vendor will use this same basic formula for the WSLCB product, documenting all changes and testing results as they occur. The vendor will push the product to a test database, notify the WSLCB, and seek WSLCB input. When all parties are satisfied with system performance, the vendor will push the revised product to the live database. The vendor will document its change control policies and procedures as they relate to the specifics of the WSLCB contract upon contract award and share those, in an iterative fashion, with the WSLCB to ensure that it meets its highest standards and expectations.

The vendor's experience in maintaining 0% downtime over the last 546 days has been achieved with a combination of solid design and a thorough understanding of hardware redundancy. As such, a substantial proportion of the proposer's offer will arise from the cost of hardware and server technologies to provide redundancy, speed and, reliability. This will involve development of a colocation site in Washington State with two separate domains – one for testing and a full production environment. This will allow users to enter data into the test environment without affecting live data. For the purpose of testing, the vendor will establish a number of entities that people can log into at will. System set-up should only require a day. Given the extensive experience and track record of the vendor's system, testing itself should require no more than a week. As soon as basic testing is completed, the WSLCB can connect and enter data at will.

In conformance with RFP specifications, the vendor will work with WSLCB trainers to create and present hands-on training sessions for WSLCB staff users. The vendor suggests a train the trainer approach to be developed collaboratively with WSLCB trainers via ASANA project management software. The Chief Technology Officer will provide all initial training on location in Washington State. The Washington State-based database administrators will assume responsibility for all subsequent training. The vendor typically offers on-line training through StartMeeting and other on-line conferencing systems as required. On-site training will be available as necessary and on request.

As a web-based application, no installation or configuration is necessary. All updates and enhancements will be available simply by refreshing the browser. Existing, searchable user manuals and instructional videos will be modified and made available to the WSLCB electronically.

The vendor offers exceptional customer service and technical support currently including 24-7 availability through a cascading 800-line for its commercial clients. To support the special requirements of the WSLCB contract, the vendor will create an additional 800-line dedicated to the WSLCB. Finally, the vendor will establish a separate, dedicated 800-line for the WSLCB's Producers, Processors and Retailers that will be supported by headquarters. A monthly e-newsletter will be pushed to the WSLCB and its Washington Licensees notifying them of any and all updates and enhancements in advance.

5. **Project Schedule and Deliverables.** Please include a project schedule indicating when the elements of the Statement of Work as stated in Section 1.6 of this RFP will be completed.

<b>Deliverable</b>	<b>Brief Description</b>	<b>Task Owner</b>	<b>Estimated Complete By Date</b>
<b>A. Project Management</b>	1. <b>Project Management Plan.</b> Plan that defines scope, timeframe, milestones, deliverables and persons within the vendor that will be dedicated to System development and deployment.	<b>Co-CEO &amp; CTO</b>	9/30/13
	2. <b>Communication Plan.</b> Plan for communication between BioTrackTHC and the WSLCB.	<b>VP Business Development</b>	9/30/13
	3. <b>Quality Assurance Plan.</b> Plan to assure all aspects of quality from software, to customer service, to product testing and control.	<b>Co-CEO &amp; CTO</b>	9/30/13
	4. <b>Risk Management Plan.</b> Plan to anticipate and manage risks, estimate potential impacts, and define responses.	<b>Co-CEO &amp; CTO</b>	9/30/13
	5. <b>Change Control Plan.</b> Plan to ensure that changes are imposed in a controlled manner and result in minimal disruption of services.	<b>CTO</b>	9/30/13
<b>B. Training</b>	Vendor will provide a mutually agreed upon computer based training, including web application and web service, specifically for the System.	<b>VP Client Services</b>	10/1/13-10/30/13
	Vendor will provide installation and configuration guides for each System component.	<b>Director of Training</b>	10/1/13-10/30/13
	Vendor will provide training for WSLCB staff which shall include, but not be limited to, the following:		
	1. Working with WSLCB trainers to create and present hands-on training sessions for WSLCB staff users.	<b>CTO &amp; VP of Client Services</b>	10/1/13-10/30/13
	2. Scheduling training sessions mutually agreed upon with the WSLCB	<b>Director of Training</b>	10/1/13-10/30/13
	3. Information Technology staff training detail including System administration and System installation and configuration for all System components, including but not limited to: <ul style="list-style-type: none"> <li>a. Database installation and configuration;</li> <li>b. Server configuration and software installation;</li> <li>c. Network configuration;</li> <li>d. Mobile device software installation and configuration.</li> </ul>	<b>CTO &amp; VP of Client Services</b>	10/1/13-10/30/13

<b>C. Testing</b> The vendor will work with the WSLCB to test the System. Testing requirements include, but are not limited to, the following:	1. Design, implement, and manage the testing environment.	<b>CTO &amp; VP Development</b>	9/23/13-10/11/13
	2. Design, implement, and manage from a detailed work plan that is integrated into the overall project work plan.	<b>CTO &amp; VP Development</b>	9/23/13-10/11/13
	3. Design testing documentation, including but not limited to, testing approach, detailed test plans, expected results, testing schedules, automated test scripts if applicable, and defect tracking.	<b>CTO &amp; VP Development</b>	9/23/13-10/11/13
	4. Lead and conduct all testing efforts.	<b>CTO &amp; VP Development</b>	9/23/13-10/11/13
	5. Ensure the appropriate people are assigned and scheduled to the testing effort.	<b>CTO &amp; VP Development</b>	9/23/13-10/11/13
	6. Document, interpret, and report test results.	<b>CTO &amp; VP Development</b>	9/23/13-10/11/13
	7. Identify, prioritize, and resolve all defects.	<b>CTO &amp; VP Development</b>	10/14/13-10/25/13
	8. Ensure all requirements are tested.	<b>CTO &amp; VP Development</b>	10/14/13-10/25/13
	9. Ensure the System complies with the contract requirements.	<b>CTO &amp; VP Development</b>	10/14/13-10/25/13
	10. Develop business test conditions with WSLCB input and approval	<b>CTO &amp; VP Development</b>	10/14/13-10/25/13
	11. Develop business test cycles with WSLCB input and approval.	<b>CTO &amp; VP Development</b>	10/14/13-10/25/13
	12. Conduct the following types of tests: unit integration, system, user acceptance, regression, interfaces, volume, performance, and end-to-end.	<b>CTO &amp; VP Development</b>	10/14/13-10/25/13
<b>D. Ongoing Support</b> The vendor will work with the WSLCB to provide ongoing Support and Licensing of the System.	1. The WSLCB will require ongoing System support to provide enhancements and updates to the System. Support may include consulting and/or programming services related to the System.	<b>CTO &amp; VP Development</b>	10/31/13 – End of Contract Term
	2. The WSLCB is in the beginning phases of developing rules and regulations for the Washington State’s recreational Marijuana system. The WSLCB may require the addition of items such as fields, user interface components, validation rules, and reports.	<b>CTO &amp; VP Development</b>	10/31/13 – End of Contract Term

6. **Disaster Recovery.** In two (2) pages or less, please describe your firm's disaster recovery approach as it relates to the Proposed System.

The vendor software application has been developed on PostgreSQL, a powerful, open source object-relational database system with more than 15 years active development and a strong reputation for reliability, data integrity and correctness. As an enterprise class database, PostgreSQL offers a number of sophisticated features that provide robust prevention of data loss and recovery including point in time recovery and synchronous replication.

Given the complexity and data requirements of the vendor's software, it was initially developed as a desktop application, offering it the robustness and stability that only a desktop application can offer. More recently, it has been adapted as a web-based application, providing clientele universal, anywhere access and the efficiency of browser-based upgrades and enhancements.

The vendor currently offers a single redundant server capability to its nearly 200 Marijuana client locations. In three years of continuous operation, no data loss has occurred. In spite of its solid track record for reliability, should the vendor be awarded the Seed-to-Sale Inventory Tracking System contract with the Washington State Liquor Control Board, it will utilize an off-site, secondary backup to provide a fail-safe guarantee for data integrity and recovery.

Point in time recovery allows a set of data or a particular setting to be restored or recovered from a time in the past. While point in time recovery is available, generally speaking, synchronous replication makes it unnecessary. Replication guarantees "zero data loss" by what is known as an atomic write operation whereby the write either completes on both servers or not at all. The write, or data entry, is not considered complete until acknowledgement by both local and backup storage.

Cloud-based solutions for data processing and storage requirements generally only offer reliability to the 99.99% standard at best. The vendor's own internal requirement for failsafe data integrity requires opening a colocation facility in the State of Washington which will adhere to the WSLCB RFP's original reliability requirements of the System including being 100% operational while operating normally 99.9997% of the time twenty-four (24) hours per day, seven (7) days per week. This facility will have two dedicated SQL servers running continuously in replication mode. Every time a transaction is committed, a parallel server will receive the command from the main SQL server simultaneously. A secondary backup server will be located in Florida.

The platform also includes 10 application servers that are delegated to by the front-facing load balancer. The application servers then interface with the back-end database, storing no data on their own. This allows for a scalable architecture that can easily increase load capacity by simply adding more application servers. Due to this modularity, fail-over is seamlessly handled by the load-balancers if an application server should go down. This approach also has the added benefit of significantly reducing the number of failure points.

The two Washington-based SQL servers act in a master-slave relationship in which the back-up server replicates simultaneously all actions that occur on the main server. Should the main server fail, a trigger on the back-up server will automatically promote the back-up server to master and automatically redirect all application servers to the new master. All data is backed up to the secondary backup server on a nightly basis. Thus, in the highly unlikely event of a natural disaster of such severity occurred that entirely knocked out the colocation facility in Washington State, all data would be recovered up to the most recent back-up from the secondary backup site.

Given the criticality of data integrity to its customers, in 2011, the vendor's servers and system underwent a SAS No. 70 audit, a widely recognized auditing standard, that was required by the Drug Enforcement Administration (DEA) to certify the system's compliance with the stringent standards for the electronic prescribing of all legal classes of medication, includes Schedule II drugs, across the country. The audit was conducted to evaluate the vendor's control objectives and control activities, including controls over information technology and related processes. The audit found "the controls related to the control objectives stated in the description were suitably designed to provide reasonable assurance that the control objectives would be achieved if the controls operated effectively." Furthermore, the audit found that:

the controls related to the control objectives stated in the description were suitably designed as of August 31, 2011 to achieve those control objectives. The criteria we used in making this assertion were that

- a) the risks that threaten the achievement of the control objectives stated in the description have been identified by the service organization.
- b) the controls identified in the description would, if operating as described, provide reasonable assurance that those risks would not prevent the control objectives stated in the description from being achieved.

A copy of the *Certificate of Audit* is attached to this response to request for proposal. A copy of the audit report is available upon request.

Finally, the vendor's previous experience in maintaining 0% downtime over the last 546 days has been achieved through a combination of solid design and a thorough understanding of hardware redundancy. To that end, a significant proportion of the proposer's offer will be solely dedicated to investment in hardware and server technologies that will provide redundancy, speed and, most of all, reliability, greatly minimizing concerns about disaster recovery.

With deployments to nearly 200 Marijuana facilities, up to 1,000 computers may be interacting with the vendor's current servers at any given moment during the day. As such, the vendor's system has been perpetually tested for integrity. Nevertheless, given the unique aspects of the Washington State Liquor Control Board opportunity, if awarded this contract, the vendor intends to add the aforementioned additional redundancies as indicated to provide all parties with the utmost confidence in the integrity of system data.

7. **Reporting.** In two (2) pages or less, please describe number and detail of reports that are included in the Proposed System's standard reporting package.

The vendor's System comes pre-loaded with all of the reports required by the WSLCB RFP while providing the most comprehensive and flexible report creator available to this market. A description of some of the major reports is provided below.

**Deviation Report** - These are aggregate reports that run across all Licensee datasets and report summaries only on the statistical outliers, within the time period selected. They include (but are not limited to): plant removals, wet-to-dry ratios (where applicable), average sale price and inventory adjustments. These include the Licensee, the number or percentage of (the) event(s) for that period, the average, and the standard deviation. By aggregating data across all Licensees, these reports can determine if certain ratios for a particular Licensee are outside norms with respect to other Licensees. These can be just as valuable, if not more so, than live alerts signaled against preset limits.

**Plant Inventory Report** - Displays the current plant count of the Licensee's various grow locations including: Strain, ID, Phase (Clone, Vegetative, Flower, Drying), duration of time in the current room, birth date, number of days since the birth date, and the identification number of the mother plant (if applicable). Can be constrained by a number of the aforementioned parameters.

**Plant Summary Report** - Run for the selected time period with respect to birth date, displays a summary of what happened to a subset of the plants born within the selected time period, (i.e., whether they were removed, converted to inventory, currently growing/drying, etc...). If removed, it will provide the reason.

**Current Inventory Report** - Displays the current inventory for a Licensee including product, strain, quantity remaining, and quantities dispersed across inventory rooms (e.g., safe, shelf, etc...).

**Inventory Forensics Report** - Displays, for the selected time period, all changes that have occurred against a Licensee's inventory. The system utilizes logging tables and references this table to show any and all inventory changes for the time-period including, but not limited to, customer sales, adjustments, voids, transfers, refunds with restock, conversions, etc....

**Inventory Adjustments Report** - For the selected time period, this report displays all of a Licensee's adjustments with respect to the old quantity, new quantity, date and time of adjustment, the user who performed the adjustment and the reason for the adjustment.

**Yields Report** - For the selected time period, displays strain, birth date, wet weight collection date, dry collection date (if applicable), wet-to-dry ratios, derivatives collected (e.g., Trim, Stems, etc...) if applicable, and total wet or dry product transferred out.

**Waste Report** - Displays all derivatives collected for a selected time period that have been designated as waste (e.g., Stems that are not to be converted), the room collected from, the user who collected the waste, the date and time of collection, the quantity and reason for disposal.

**Inventory Conversions Report** - For the selected time period, displays inventory items that were converted (e.g., Stems to hash oil), both the old and new quantity of the original item, the identification number of the original inventory item, the new derivative identification number, the time and date of conversion, and the user who performed the conversion.

**Plant and Inventory Count Overview Report** - Displays totals and over/unders with respect to any state mandated limits.

<b>Reports Available to Commercial Licensees</b>	
<i>Accounting Reports:</i>	
• Accounts	• Bad Debts
<i>Customers Reports:</i>	
• Average Wait Time	• New Customer Demographics
• Average Wait Time by Day	• New Customers
• Check-in Report	• New Members
• Customer History	• Non-Recent Customer List
• Customer List	• Product Purchases
• Customer MMJ Card Expiration New Customers	• Referrals
• Customer Notes	• Top Customers
• Daily Schedule	
<i>Department of Revenue (Colorado) Compliance Reports:</i>	
• 30% Compliance Report	• Primary Center Patient List
• Daily Patient Sales Report	• Transfers from OPC
• Employee List Report	• Transfers/Sales/Purchases
• Physical Inventory Sheet	• Wholesale Transaction Report
<i>Employee Reports:</i>	
• Sales statistics	• Timesheet Log
• Timesheet	
<i>Producer Reports:</i>	
• Mother Yields	• Strain Counts
• Plant Inventory	• Waste
• Plant Summary	• Yields
• Removed Plants	• Yields Forecast
<i>Inventory Reports:</i>	
• Current Inventory	• Inventory Forensics Report
• Historical Inventory	• Inventory Room Transfers
• Inventory Adjustments	• Inventory Shrinkage
• Inventory Audits	• Inventory Transfers
• Inventory Conversions	• Products
<i>Logs:</i>	
• Backup Log	• Strains Log
• Products Log	• Campaigns Log
• Products Categories Log	
<i>Sales Reports:</i>	
• Best Sellers	• Sales Demographics
• Best Sellers by Quantity	• Sales Report
• Cash Close	• Sales Tickets
• Complex Sales Report	• Sales Trends
• Discount Report	• Voided Tickets
• Discount Report by Employee	• Weigh Heavy Report
• Discount Report by Item	• Wholesale Payments
• Payments	• Wholesale Report
• Payouts	• Wholesale Tickets
• Sales Counts by Hour	• Worst Sellers
• Sales Counts by Weekday	• Worst Sellers by Quantity
• Sales Counts by Weekday and Hour	• Z-Out Report



8. **Customer Service/Technical Support.** In two (2) pages or less, please describe your firm's approach for providing technical support to the WSLCB and Licensees in utilizing and resolving issues with the Proposed System. Please also describe your firm's standard customer service approach.

Next to product quality and reliability, the vendor places technical support and customer service as its highest priority. Testimonies to its commitment to customer service are available from its nearly 200 successful roll-outs, some of which are posted on the corporate website. In its three-plus years in the legal Marijuana industry, the vendor has gained significant market share by converting dozens of competitor clients, while retaining more than 99% of its own client base.

Given the importance to which the vendor places the Washington State contract, the vendor will deploy many of its own people to Washington State for implementation, including the vendor's Chief Technical Officer. These individuals will be assisting with training of WSCLB staff, and providing any initial technical support. During the implementation period, the vendor's CTO will be the principal technical contact for the WSLCB.

Upon implementation, the vendor's Washington State-based database administrator will be responsible for on-going maintenance of the colocation facility and will be available to respond to any and all requests for trouble shooting, tech support and training that may arise from the WSLCB. To provide additional customer service and tech support, the Washington State-based database administrator will also be assisted by the vendor's Junior Database Administrator for lower level tasks, also located in Washington State, to assist with any and all requirements associated with supporting the WSLCB contract.

The vendor currently offers a dedicated 800-line to all of its commercial clients. It will, however, create a separate, dedicated 800-line so calls from the WSLCB will go directly to the Washington State-based database administrators as necessary. Any and all calls from Licensees located in the State of Washington will be routed through a third, dedicated 800-line established for that purpose.

The vendor's technical support and service center operates on cascading call line principles during normal operating hours. In the unlikely event that the Washington State-based database administrators are unavailable, the call will cascade to the headquarters-based technical support and service team. Given the requirements of the WSLCB RFP, upon receipt of contract, the vendor will establish a pager-based on-call system to meet any contractual requirements for 24-7 coverage.

In addition to cascading telephone technical support and service, the vendor offers a live chat feature to technical support and service via its website as well as an advanced ticketing feature through Zendesk.com.

Special training will be provided to the technical support and service staff on all aspects of the Washington State contract as well as any and all modifications that may be unique to that System. Additional customer service/technical support will be added in response to growth and as demand requires.

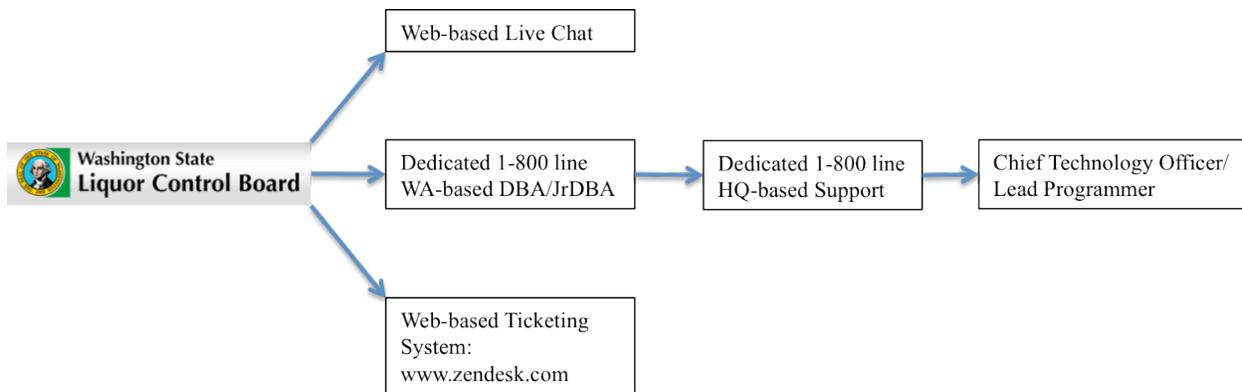
Any upgrades or enhancements will be lead by the CTO, while on-going training will be handled by the local DBA and Jr. DBA. To minimize issues associated with updates and enhancements, all such software upgrades will be pushed first to the dedicated training server for testing both by vendor personnel as well as personnel from the WSLCB. Upgrades and enhancements will only be pushed to the master server when approval to do so has been received from the WSLCB.

In addition to the redundant systems established for efficient and effective roll-out of any and all upgrades and enhancements, and for the rapid resolution of on-going customer service issues, the vendor utilizes Zendesk, a web-based customer support/help desk application that features email ticket tracking, a customer self-service portal, and general help desk reporting and tracking. It offers an easy to use one-stop shop for ticket resolution.

User manuals and videos for the System will be available to the WSLCB via their web interface. In addition, the vendor records all customer service calls, which can be converted into FAQs upon request. Finally, to support the WSLCB's own technical support/customer service efforts, the vendor will create a secure, automated username/password recovery system for Licensees who cannot recall their username and/or password. User manuals and videos will be available to Licensees on the State website as well.

As described in the response to disaster recovery, the vendor will develop a multiply redundant fail-safe system for data integrity. In the near impossible event that the vendor's battle-tested system should go down, however, the vendor's database administrator will be available in Washington State, 24-7, to resolve any issue effectively and efficiently while back-ups to headquarters-based servers will offer rapid restore capabilities.

### Technical Support and Service Routes



**TECHNICAL PROPOSAL**

Proposer is instructed to complete the table below for their Proposed Seed to Sale Inventory Tracking System by marking an “X” in the appropriate column for each listed requirement. Proposer is instructed to utilize the Acronym key and provide an explanation for all responses other than OOB or CFG. Proposer must complete each line item listed below.

As part of the evaluation process, the WSLCB may request access to the Proposed System to verify Proposer’s response to the Technical requirements as stated in this RFP.

Acronym Key:

- Out of the Box (OOB): The Proposed System completely meets the requirement without customization or configuration.
- Configuration (CFG): The Proposed System must be configured to meet the requirement but changes to software code are not required.
- Custom Solution (CSL): The requirement can be met by implementing a custom solution. *(When selecting this option, Proposer must provide explanation).*
- Subcontractor (SUB): The requirement can be met by implementing a custom solution provided by Subcontractor. *(When selecting this option, Proposer must provide explanation).*

Seed to Sale Inventory Tracking System Requirement		OOB	CFG	CSL	SUB	Explanation
<b>A. Central Inventory Management System</b>	Proposed System provides a central data management system capable of storing inventory, point of sale, and data for all Marijuana Licensees in Washington State.	X				
<b>B. Web Application Interface for Marijuana Licensee Users</b>	Proposed System provides a secure web-based user interface for data entry, display, and reporting by Marijuana Licensees.	X				
<b>C. Application Interface for WSLCB System Users</b>	Proposed System provides a secure user interface for WSLCB employees for user administration, and system administration, and display of License inventory information.	X				
<b>D. Web Service Interface</b> Proposed System:	1.Provides secure web services for data submittal from Licensee systems of all Marijuana plant, Marijuana product inventory, retail sale transaction data, and tax reports	X				
	2. Includes web service using XML based open standards.	X				<b>Fully tested and actively used for 3+ years. Allows for live data push or batching for data upload at a later point.</b>
	3. Provides validation and response feedback for validation checks on Licensee data submitted via the web service.	X				
	4. Includes a certification program to ensure that Licensees can demonstrate the capability to correctly use the web service interface before they are authorized to submit data to the System.			X		<b>Have commercial training programs, will need to redesign for this application.</b>
	5. Provides a test site for Licensees to submit test data to the System administrator to verify Licensee capability to submit data via the web service.	X				
<b>E. Reports</b>	Proposed System has the ability to download and search datasets and create multiple reports utilizing the required data in RFP K456	X				

Seed to Sale Inventory Tracking System Requirement		OOB	CFG	CSL	SUB	Explanation
<b>F. Inventory Tracking Data Points</b> Proposed System allows via user interface or automated data interface input of inventory transaction information of Producer, Processor and Retailer Licensee data including, but not limited to, the following (items 1-14):	For each inventory transaction in the System the following information will be recorded: tag ID and the date and time of the transaction.	X				
	1. <b>View/Search Inventory.</b> Proposed System includes search functionality to allow users to search for inventory items by entering a set of search criteria parameters and display the results in tabular form.	X				
	2. <b>Receive Inventory.</b> System will include functionality to allow input, tracking, reporting, and storage of information about marijuana products received at Licensee facilities from other Licensees. Data input may include, but is not limited to, the following fields: Receipt Date, Received By, Source Licensee Name, Source License Number, Order Number, Items shipped and/or received information; including but not limited to Product ID, Product Name, Lot Number, Batch Number, Weight, and Quantity.	X				
	3. <b>Add/Edit Location.</b> System will allow input of user defined inventory locations within an organization, including but not limited to: germination and clone room, vegetative/growth room, harvesting/flowering room, trimming room, curing room, packaging area, quarantine area, other storage area, and retail area.	X				
	4. <b>Add/Edit Product Type.</b> System will allow input of product types, including but not limited to: plant strain, extract type, infused product types. Inputs may include fields including but not limited to: product name, product type, product ID, and units of measure.	X				
	5. <b>Create the Work Order/Product Batch.</b> System will allow for products to be composited into new products. Inputs may include fields including but not limited to: product type, product ID, units of measure of product yield, number of units yielded, component item information for all items containing marijuana products; including product ID, product name, lot number, and quantity. So that products inputs may be traced back to their origin, the inventory of each product batch is tracked by the Product ID and a unique Lot Number created for each new product batch.	X				
	6. <b>Transfer to Location inside Licensee Organization.</b> System will allow input of inventory transfers between Licensees. Input may include, but is not limited to, the following fields: date of transfer, transferred by, order number, source license number, destination license number, and list of transferred products including product ID, product name, lot number, and quantity.	X				

Seed to Sale Inventory Tracking System Requirement	OOB	CFG	CSL	SUB	Explanation
7. <b>Adjust (Dispose) Inventory.</b> System must allow input of inventory adjustments, such as disposal, wastage, and theft. Data input may include but is not limited to: date of adjustment, adjustment type, plant or other product ID, lot number, batch number, weight/quantity, and explanation.	X				
8. <b>Transfer to another Licensee.</b> System will allow input of inventory transfers between Licensees. Input may include, but is not limited to, the following fields: date of transfer, transferred by, order number, source license number, destination license number, and list of transferred products including product ID, product name, lot number, and quantity.	X				
9. <b>Quality Assurance.</b> The System must be able to record transfers of small amounts of marijuana product to a laboratory for testing. Input may include fields including but not limited to: date of transfer, transferred by, order number, source license number, laboratory name, laboratory license number, WSLCB agent name, and list of transferred products including product ID, product name, lot and/or batch number, and quantity. Quality Assurance test results for any Lot or Batch must be accessible by the WSLCB and any Licensee. The System must allow the WSLCB and Licensees to search, upload, and download test results in a PDF, Excel and/or other document formats	X				
10. <b>Transfer Manifest.</b> System will provide functionality for Producer, Processor and Retailer Licensees to create transfer manifest documents. Transfer manifests will be stored and tracked by the System. Input data may include, but is not limited to, the following fields: ship from name, license number and route description. For each item include destination address, destination name, license number, address, product description, product ID and lot number, quantity and units of measure. Transfer manifests will be used as shipping documents for transfers between locations within an organization or sales between Licensees.	X				
11. <b>Retail Sales Transaction Data:</b> Licensee retail sales transaction data may include fields including but not limited to: time and date of sale, license number, order number, sales items, and quantities. Transaction data may include unique transactions for sales, refunds, voids, adjustments, etc.	X				
12. <b>Taxes.</b> System will allow Licensees to generate excise tax reports for the purpose of satisfying reporting requirements to the WSLCB.	X				
13. <b>Inventory Seizure.</b> Proposed System provides functionality to allow WSLCB System Users to indicate inventory items have been seized by the WSLCB.	X				

Seed to Sale Inventory Tracking System Requirement	OOB	CFG	CSL	SUB	Explanation
	<b>X</b>				
<b>G. Unique Producer Inventory Tracking Data Requirements</b> All cultivation of Marijuana will be performed at a Licensed Producer location. Cultivation includes plant processing from plant propagation to harvest. Producers may provide Marijuana for sale at wholesale to Marijuana Processor Licensees or to other Marijuana Producer Licensees. System will allow via user interface or automated data interface input of inventory transaction information as stated in Item F above and in accordance with the unique Producer requirements provided in Item G.	<b>X</b>				
	<b>X</b>				

<b>Seed to Sale Inventory Tracking System Requirement</b>		<b>OOB</b>	<b>CFG</b>	<b>CSL</b>	<b>SUB</b>	<b>Explanation</b>
	9. Producers may package and sell Marijuana on a wet or dry basis. To facilitate the tracing of product inputs back to their origin, the inventory of each package will be tracked by the Product ID and a Lot Number. Data may include fields including, but not limited to: strain, product name, package ID, Unique Plant Identifier for each plant included in the Lot, weight and other units of measure.	<b>X</b>				
<b>H. Unique Processor Inventory Tracking Data Requirements</b> Processors will process, package, and label Useable Marijuana and Marijuana-Infused Products for sale at wholesale to Marijuana Retailers. Marijuana-Infused Products contain Marijuana or Marijuana extracts and are intended for human use including but not limited to edible products such as baked goods, confections, beverages, and tinctures, and non-edible products such as ointments. System will allow via user interface or automated data interface input of inventory transaction information as stated in Item F above and in accordance with the unique Processor requirements provided in Item H.	1. Proposed System tracks production events, including but not limited to, process and yield in weight or volume, Lots and/or portions used to create a batch of extract and individually packaged unit of marijuana, extract batches used to create a batch of infused marijuana product, and total yield of batch.	<b>X</b>				
	2. Proposed System tracks marijuana disposal including the following data fields: usable plant material, net weight and units of measure for all plant material, extract, and marijuana-infused product, and reason for disposal.	<b>X</b>				
<b>I. Unique Retailer Inventory Tracking Data Requirements</b>	Retailers will sell useable Marijuana, Marijuana-Infused Products, and Marijuana paraphernalia at retail in retail outlets to persons twenty-one (21) years of age and older. System will allow via user interface or automated data interface input of inventory transaction information as stated in Item F above.	<b>X</b>				
<b>J. Audit/Investigation Reporting</b>	1. The System will provide a robust ad-hoc reporting functionality for WSLCB personnel to determine compliance with Washington State statutes and rules.	<b>X</b>				
	2. The System must be able to collect and summarize in report format, data for various read points in the processing of Marijuana products.	<b>X</b>				

<b>Seed to Sale Inventory Tracking System Requirement</b>		<b>OOB</b>	<b>CFG</b>	<b>CSL</b>	<b>SUB</b>	<b>Explanation</b>
	3. The reporting functionality must be capable of reporting of tracking and batch information through the entire supply chain, cross reference and analyze data between Producers, Processors, and Retailers such as grow cycles and the number of plants.	<b>X</b>				
	4. The reporting functionality will be capable of reporting over all database tables and fields within the System.	<b>X</b>				
	5. The reporting functionality will allow the WSLCB to define new reports and edit as needed without assistance or ongoing support from the Awarded Contractor.	<b>X</b>				
	6. The System will provide functionality to export report data to variety of formats including but not limited to: Microsoft Excel, CSV, text.	<b>X</b>				
<b>K. System User Access</b>	1. Various groups of users will need access to the System functions and data. The two primary user groups include WSLCB System Users and Licensee System Users. The System must be able to provide the capability to configure system user access to functions and data as appropriate to the individual and their user group.	<b>X</b>				
	2. The System must provide internal software security that prevents unauthorized access to programs and data.	<b>X</b>				
	3. Proposed System will provide functionality for registration of WSLCB staff administrators.	<b>X</b>				
	4. Proposed System will allow Licensee administrators to set up system user accounts for employees that would be used only for login at that Licensee organization.	<b>X</b>				
	5. Proposed System will allow Licensee administrators to configure employee access to some activities in the system and not others.	<b>X</b>				
	6. Proposed System will provide functionality to configure access to reporting functionality to WSLCB System Users and Licensee System Users.	<b>X</b>				
	7. Proposed System will provide functionality to configure access to reporting functionality to WSLCB System Users and Licensee System Users.	<b>X</b>				
	8. Proposed System will provide functionality to configure WSLCB System User access to Licensee organization data.	<b>X</b>				
<b>L. Audit Tracking</b>	The System will provide full tracking of changes to all application data including date of change, System user ID, type of change (insert, update, delete) and original and updated field values.	<b>X</b>				
<b>M. Data Storage Requirement</b>	Proposed System is a fully hosted solution. All data, reports, and forms will be stored by the Awarded Contractor.	<b>X</b>				

<b>Seed to Sale Inventory Tracking System Requirement</b>		<b>OOB</b>	<b>CFG</b>	<b>CSL</b>	<b>SUB</b>	<b>Explanation</b>
<b>N. Reliability/Uptime</b>	1. Proposed System is 100% operational while operating normally 99.9997% of the time 24 hours p/day, 7 days p/week.	X				
	2. Scheduled downtime can be scheduled during times other than the standard business hours of Monday through Friday, 8:00 a.m. to 5:00 p.m. (PT). Forty-eight (48) hours advanced written notice of scheduled downtime can be provided to the WSLCB and Licensees.	X				
	3. Customer service contact information for technical problems, including but not limited to, outages, production support, and connectivity issues can be provided to the WSLCB and Licensees.	X				
	4. Must provide the ability assist WSLCB and Licensee staff in resolve connectivity and download/upload issues.	X				
<b>O. Data Upload Requirements</b> Proposed System:	1. Allows users to verify and correct uploaded data before posting to the System.	X				
	2. Allows users to correct posted information.	X				
	3. Allows users to manually enter data into input screens, as an alternative to uploading data.	X				
<b>P. Data Download Requirements</b>	1. Proposed System allows for the downloading of limited datasets and ad-hoc reports determined by the WSLCB.	X				
	2. Proposed System web portal allows for limited downloads for ad-hoc data mining requirements. A limited dataset will consist of a data snapshot over a period of time definable by the user.	X				
	3. System downloads will transmitted over an encrypted Secure Socket Layer (SSL) connection.	X				
<b>Q. System Alerts</b>	Proposed System allows WSLCB staff to create, modify, and receive alerts. Alerts must be configurable by WSLCB staff to set tolerance levels and select alert recipients. Email alerts will be triggered by tracking events which are out of tolerance.			X		<b>Currently have static system for our own monitoring purposes. Will need to add some flexibility to this functionality for creation/modification of alerts by WSLCB.</b>
<b>R. System Retention Policy</b>	System must follow a record retention policy. Data collected by the System must be available for a period of six (6) years. Data stored within this time period must be available for recall by users for data and/or public disclosure requests. Following the retention period, data must be archived to a mutually agreed upon permanent storage medium prior to removing it from the system.	X				
<b>S. Disaster Recovery</b>	Proposed System has a disaster recovery plan which includes off-site backups and System restoration within twenty-four (24) hours.	X				

<b>T. Security Model</b>	1. Proposed System has a user-based security model which allows Marijuana Licensees to only view data collected for that individual licensee and allows WSLCB staff to view data for all Marijuana Licensees based on specified search criteria.	<b>X</b>				
	2. Proposer will at all times maintain network, system, and application security that, at a minimum, conform to the current cyber security Standards set forth and maintained by the Center for Internet Security, which can be found at: <a href="http://www.cisecurity.org">http://www.cisecurity.org</a>	<b>X</b>				

## COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit Proposals which are consistent with State government efforts to conserve state and federal resources.

**Instructions to Proposer:** Proposer shall complete Table 1, Table 2, **and** Table 3 below by entering in their Seed to Sale Inventory Tracking System pricing information as specified in each table.

**Table 1: Inventory Tracking System Pricing**

Description	Total Cost
Total cost for Seed to Sale Inventory Tracking System and Implementation as stated in this RFP <i>Pricing shall include all requirements and deliverables specified in Sections 1.5 and 1.6 of this RFP.</i>	\$ <u>782,000</u> total

**Table 2: Annual Maintenance & Support**

Description	Annual Cost
Annual renewal cost (including maintenance and support) of the Seed to Inventory Tracking System as specified in this RFP.	\$ <u>296,000</u> p/year

**Table 3: Consulting Services**

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for additional as needed consulting services, including but not limited to: Ad-Hoc Reporting, System Enhancements, Additional requirements (as needed)	\$ <u>90</u> p/hour

The proposed pricing in Table 1 includes the total cost for the Seed to Sale Inventory Tracking System and implementation as stated in the RFP, including pricing for all requirements and deliverables specified in Sections 1.5 and 1.6 of the RFP K456, which also includes the initial two-year contract term.

The proposed pricing in Table 2 includes ongoing maintenance and support beyond the initial contract term, exclusive of mutually agreed upon cost of living adjustments.

Finally, the proposed pricing in Table 3 includes as needed consulting services, including but not limited to, ad-hoc reporting, system enhancements, and additional requirements as needed, exclusive of mutually agreed upon cost of living adjustments.

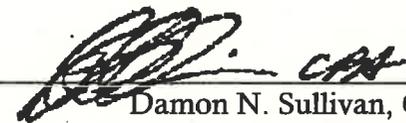
# *Certificate of Audit*

An Independent Service Auditor's Report has been issued to

**BioTech Medical Software Inc.**

after completing a Type I SSAE Audit (formerly SAS 70)

as of August 31, 2011



Damon N. Sullivan, CPA  
KirkpatrickPrice LLC



KirkpatrickPrice