ERP Finance Solution

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1   Information about the purchasing needs of the Red Cross

1.1   The Red Cross in Norway

The Red Cross in Norway is a national society of the world's largest humanitarian aid organization, The International Red Cross and Red Crescent Movement. The organization is in 192 countries and has nearly 15 million volunteers. The basic idea of the Red Cross is to prevent and alleviate human suffering, both in local communities and in international conflicts.

Currently, the Red Cross in Norway has just over 156,000 members and approx. 41,000 volunteers distributed over various activities. In Norway, the Red Cross is organized with a national office in Oslo, 17 district offices and 368 local branches. The number of employees is approximately 680 nationwide. For further information, visit our web page www.rodekors.no.

1.2   Description of the planned procurement

1.2.1   Background

The Red Cross in Norway needs to improve the financial model and ERP finance solution to ensure efficient reporting of financial management information. Today, the Red Cross has several different on-premises ERP finance systems, which have been developed over time without a holistic approach to architecture governance. General ledger, accounting and other core finance capabilities are supported by Unit4 ERP, incomes are handled in MS AX and other finance capabilities are supported by other third-party systems.

Today's solutions have limited ability to meet the existing and future requirements for grant reporting, financing, and handling of free and restricted funds. Thus, there is a need to ensure a new and holistic solution for financial management. Furthermore, the solution should be a Software-as-a-Service (SaaS) public cloud solution.

A preliminary study which was conducted in the period August 2022 to March 2023 mapped the financial processes and system landscape around the current ERP finance solutions. The study recommended acquiring and rolling out a new ERP Finance solution for the core financial processes of the national office, the 17 district offices and approximately 100 of the local communities. Additionally, several field offices outside of Norway will also use the solution.

The preliminary study also recommended acquiring the services of an implementation partner who will be responsible for configuring the new solution, so that the Red Cross is solely responsible for everything which is Red Cross-specific, including integrations.

Due to a limited inhouse capacity the Red Cross will also need to acquire maintenance & support services.

1.2.2   Procurement and information scope
The Red Cross wants to procure and request information on:

1.   **Cloud services**: ERP Finance solution for the core financial processes as a Software-as-a-Service (SaaS) public cloud solution.

2. **Implementation partner services**: Assistance in relation to configuration & development, platform & deploy, migration of data, test management and solution architecture (not including system integration services).
3. **Maintenance & support services:** Assistance in relation to monitoring the solution and relevant integrations, responsive error handling and second line support.

The Red Cross encourages potential suppliers to provide information on solutions that includes both the cloud services, implementation partner services and maintenance & support services, however, information provided on only one of the services required will also be reviewed.

1.2.3 Single supplier
The Red Cross wants to procure both the cloud-, implementation partner-, and maintenance & support services with one contract party, so that the contract party will be a single supplier for the whole ERP Finance solution.

The single supplier will be sole responsible for setting up the solution, products, and services into one comprehensive service. Moreover, the supplier will not be responsible for system integrations, as the Red Cross holds this responsibility and other Red Cross-specific issues.

1.2.4 Specifications of functional demands
The new ERP Finance Solution should support the finance processes defined in chapter 1.2.4.1 to 1.2.4.15 and include the following capabilities:

1. General Ledger
2. Budgeting and forecast
3. Bank reconciliation
4. Incoming invoices
5. Generate and send invoices
6. Travel and expenses for volunteers
7. Registers
8. Reporting and analysis
9. Computing engine
10. Integration hub[1]

The Red Cross in Norway is open for both a "Best of breed" or "Best of suite" approach to our new ERP Finance Solution, and suppliers are welcome to propose different solutions.

Furthermore, the Red Cross in Norway is also open for receiving solution proposals that do not cover all the functional areas specified above. If so, the supplier should specify which functional areas that are not covered.

These capabilities are illustrated in target state illustration in Figure 1.

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[1] The Red Cross in Norway has an integration strategy to use Azure Integration Services as the primary integration hub. It is thus desirable that a new ERP Solution is easily integrable with Azure Integration Services. However, the supplier is also welcomed to propose an alternative integration hub. For more information, see integrations under "Specification of non-functional demands".
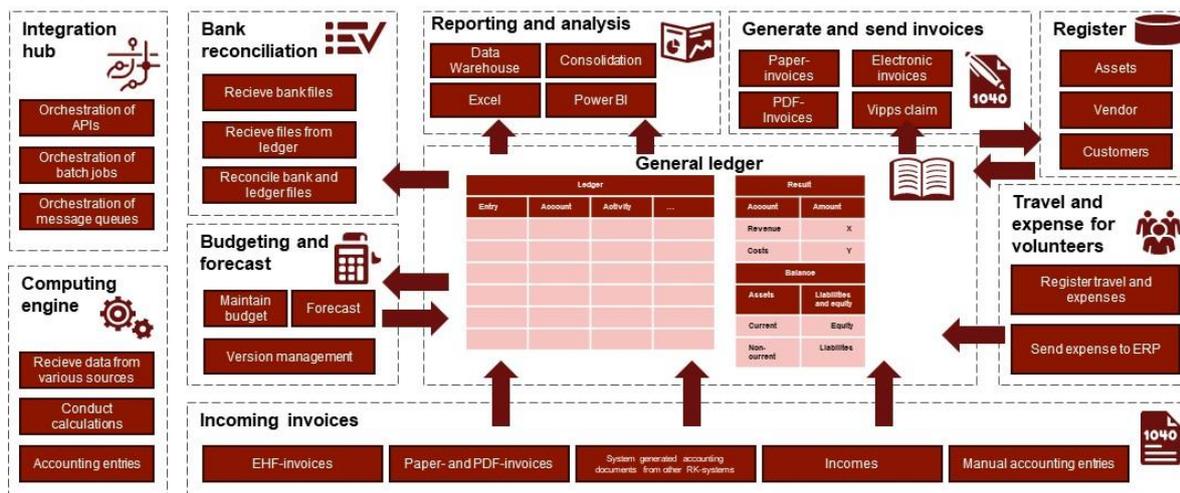
Figure 1 Illustration of capabilities that should be supported in the target state ERP Finance Solution.

The capabilities above should support the core finance processes defined in this chapter. Each core finance process is defined in more details in the chapters below. The functional requirements in the requirement specification are also categorized based on the defined processes. Please see the requirement specification for further details.

1.2.4.1 Revenue streams

The Red Cross in Norway's income can mainly be divided into four sources of income: 1) Public grants - international, 2) public grants and foundations - Norway, 3) donations/gifts from private and business partners, and 4) fundings without restrictions ("frie inntekter"). The different sources of income finance various types of activities and follow different income streams. Each source of income can occur via several distinct payment solutions. This complexity requires multiple and flexible payment solutions, and it should be easy to administrate revenue streams and distribute them from donor to the right projects, district offices and local branches.

Revenue from membership fees is recognized when it is received. Contributions from the public authorities, which comes with restrictions, are usually recognized as income in line with expenditures linked to the supported activity. Contributions which have not been recognized as income are entered on the balance sheet as a liability under "Unused public funds". Contributions from other donors, and revenues earned from activities, are recognized to income when the organization has the legal right of ownership to the contribution, and the value can be reliably measured.

1.2.4.2   Payment for transfer
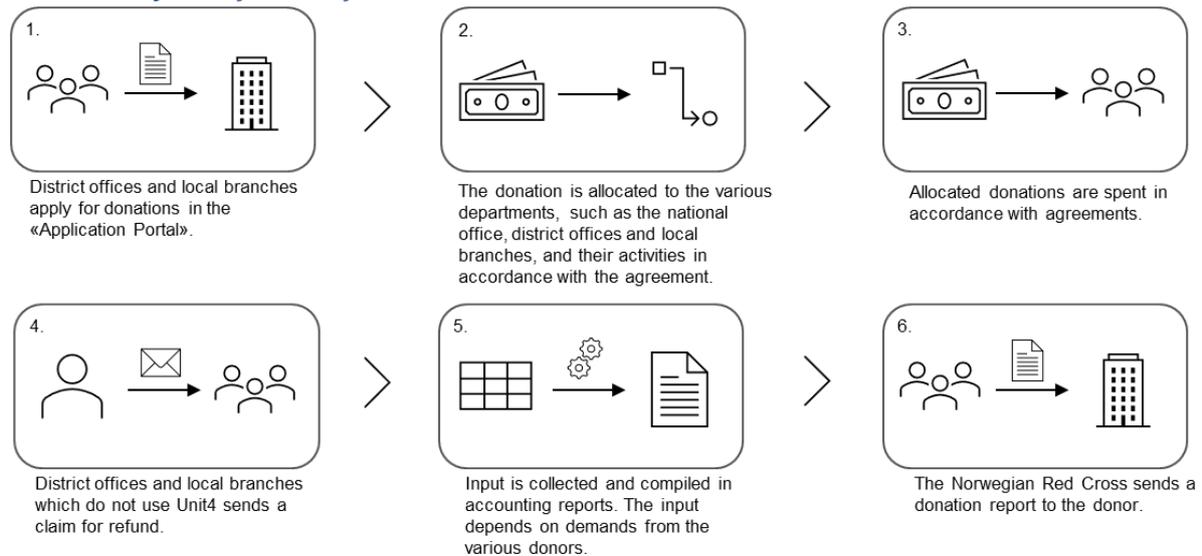
Figure 2 Illustration of the Payment for transfer process

The Red Cross in Norway receives projects fundings from donors who finance national and international work. The donors require a high standard of financial reporting. In order to make these processes more efficient, our new ERP Finance solution should support these tasks with automation.

Distribution of project funding – National transfer

The Red Cross in Norway's national office collects/applies for funding on behalf of the Red Cross in Norway. The process related to "payment for transfer" consists of the Red Cross in Norway's national office receiving funds, which in turn are distributed to the district offices and local branches. Thereafter, the formal allocation of grants to the district offices and local branches is administered with the help of *Søknadsportalen* (a MS Office solution).

Cash Request – International transfer

The Red Cross in Norway's Field Offices, International entities (IFRC, ICRC) and other Red Cross societies issues cash requests. Requests for project funding typically requires transfer in other currencies than Norwegian Kroner (NOK). The formal allocation of grants is evaluated in the external application *Process Information Management Systems* (a MS Office solution).

1.2.4.3 Financing

1. Funding starts with the budgeting process, in which the constellation of funding is planned for the various activities. The funding can consist of extenal funds and/or disposable funds.

2. An allocation key for funding is configured based on the funding sources for the activity. This is performed in Unit4. The allocation key orchestrates how the activity should be funded.

3. If actual donation is lower than budgeted, there are two outcomes. Either disposable funds have to be applied, or the activity must be reduced. This implies a change in allocation keys.

4. When a cost is incurred on a project, a batch-job is performed in Unit4 by night which posts this with regards to the cost and allocation key.

5. Redistribution of donations occurs 1-2 times a year.

6. Towards the year end, the accounting departments review the consumption of available funds. Then they reconcile all funding sources to review if there are remaining funds or if they have overspent.

Figure 3 Illustration of the Financing process

The Red Cross in Norway's project funding is carried out by predefined allocation keys in Unit4 in the balance accounts. An allocation key indicates funding source and the spending cap according to budget plans and grants. An automated financing process books projects' revenue according to expenditures by allocation keys.

A project can be funded by multiple funding resources, e.g., public, collected, and free funds. A project's allocation keys trigger which funding sources that will finance the project, and what proportion of the project they finance.

1.2.4.4 Order-to-cash

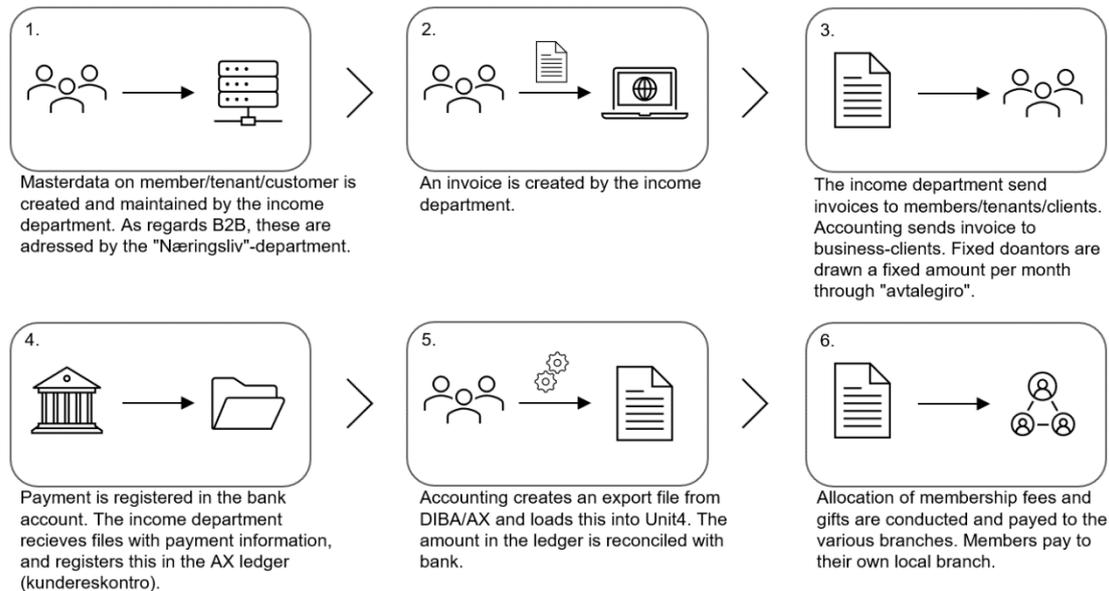| 1.	2.	3.
Masterdata on member/tenant/customer is created and maintained by the income department. As regards B2B, these are adressed by the "Næringsliv"-department.	An invoice is created by the income department.	The income department send invoices to members/tenants/clients. Accounting sends invoice to business-clients. Fixed doantors are drawn a fixed amount per month through "avtalegiro".
4.	5.	6.
Payment is registered in the bank account. The income department recieves files with payment information, and registers this in the AX ledger (kundereskontro).	Accounting creates an export file from DIBA/AX and loads this into Unit4. The amount in the ledger is reconciled with bank.	Allocation of membership fees and gifts are conducted and payed to the various branches. Members pay to their own local branch.

Figure 4 Illustration of the Order-to-cash process

The order-to-cash process involves several steps, starting with receiving the donation contract/sales order, generating an invoice, and receiving the payment. Sales orders are registered manually or by import from a third-party system.

The national office expects to handle accounts receivable of membership fees, other individual calls of contribution and voluntary promotions to the Red Cross in Norway in a seamless CRM-ERP solution.

Invoicing is carried out according to Norwegian standard (EHF) and European standards (PEPPOL BIS) with capacity to generate invoices in Paper/PDF-format. The new ERP Finance solution should handle various payments solutions and booking of payment, and reconciliation of accounts receivable should be automated.

1.2.4.5 Reporting and analysis

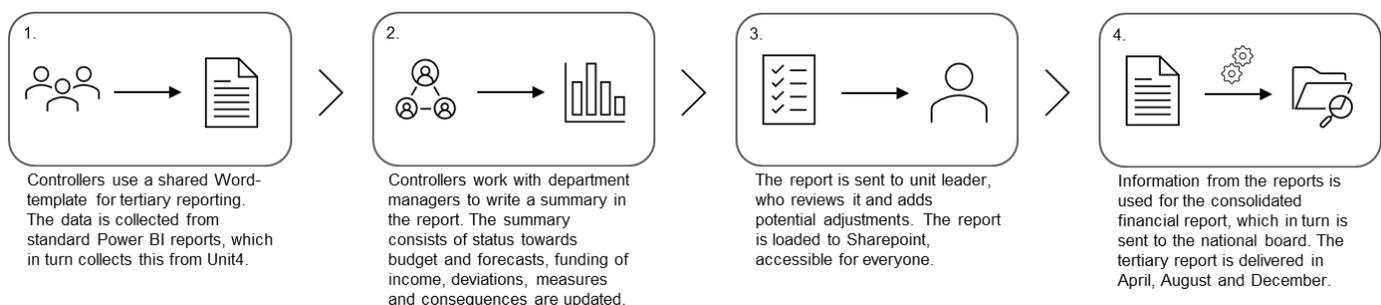| 1.	2.	3.	4.
Controllers use a shared Word-template for tertiary reporting. The data is collected from standard Power BI reports, which in turn collects this from Unit4.	Controllers work with department managers to write a summary in the report. The summary consists of status towards budget and forecasts, funding of income, deviations, measures and consequences are updated.	The report is sent to unit leader, who reviews it and adds potential adjustments. The report is loaded to Sharepoint, accessible for everyone.	Information from the reports is used for the consolidated financial report, which in turn is sent to the national board. The tertiary report is delivered in April, August and December.

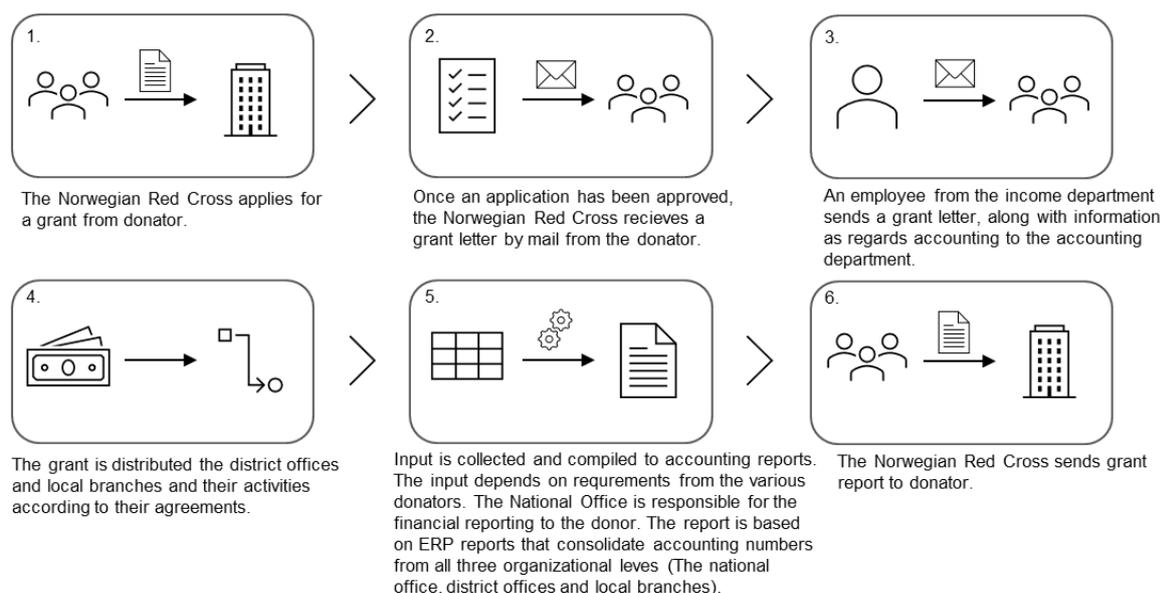*Figure 5 Illustration of the tertiary reporting*

Figure 6 Illustration of the grant reporting

The Red Cross in Norway publishes its financial reporting in minimum four different ways:

· Financial reporting according to Norwegian Accounting Act to the public authority
· Financial Statements according to "Good accounting practice for non-profit organizations" to donator
· Financial reporting according to resolutions of Triennial National Convention
· Financial reporting to internal and external leadership and the board of directors and advisors according to resolutions of the annual meeting

In addition to donor reporting nationally and financial reporting, The Red Cross in Norway also reports to IFRC (International Federation of Red Cross and Red Crescent Societies). The reporting to the IFRC is area/project reporting (e.g. Covid, Ukraine, earthquake in Syria/Turkey etc).

Reporting parameters, attributes, and relations are usually predefined according to external and internal funding grants' clauses, premises, obligations and resolutions. Reporting is conducted frequently and on demand. Various donators have distinct reporting requirements, and the New ERP Finance system needs to support frequent changes with regards to reporting.

1.2.4.6 Budgeting and forecasting

The management group sets priorities for next year's HAPRO (Program of action and budget) which is adopted by the national board in june. These priorities form the basis for the budget work. Guidelines and general instructions for the budget are sent to the departments.

The departments prepares a budgeting draft for HAPRO. The first draft for the budget is delivered in an Excel template.

Planning and budget-workshop with the departments.The departments prepare a proposal for measures and an overall budget which is presented in a management meeting. The budget is loaded to FP&A.

Budgeting conference with enhanced leadergroup. This is to ensure a joint review and consensus on HAPRO and the budget, as well as to discuss economic development for the Red Cross.

A summary of the budget conference is prepared and sent to the management team by the Director of Finance.

HAPRO and budget are sent to the national board by the Director of Finance on behalf of the Secretary General. The national board decides HAPRO and budget.
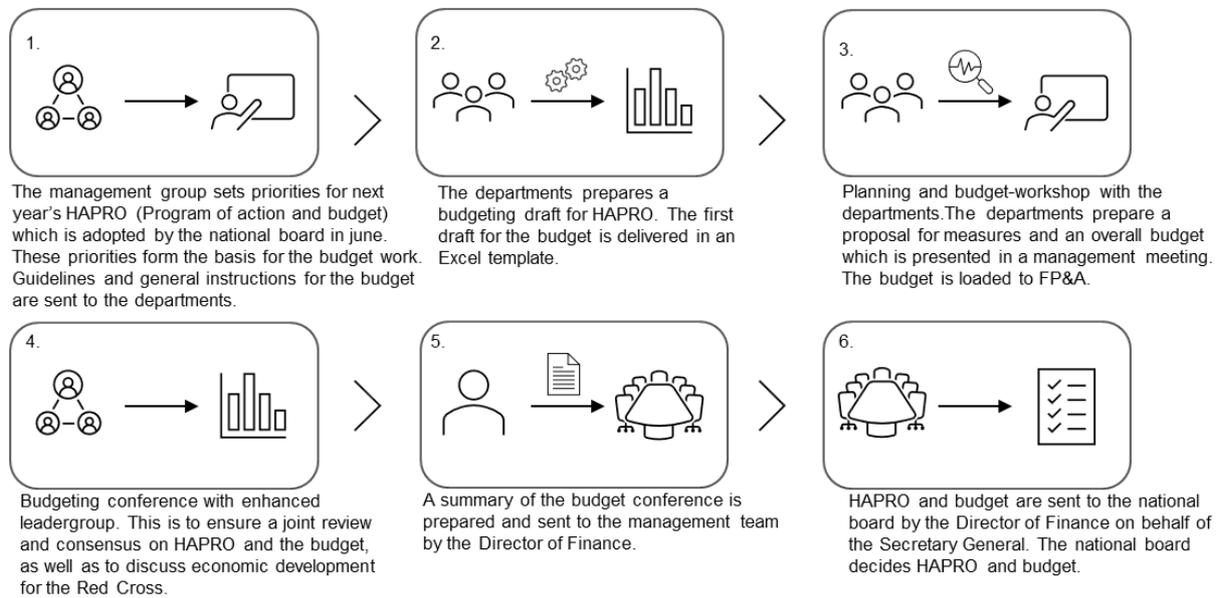
Figure 7 Illustration of the budgeting process

Throughout a fiscal year, the organization's budgeting users review historical budget plans and short-term forecasts. Thus, if respondents to this RFI offer a budgeting tool, this needs functionality to examine historical budgets and forecasts. The new ERP Finance solution should have the functionality to handle versioning of budgets and forecast.

In today's budgeting solution (Unit4 FP&A), accounting and reporting figures are imported from the ERP solution. In turn, ERP collects budgeting and forecast numbers from the budgeting solution.

The Red Cross in Norway encourages potential suppliers to provide information on solutions which include budget and/or forecast functionality.

1.2.4.7 Salary and travel expenses

Input from Visma Multi (HR-portal) is sent to Visma. Input which is registered in Visma Multi and sent to Visma is typical information about pension, sick leave, vacation, time registration and expenses.

Visma runs payroll based on information in Visma Multi.

Visma sends a payroll-file to accounting which is loaded to Unit4. Remittance-file is sent to DNB. Accounting approves salary payment in bank.

Controllers withdraws a salary report based on activity level.
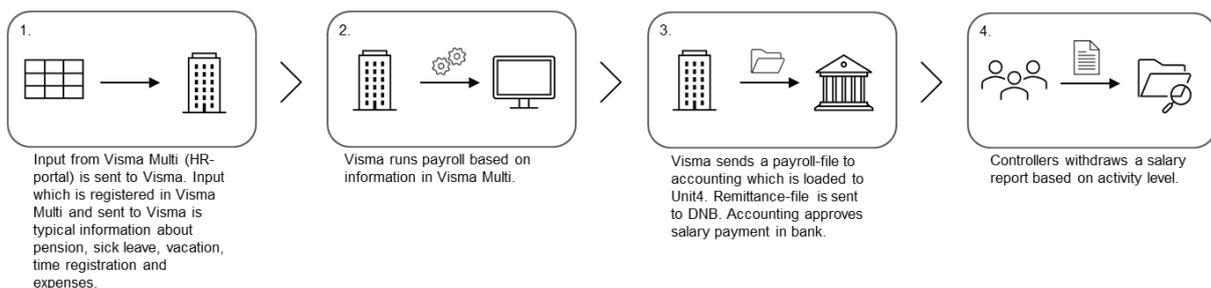
Figure 10 Illustration of the salary process

The HR and payroll processes are outsourced to Visma, and Visma is responsible for the public reporting (A-melding). A new ERP solution must have an integration with the payroll system, Visma Multi (payroll). The Red Cross in Norway is responsible for reconciling the salary accounts, and the national office is in charge of salary and other reimbursements' settlement.

Today, the calculation of salary costs per activity per employee is performed in Visma Multi (payroll) based on input from Visma Multi (HR) and only booked in Unit4 ERP based on vouchers from Visma Multi (payroll). In a New ERP Finance solution, it is desirable that the calculations should be performed in the ERP based on input from both the payroll and HR systems.

All employees in the district and local branches of the Red Cross in Norway are legally employees of the National office. Thus, Visma is responsible for handling the pay and expenses of all employees. However, the salary costs and expenses of the district employees are invoiced and booked on the relevant district and local branch. This invoicing process should be automated in the new ERP Finance solution.

Visma is only responsible for handling payrolls and expenses for employees in the Red Cross in Norway. Thus, we need a solution that can support Travel and Expenses for volunteers within the scope of the ERP Finance solution.

1.2.4.8   Annual financial statement

1. Excelerator is used to generate the annual financial statement and notes.

2. Accounting controls the annual financial statement and notes. If there are errors, the correction is conducted in Unit4 or directly in Excelerator dependent on what type of error that is discovered. The report is rerunned after errors have been conducted. The controllers verifies the annual the activity books.

3. Accounting orchestrates the annual financial statement to reconcile on result and balance level. It is not possible to reconcile the activity books towards accounts, since an account can be connected to multiple targets.

4. The annual financial statement is reconciled and sent for audit. The auditor consolidates the subsidiaries and creates the consolidated accounts. In turn, these are controlled and approved by the national board, and approved by auditor, before it is sent to Altinn.
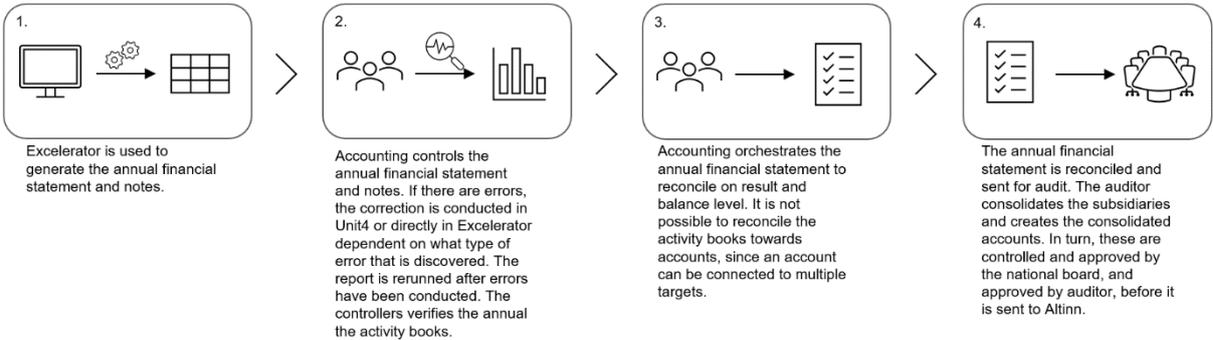
Figure 9 Illustration of the annual financial statement process

The annual financial statement is prepared in accordance with the Norwegian Accounting Act and the preliminary accounting standard "Good accounting practice for non-profit organizations", cf. Sections 4- and 1-2(9) of the Norwegian Accounting Act.

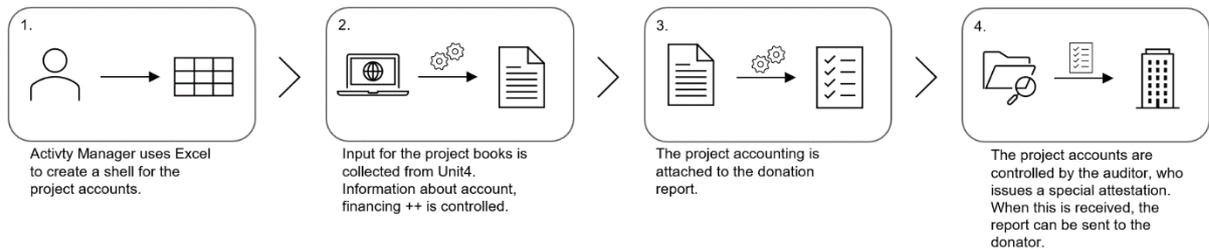### 1.2.4.9   Project accounting

Figure 10 Illustration of the project accounting process

The Red Cross in Norway uses both management accounting and financial accounting in the project accounting process. The ERP solution must support the following standards in the financial accounting and reporting:

· Norwegian Non-profit accounting principles in addition to Norwegian Accounting Act
· Financial Statement Accounting and reporting by year-basis
· "Matching Principles" *("motsatt sammenstillingsprinsippe*t") in which income revenue is booked according to expenses

The Red Cross in Norway's national office publishes a consolidated financial statement of projects on behalf of all leads across national and international levels.
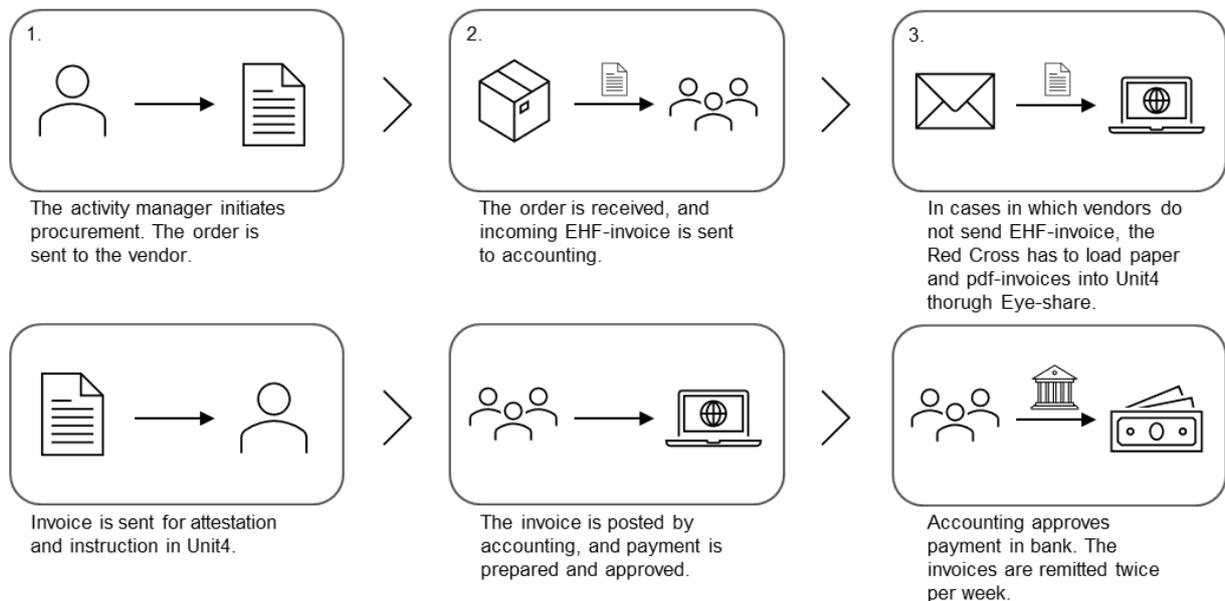
1.2.4.10   Purchase-to-pay

Figure 11 Illustration of the purchase-to-pay process

The purchase to pay process in the Red Cross in Norway is standardized according to The Norwegian Accounting Act. The ERP solution should support invoices in the Norwegian standard EHF/PEPPOL and PDF.

The ERP solution may support automated identification of supplier information and accounting rules, workflows for approval process and booking of accounts payable. The system should provide solutions for seamless automation in the remittance and reconciliation of accounts payable.

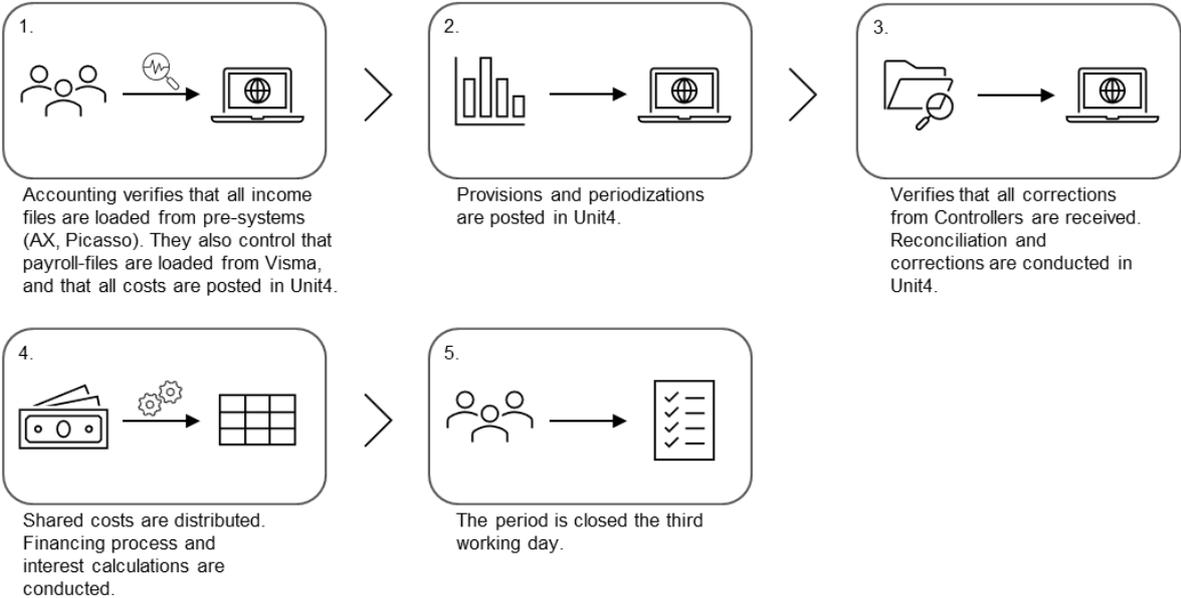## 1.2.4.11 General ledger and period end

1. Accounting verifies that all income files are loaded from pre-systems (AX, Picasso). They also control that payroll-files are loaded from Visma, and that all costs are posted in Unit4.

2. Provisions and periodizations are posted in Unit4.

3. Verifies that all corrections from Controllers are received. Reconciliation and corrections are conducted in Unit4.

4. Shared costs are distributed. Financing process and interest calculations are conducted.

5. The period is closed the third working day.

Figure 12 Illustration of the period end process

General ledger

The system should provide an easy and intuitive general ledger solution for users with various types of inquiries according to user's needs. Users in the Red Cross in Norway use posting templates for large volume of entries. The system should support workflow of this tasks.

Period end

The Red Cross in Norway closes its general ledger monthly. Period end activities include finalizing the financial records and preparing the accounts for the next accounting period. The system should support task management for users, monitoring of data transactions, automated calculation of periodic transactions, and scheduled posting tasks. A highly automated reconciliation of bank statements and balance should be available in the system.

1.2.4.12 Plant and depreciation

1. A purchase is initiated, invoice is received and adressed by the accounting department.

2. An employee in accounting registers i Unit4. If the asset does not exist in Unit4, a depreciation is also added. The proposal is created, controlled and eventually posted.

3. Depreciations for the period are runned. Main iteration is the 20th in every month, and an additional iteration in the monthly closure.

4. Accounting reconciles the assed module against the ledger.
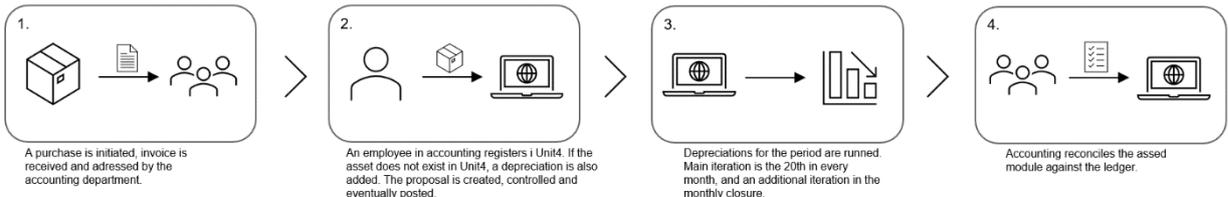
Figure 13 Illustration of the plant and depreciation process process

Typical fixed assets at the Red Cross in Norway are project's related inventory, IT equipment, and organization's properties. The procurement process related to plant and depreciation is standardized. An automated register and booking of fixed assets and depreciation is required in the new ERP Finance Solution.
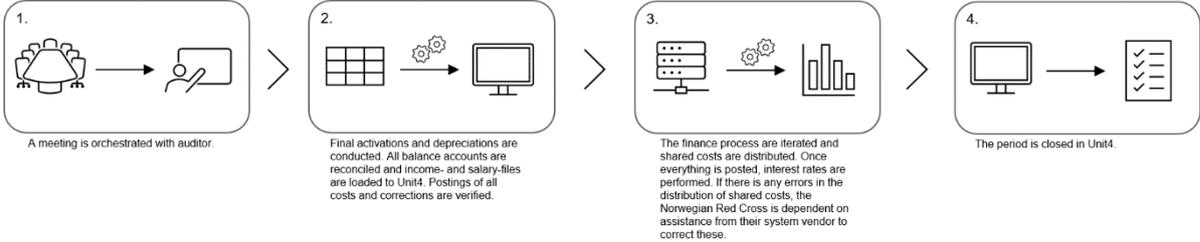
1.2.4.13 Year-end

1. A meeting is orchestrated with auditor.
2. Final activations and depreciations are conducted. All balance accounts are reconciled and income- and salary-files are loaded to Unit4. Postings of all costs and corrections are verified.
3. The finance process are iterated and shared costs are distributed. Once everything is posted, interest rates are performed. If there is any errors in the distribution of shared costs, the Norwegian Red Cross is dependent on assistance from their system vendor to correct these.
4. The period is closed in Unit4.

Figure 14 Illustration of the year end process

The Red Cross in Norway reviews, reconciles and verifies all entries in the financial journal related to the financial statement during the Year-End process according to the "Good accounting practice for non-profit organizations" in addition to the Norwegian Accounting Act. The ERP system should support optimalization during the Year-end process with automated calculation of available funding resources for every project and booking of revenue or other periodic and yearly entries. Otherwise, follows the Red Cross in Norway and its branches ordinary year-end's standard processes.

1.2.4.14 Internal control

The ERP system must facilitate a high degree of automated processes and include functionalities to supervise consistency of data entries, users, and task management. The system must be maintained in compliance with laws and regulations.

1.2.4.15 Financial consolidation

The Red Cross in Norway's national office publishes its yearly financial statement consolidated with 6 subsidiaries: Røde Kors Sentrene AS, Røde Kors Husene AS, Røde Kors Førstehjelp AS, Fairchance Norway AS, Hogst AS and Tøy og Tekstil AS. The consolidated accounts are prepared as if the group was a single economic entity. The consolidated accounts have been prepared according to uniform principles, with the subsidiaries adhering to the same accounting principles as the parent company.

The Red Cross in Norway should also meet high standard of transparency and accuracy in its project financial information toward the Public, Co-operation partners, and contributors. The national office is often responsible for report to the Public, partners, and other contributors a consolidated project financial information throughout all level of its branches in Norway and international project offices.

1.2.5   Specifications of non-functional demands

This chapter introduces the non-functional demands and requirements for the new ERP Finance Solution. The non-functional requirements are described to support the functional needs. We describe needs related to Service Level Agreement (SLA), integrations and system landscape, Computing engine, authentication, atomization and access control, privacy and offline capabilities.

1.2.5.1   Service Level agreement (SLA)

The Norwegian Red Cross expects the SaaS-provider to offer both primary and fall-back data centres. For privacy and compliance reasons, these data centres should be located within the EU/EØS-area.

Furthermore, the SLA should include specifications for uptime requirements and downtime requirements before a solution can be restored on a fall-back data centre. The SLA should also include descriptions related to disaster handling.

The SaaS provider or service partner is also expected to provide responsive monitoring of the solution and correct errors when these occurs. Furthermore, the SaaS provider should notify the Red Cross in Norway immediately if security or privacy issues are raised. The SaaS provider should also facilitate the opportunity for the Red Cross in Norway to preform IT auditing of the solution. The Red Cross in Norway also needs access to all system logs for security monitoring.

1.2.5.2   Integrations and system landscape

Today's ERP finance systems (Unit 4 ERP and MS AX ERP) are integrated with as much as 30 other solutions. In addition, there are 5-10 various solutions which needs integrations towards ERP, but this has not been implemented. Most of the integrations are automated, but certain integrations are based on manual input/movement of data.

The ERPs are integrated with both internal applications, like CRM and DWH, and external solutions like Bank, Brreg, Skatteetaten and Altinn. Solutions which support core financial processes (marked with pink in the figure below) must be considered as part of the scope for the new ERP Finance Solution – except for Visma Multi (Payroll) and Visma Multi (HR).

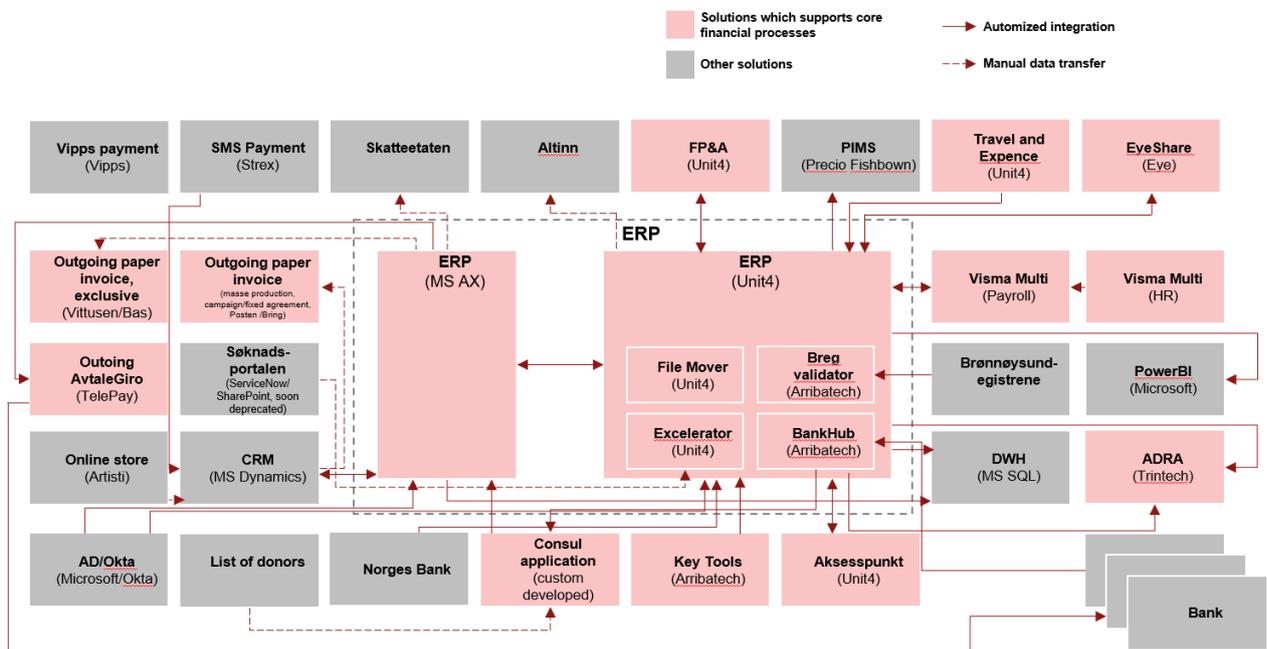The following illustration displays a draft of the current system landscape.

Figure 15 Conceptual draft of the system architecture around ERP

Please review the table below to find information regarding the system architecture and integrations.

Table 1 Description of systems and integrations

ID	ERP-system	Other solution	Integration with ERP	Description
1	Unit4 ERP	AX ERP	Batch-job	Ledger and dimensions in account string are exported from Unit4 ERP to AX ERP. Information about revenues is exported from AX to general ledger in Unit4, and information about payments from Norwegian Red Cross is exported to local- and district unions' sub-ledger(reskontro).
2	Unit4 ERP	FP&A (Unit4)	API (proprietary)	Planning tool used to create budgets and handle budget versions. This is solely used by the national office. Rollout to the districts is planned.
3	Unit4 ERP	PIMS (Precio Fishbone)	REST API through integration platform	SharePoint-based project management tool. Only used by the international department of the Red Cross in Norway.
4	Unit4 ERP	Travel & Expence (Unit4)	Batch-job (can easily be converted to REST API)	Used for expenses and travel for local unions (lokalforeninger) who have their accounting conducted by the accounting office in Stavanger
5	Unit4 ERP	EyeShare (Eye)	Batch-job	Converting of invoices which is not EHF (paper, PDF, etc) to electronic format.
6	Unit4 ERP	Visma Multi (Payroll)	Batch-job	Supports the payroll process in the Red Cross in Norway. The entire process is outsourced. Travel and expense for the national office and district offices are also handled in the solution.
7	Unit4 ERP	Norges Bank	Batch-job	Collects currency rates from Norges Bank once per day.
8	Breg validator (Unit4 ERP)	Brønnøysund-registrene	REST API	Collects the organization number on vendors. Used for data washing of vendor register.
9	Unit4 ERP	Power BI (Microsoft)	API	Ad-hoc queries on accounting data for reporting purposes.
10	Unit4 ERP	DVH – MS SQL (Microsoft)	Batch-job	Collection of static accounting data for fixed scheduled reporting.
11	AX ERP	DVH – MS SQL (Microsoft)	Batch-job '	Collection of static accounting data for fixed scheduled reporting.
12	BankHub (Arribatech)	Bank	SFTP	Direct integration between BankHub configured in its own module in Unit4 ERP, bank and between bank and ADRA. BankHub collects banking data from all Norwegian banks.
13	BankHub (Arribatech)	ADRA (TrinTech)	SFTP	BankHub transfers bank data to ADRA to enable reconciliation of accounting data from Unit4 ERP ledger. Data foundation in ADRA is updated quarterly.
14	Unit4 ERP	ADRA (TrinTech)	SFTP	Unit4 ERP accounts transfer data on transactions to ADRA for reconciliation towards bank data. Collects data from bank and matches towards accounting. The data foundation in ADRA is updated quarterly.
15	Unit4 ERP	Aksesspunkt (Tieto Evry)	Batch-jobb	Receives and generates EHF-invoices in and out/to from Unit4 ERP.
16	Unit4 ERP	Excelerator (Unit4)	Excel (proprietær)	Reads accounting documents on a proprietary Excel-format to Unit4 ERP.
17	Unit4 ERP	Key Tools (Arribatch)	Excel (proprietær)	Add-on in Excel (entry-template in Excel) which posts in Unit4. Collects a limited set of static masterdata from Unit4. Entries trigger transactions in Unit4 which are recorded through upload to Unit4.
18	BankHub (Arribatech)	Console application (self-developed)	Batch-jobb	Self-developed console-application receives OCR/CANT .054 bank files from BankHub in Unit4 ERP. The console application compiles these files with donor lists from Ever Giving, SMS (Strex), Vipps and bank transfers creates files which are automatically transferred to AX
19	Console application (self-developed)	List of donors	Manually	Donor lists are manually uploaded into the console-application for compiling with bank data.
20	AX ERP	Console application (self-developed)	Manually og batch-job	Consolidated income and donor lists are loaded into AX.
21	AX ERP	CRM (Microsoft)	CRM-AX: Database-link	It is established a database link between CRM and AX to synchronize the databases. It is defined which data that are mastered in CRM and which that are mastered in AX.
22	AX ERP	Skatteetaten	Manual loading of file	Transfers information about donors as a foundation for Skatteetatens limitations of justified tax breaks. A file is generated by IT at Columbus. Manual changes in file name are conducted. Name consists of date and organization number.
23	Unit4 ERP	Altinn	Manual loading of XML-fil	VAT-jobs is generated as XML-files that are manually loaded to Altinn.
24	AX ERP	Paper invoice	Manual file transfer/ e-mail	Paper invoices are generated with regards to fixed donor-agreements on invoice, collection campaigns and invoices which are sent to businesses related to bigger agreements. Various vendors are used for different invoices. The data foundation for these invoices are collected from AX and transferred manually.
25	Unit4 ERP	AD/Okta	Manual (AD) and API (Okta)	Earlier AD has been used to regulate access to Unit4 ERP. Red Cross is in the process of switching to access management in Okta. Security roles and accesses internally in Uint4 ERP are managed locally in ERP
26	AX ERP	AD/Okta	Manual (AD) and API (Okta)	Earlier AD has been used to regulate access to Unit4 ERP. Red Cross is in the process of switching to access management in Okta. Security roles and accesses internally in Uint4 ERP are managed locally in ERP

Furthermore, the Red Cross in Norway is in a process of deprecating the MS AX system. The system is currently being used for outgoing invoices related to fundraising and memberships and other income related activities. According to the plan, AX will be deprecated before implementation of the new ERP starts, and we will gather the different tables that exist in today's AX implementations for income streams into one table for all transactions. This setup will be replicated in the new ERP Finance solution. In addition, there is an ongoing process of implementing Dynamics 365 non-profit accelerator (CRM). The respondent of this RFI is asked to briefly describe an integration between CRM and the new ERP-solution. The Red Cross in Norway needs their accounts receivable in ERP to be synchronized to CRM. If the respondent offers an account/accounts receivable-integration with Dynamics 365 Finance & Operations, please do in two ways: The first with the use of dual write, the second with the use of Azure Data Factory as an integration hub.

As part of the integration strategy at the Red Cross in Norway, we aim to realize most integrations using our existing *integration platform as a service (iPaaS)*. One of the main objectives of using the iPaaS is to avoid point-to-point integrations. The iPaaS is realized using Azure Integration Services (AIS).

The figure below shows the AS-IS and TO-BE integration architectures. The TO-BE architecture includes the *Integration Hub* (chapter 1.2.4).
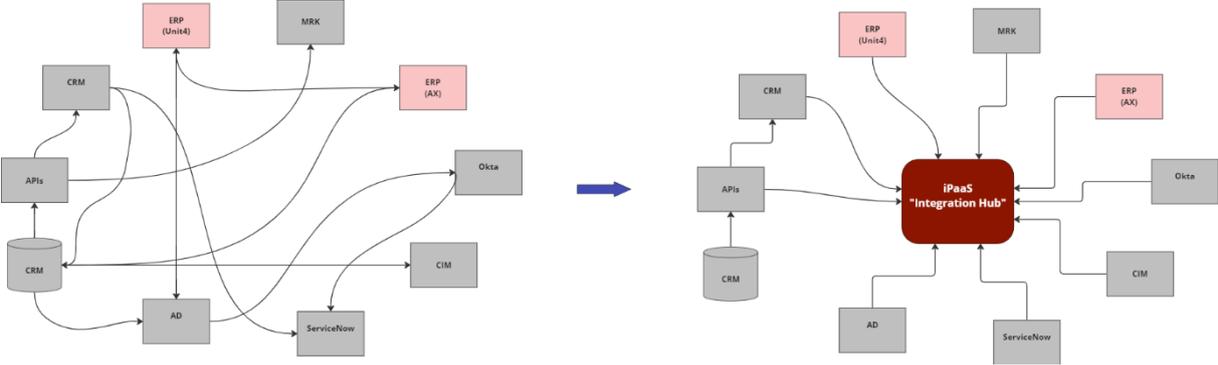

Figure 16 The AS-IS point-to-point architecture versus the TO-BE architecture with iPaaS.

Even though we aim to realize most integrations using the iPaaS, some exceptions will be beneficial. For example, if the ERP has a standard function which can be configured and activated to fetch and/or deliver data without customisations (custom specific code), e.g. bank integrations.

It is paramount that the new ERP solution offers error handling and alerts. It is desired that the new ERP solution try to solve as much errors as possible automatically e.g. Retry Process when communication errors occur.

A special integration use case that is accepted outside iPaaS is the user provisioning described in chapter 1.2.5.4.

The figure below shows a more detailed TO-BE architecture by dividing and placing the conceptual architecture shown in figure 2 (chapter 1.2.5.2) around the iPaaS (AIS).
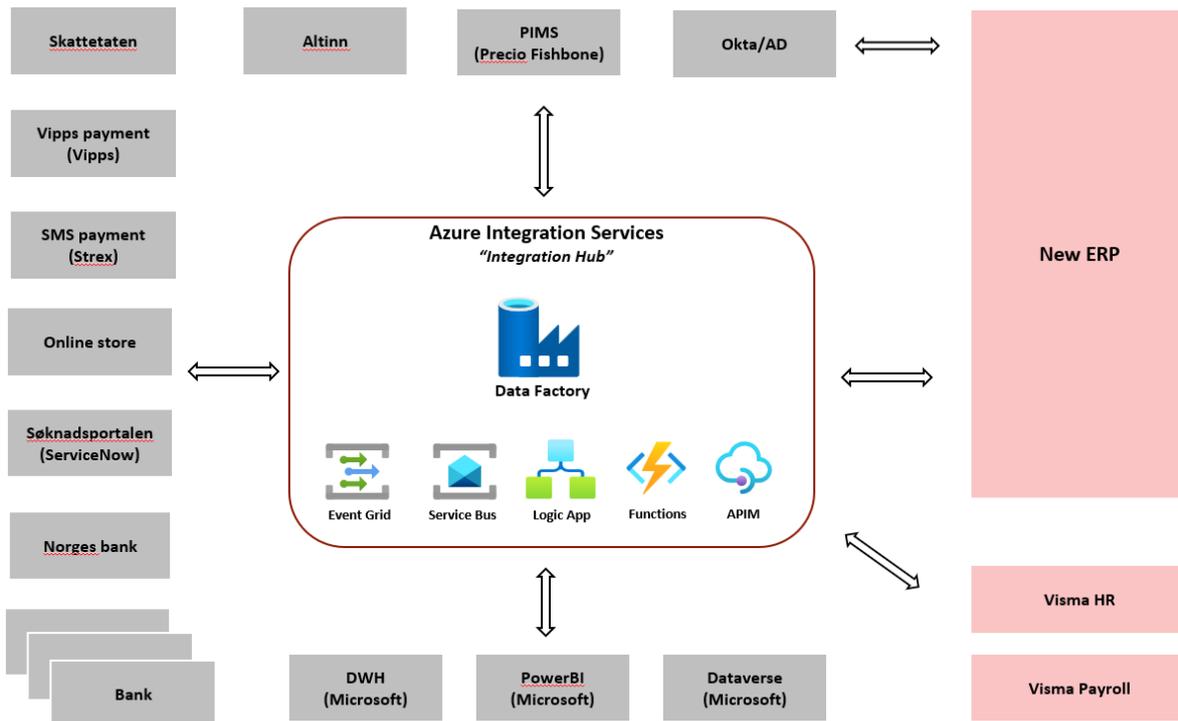
Figure 17 Detailed TO-BE integration architecture.

Azure Integration Services (AIS) offers a wide variety of integration capabilities, including:

- Communication Protocol Connectors (HTTP, SFTP, AS2, etc.)
- Application connectors, including SaaS and on-premises apps
- Ability to handle data formats, like JSON or XML, and data standards like EDIFACT.
- Orchestration
- Routing
- Data validation and transformation
- Monitoring and Management tools
- Full life-cycle API Management
- Development and solution life-cycle management tools

Azure Integration Services (AIS) consist of the following main services.

- Azure Data Factory
- Azure API Management
- Azure Logic App
- Azure Functions
- Azure Service Bus
- Azure Event Grid

Other services might also be used either by *AIS services* itself or by design of implemented integrations. Commonly used services are e.g. different storage services, logging services or monitoring services.

Azure Data Factory (ADF) is a managed cloud service that is built for *extract transform load* (ETL) and data integration scenarios which allows one to create data-driven workflows for orchestrating data movement and transforming data at scale. These characteristics makes ADF the first choice for the Red Cross in Norway for orchestrating the integrations required in and out of ERP. Depending on integration scenario other AIS services might be used if they are better suited.

It is a goal for the Red Cross Norway to move in the direction of no code/low code for integration of new interfaces.

1.2.5.3   Computing engine
The new ERP Finance Solution should be able to do calculations based on input data from third party systems and make postings to the general ledger based on these calculations. An example of this is salary costs, where it is desirable that the ERP Finance solution should receive total salary costs from Multi (Payroll) and which activities an employee works on from Visma Multi (HR), and based on these inputs calculate salary costs per activity per employee and post this to the General Ledger.

1.2.5.4   Authentication, authorization, and access control
The Red Cross in Norway has recently implemented Okta: Identity[2] as the enterprise-wide single sign-on authentication platform. However, some applications are not fully migrated, and authentication is thus still based on Microsoft On-premise AD. Thus, a new ERP Finance Solution must support authentication handling from Okta: Identity. Furthermore, it is desirable that the solution also support authentication handling from Microsoft Azure AD.

Okta: Identity provides SSO access to thousands of supported cloud-based applications through the Okta Integration Network (OIN). The integrations in the OIN can use OpenID Connect (OIDC), SAML, SWA, or proprietary APIs for SSO. Okta maintains the SSO protocols and provisioning APIs.

A new ERP solution must also support automatically provisioning and de-provisioning based on roles assigned in Okta: Identity and Microsoft Azure AD. This also implies that the solution must support role-based access control (RBAC), including access control for users with extra privileges and admin users.

1.2.5.5   Privacy
The new ERP Finance Solution will process personal data, e.g Accounts Receivable and customer- and membership register. Thus, to be GDPR compliant, it is required that both primary and back up data centre are located within the EU/EØS-area.

1.2.5.6   Offline use of the solution
Due to the use of the solution by the field offices related to the international branch of the Red Cross in Norway, it is desirable (but not an absolute requirement) that the new ERP Finance Solution has

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[2] https://www.okta.com/

offline capabilities so that vouchers can be posted offline and uploaded once the device has internet access.

1.3 Project plan

The Red Cross in Norway plans to carry out the project in three main phases, with an estimated time period lasting until June 2025.

In the procurement phase, the Red Cross in Norway plans to procure the new ERP Finance solution and sign an agreement for both cloud services and implementation partner services, within 2023.

During the implementation phase the Red Cross in Norway plans to design, configure, test and roll out the new ERP Finance solution.

In the finalization phase the old ERP solution will be decommissioned and the new solution will be transferred to benefits realisation and administration.

Please find a more detailed timeline below:

Figure 18 Project plan for the ERP Finance solution project.

1.3.1 Project management methodology

The Red Cross assumes to use a hybrid project methodology, combining elements from both waterfall- and agile methodology. This implies doing an initial process design before starting to configure the solution, but at the same time be open for changes to the process design as configuration proceeds and to be able to learn from experience within the project. Suppliers should provide information regarding how the project will be best managed through its different phases.

1.4 Transactions: Incoming and outgoing payments and invoices

To give potential suppliers an overview of the usage and transactions performed in the existing ERP solutions, an overview of incoming and outgoing payments and invoices are presented.

As described in chapter 1.2.5.2, the Red Cross in Norway uses two different ERP finance systems for different purposes. MS AX is used for handling incomes and revenue streams including membership

fees and fund raising, while Unit4 is used for general ledger and other core finance processes like outgoing payments.

The table below presents an estimate of annual incoming and outbound payments and outbound electronical and paper invoices from Unit4 and MS AX. The numbers are estimates, and none-committing for future use of a solution.

Table 2 Estimates of use of our existing ERP finance solutions

	Unit4	MS AX
Incoming payments	9 000	1 000 000
Outgoing payments	50 000	-
Outbound electronical invoice	5 000	1 000 000
Outbound paper invoices	5 000	25 000

1.5 Price

In section D of the requirement specification, price matrixes for software services, consulting services and support & maintenance are presented. The respondents of this RFI are requested to provide feedback to these matrixes prior to our RFP publication. Furthermore, respondents are asked to fill out an none-committing estimate for the cost of software services in *D.1. Price of software services* based on the parameters specified in the spreadsheet. If the parameter is not a cost driver for your solution, please insert "0" as the cost of this given parameter.

The supplier is also requested to provide a complete overview of their pricing terms and conditions.

The Red Cross in Norway expects the suppliers to use none-profited or NGO pricing conditions whenever this is available from the software provider.

All prices should be provided in NOK unless otherwise requested. It must be specified whether the prices are with or without VAT.

The consulting services provided by the implementation partner are assumed to be provided on an hourly basis. However, configuration and development services may also be provided based on a targeted price. Here, we are open for suggestions from the implementation partner.

1.6 Contract type

The Red Cross requires the contract type to be The Norwegian Government's Standard Terms and Conditions for IT Procurement (Statens standardavtaler/SSA).

The Red Cross expects to sign contracts for cloud services, implementation services and management services. However, the number of contracts and type of SSA will be decided in accordance with the solution offered by the supplier. Suppliers are welcome to suggest SSA type and contractual structure.

2   Design of the information

The information is requested to be submitted electronically in the procurement portal Mercell. The information must not contain brochures or other commercial material if this has no factual connection to the answer and what we are asking for information about.

This Request for Information may be answered in English or Norwegian.

The answer to the Request for information should as a minimum contain:

1. An overall proposed solution design for the new ERP Finance solution. As we are open to a best of breed approach, the new ERP Finance Solution may be composed of several IT solutions which together cover the functional and non-functional demands.
2. A description of how the proposed solution may interact with the preferred integration hub, Azure Integration Services. Alternatively, the supplier may also propose an alternative integration hub.
3. An answer to Excel Sheet tab "D.1. Price Software services", providing a non-committing estimate of the software costs of the proposed solution.
4. Feedback to the price matrix in Sheet tab "D.1. Price Software services". How can we improve the price matrix before publishing the Request for Proposal?

Additionally, the answer to this Request for information may also contain:

5. Optional: The supplier may also provide an answer to some or all the requirements in the specification and/or provide feedback to the requirements
6. Optional: The supplier's point of view on project delivery models for the planned ERP Finance solution-project and -previous experience with similar projects
7. Optional: The supplier's point of view on SSA contract types

3   Guidelines for providing Information

3.1   Deadline for information

Deadline for delivering information: 12 June 2023 12:00

Please note that Red Cross in Norway reserves the right to change the deadlines if necessary.

3.2   Communication regarding the request

Red Cross in Norway reserves the right to correct and supplement the request. Notification of changes will be sent to all who have reported their interest in the procurement portal.

Questions to the request should be addressed through the communication module in the procurement portal or the communication method specified in this document. Answers to questions will be made available to everyone who has expressed an interest in the RFI process together with the questions in anonymized form.

Red Cross in Norway will consider inviting selected suppliers to meetings, and possibly a small demo, to review their proposed solution.

3.3 Disclaimers

If informants have objections/reservations to some or parts of the wording in this request, they are asked to specify these.

If informants have reservations in their answers, they are asked to specify these reservations. All information provided to Red Cross in Norway in this request for information will be able to contribute to a requirement specification in a possible competition.

The Red Cross cannot cooperate with parties who, during the cooperation, are either exposed to a conflict of interest, provide incorrect information to the Red Cross, or fail to provide information that violate with the conditions for participation in the competition. If such matters arise at a later stage, the Red Cross has the right to terminate the contract by giving the Supplier written notice of such termination.

3.4 Cancellation of the request

The Red Cross reserves the right to cancel all requests.

4 Appendixes

Attached to this request are:

- Procurements terms and conditions
- Specifications of requirements v0.3