ITS Mississippi Department of Information Technology Services

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RFP Questions and Clarifications Memorandum

To: Vendors Responding to RFP Number 3685 for the Mississippi Department of Information Technology Services (ITS)

From: Craig P. Orgeron, Ph.D.

Date: June 1, 2012

Subject: Responses to Questions Submitted and Clarifications to Specifications

Contact Name: Debra Spell

Contact Phone Number: 601-432-8132

Contact E-mail Address: debra.spell@its.ms.gov

RFP Number 3685 is hereby amended as follows:

1. Title page, INVITATION is modified as follows:

INVITATION: Sealed proposals, subject to the attached conditions, will be received at this office until June 13, 2012 @ 3:00 p.m. local time for the acquisition of the products/services described below for Information Technology Services, Project Number 39663.

2. Title page, third box is modified as follows:

PROPOSAL, SUBMITTED IN RESPONSE TO
RFP NO. 3685
DUE June 13, 2012 @ 3:00 p.m.,
ATTENTION: Debra Spell

3. Section VII Technical Specifications, Item 3 Project Schedule is amended as follows:

Task	Date
Deadline for Questions Answered and Posted to ITS Web Site	6/1/2012

Board Members – John Hairston, Chairman • Derek Gibbs, Vice-Chairman • Lynn C Patrick • Rodney Pearson • Thomas A. Wicker
Legislative Advisors - Senator Sampson Jackson, II • Representative Gary V. Staples

Open Proposals	**6/13/2012**
Evaluation of Proposals Begins	**6/14/2012**
Contract Negotiation Begins	**7/1/2012**
Proposed Project Start-up	**8/1/2012**

4. Add to Section VII as item 4.3, the following:

"4.3 Vendor must include at the beginning of the proposal a Transmittal Letter in the form of a standard business letter and signed by an individual authorized to legally bind the Vendor. It must include:

4.3.1 A statement that no attempt has been made or will be made by the Vendor to induce any other person or firm to submit or not submit a proposal;

4.3.2 A statement that the Vendor does not discriminate in its employment practices regarding race, color, religion, ancestry, national origin, age, marital status, sex, political belief, or physical handicap;

4.3.3 A statement listing for verification, all addenda to this RFP issued by the State and received by the Vendor. If no addendum has been received, a statement to that effect must be included;

4.3.4 A proposal will not be considered for award if the price in the proposal was not arrived at independently without collusion, consultation, communication, or agreement as to any matter relating to such prices with any other Vendor or with any competitor. The Vendor must include a statement in the proposal certifying that the price was arrived at without any conflict of interest, as described above.

4.3.5 A Statement that the person signing this proposal certifies that he or she is the person in the Vendor's organization responsible for or authorized to make decisions as to the prices quoted in the cost proposal; and

4.3.6 A statement that the Vendor has not obtained services from any source for a fee other than those that are identified in the proposal."

5. Add to Section VII as Item 4.4, the following:

"The contract shall be governed by the applicable provisions of the Personal Service Contract Review Board Regulations. A copy of these regulations is located on the following site: www.mspb.ms.gov."

6. Section VII, Item 6.1.2.3 is being modified to read as follows:

"The Consultant must provide information on up to 10 governmental cost allocation projects that the firm has been engaged in any capacity (prime contractor, sub-contractor, completed, in progress, terminated, etc.) in the past five (5) years."

7. Section VII, Item 7.1.5 is being modified to read as follows:

"Deliverable(s) including, but not limited to, the following:

7.1.5.1 High-level Project Plan;
7.1.5.2 Actual Cost for 2011
7.1.5.3 Report for the U.S. Department of Health and Human Services;
7.1.5.4 Rates for 2013;
7.1.5.5 Recommended Best Practices; and
7.1.5.6 The Cost Allocation Plan."

8. Section VII, Item 9.1 is being modified to read as follows:

"The Vendor must propose cost based on entering into a five-month agreement (August 1, 2012 to November 30, 2012) for fiscal years 2011 and 2013, with options to renew for a seven-month term (December 1, 2012 to June 30, 2013) for fiscal years 2012 and 2014, and four additional one-year terms (July 1 through June 30) for successive fiscal years. Multi-year cost must be included in Section VIII, Cost Information Submission."

9. Section VII, Item 9.2 is being modified to read as follows:

"The Consultant must:

9.2.1 Propose a fixed amount for all services requested in this RFP, with the exception of the optional services identified in Section VII, 5.2.2 and 5.2.3. This cost must include any applicable professional services, and any travel, subsistence or lodging costs. A fixed price proposal must be submitted using the table in Section VIII, Cost Information Submission, or similar table, and should be based on deliverables as indicated in 9.3 below.

9.2.2 At ITS' option, the Consultant may be contacted in the future based on need to prepare a statement of work for options falling within the scope of the requirements in Section VII, 5.2.2 and 5.2.3. Work performed must be based on the hourly rates proposed. In order to get prior approval for the optional services from the Personnel Service Contract Review Board, the Consultant must propose an estimated not-to-exceed amount for each option. Consultant must provide the following in Section VIII, Cost Information Submission as separate items:

9.2.1.1 A base rate,
9.2.1.2 A fully loaded rate, and
9.2.1.3 A total not-to-exceed cost."

10. Section VII, Item 9.3 is being modified to read as follows:

"The Consultant must propose a schedule of deliverable(s) and associated payment(s) for the State's consideration for this project's completion for the base services. It is desirable that the consultant specifies the cost in terms of a full loaded hourly rate and estimated person hours at the needed skills and the experience level designated in this RFP needed to complete each deliverable. This fully loaded rate must include all necessary expenses, including travel and subsistence if required to perform the specified duties onsite at ITS."

The following questions were submitted to ITS and are being presented as they were submitted, except to remove any reference to a specific vendor. This information should assist you in formulating your response.

Question 1: Section 5.1. We understand that the purpose of this project is to make sure ITS rates for services are set in accordance with OMB Circular A-87 and DHHS ASMB C-10. Is ITS interested in having its cost recovery-based rates benchmarked against commercially-provided rates for similar services?

Response: **No.**

Question 2: (No relevant section) It is common practice among IT services organizations to switch consultants – allowing a new set of eyes to look at financial models and a different methodology to be leveraged – in order to make sure that their recovery of costs is maximized. How long has the current consultant, that has been advising the State on its charge-back rate structure, been under contract?

Response: **The most recently used consultant has provide this service for the past five years.**

Question 3: (No relevant section) Is there a previous report ITS uses to substantiate its current rate schedule? If so, is it available to potential bidders prior to their submission of bids?

Response: **A previous report is not being provided. For reference, a table of IT services is included as Attachment A to this memorandum.**

Question 4: Page #34; Item 3.1.1 reads as follows:

"Consultant must provide adjustment in amounts billed to federal programs to offset any Fiscal Year 2011 charges in excess of levels allowed by federal regulations, if necessary."

First, we assume that the words "provide adjustment…" really means to "identify adjustment" in discussing amounts that may have been charged to federal programs in excess of allowable levels.

Second, please clarify that the intent of this task is to identify the total amounts of excess charges billed by ITS, not the portions of excess ITS billings that agency customers may have actually charged to federal programs. Identifying the actual amounts charged by agencies to federal programs is a significant undertaking that would necessitate involvement by those agencies in providing their actual federal claims and/or federal financial participation rates. Generally, this data is provided to federal reviewers only at their request, and only for selected agencies.

Response: **The first assumption is correct. This item refers to ITS billing.**

Question 5: Page #35; Items 5.1.8 and 5.1.9 – The initial cycle of work, for fiscal years 2011 and 2013, is to be completed by October 31, 2012. Work on succeeding years, assuming renewal by ITS, is to be completed by April 30th of each year. We assume that the first renewal would address fiscal years 2012 and 2014, and would be scheduled for completion by April 30, 2013. However, the initial contract term runs through July 31, 2013 (per RFP Attachment A). We assume this means that it is permissible for the terms of the initial contract and the first renewal to overlap, or that the initial contract will be terminated with satisfactory completion and approval of all deliverables and the start of work on the first renewal.

Response: **See Amendment #7 above.**

Question 6: Page #36; Item 6.1.2.3. The RFP requests that the Consultant must provide information on all governmental cost allocation projects that the firm has been engaged in any capacity (prime contractor, subcontractor, completed, in progress, terminated, etc.) in the past five (5) year. To satisfy this requirement, we would be required to list over 10,000 projects over this time frame. Would it be acceptable to limit the response to State Information Technology projects performed over the past five (5) years, which will be a much more manageable list?

Response: **See Amendment #5 above.**

Question 7: Page #39; Item 9 – Cost and Payment Information. It is unclear in item 9.1 how you would like "multi-year" costs presented. Do you want one total cost for all potential years included in the proposal, or a cost for the first year, plus quotations for each renewal year? Is it permissible to adjust the pricing for renewal years for cost-of-living or other factors?

Response: **The method for presenting cost is at the Vendor's discretion. However, we need to be able to determine the cost for each year as a separate cost. The Vendor may propose a discount structure, increases each year, etc. All increases, etc. will be figured into a lifecycle cost and this cost will be used to determine the Vendor's cost score.**

Question 8: Additionally, in item 9.3 the RFP asks for pricing for the "optional" deliverables. However, it is not now possible to determine the scope or extent of work required for certain of the optional tasks identified in Item 5.2 (page #35). Specifically, items 5.2.2 and 5.2.3 are intended to address areas of potentially new or discontinued services, but do not identify those services. Some such services could be large and complex, while others could be more moderate in terms of resources required to examine cost impacts and develop recommendations. It is certainly possible to provide rates (fully-loaded and/or base) for those services, but not firm prices.

Response: **See Amendment #8 and #9 above.**

Question 9: Page # 41; Item 11.2.2.3 - Please explain more fully the scoring methods for the "Non-Cost Categories" in the Scoring Methodology. For example; if a Proposal that meets a requirement is awarded 90% of possible points, and a Proposal that exceeds a requirement is awarded 100% of possible points, what is a Proposal that does not meet a requirement awarded?

Response: **As indicated in this item, a 10-point scale is used. Scores will range from 0 to 10 points, with 9 points being the highest score a proposal can obtain for meeting the requirement. An item can be scored less than 9 points. For example, if an item is omitted from the proposal response, the item is scored 0 points.**

Question 10: Page #50, Attachment A – Standard Contract

This Item states, "A properly executed contract is a requirement of this RFP. After an award has been made, it will be necessary for the winning Vendor to execute a contract with **ITS**." We assume that this means that it is not necessary to provide an executed contract as a part of a Proposal and that a contract with mutually agreeable terms will be negotiated upon award to the successful vendor. Please confirm

Response: **An executed contract should not be submitted with the proposal. The contract will be negotiated upon award.**

RFP responses are due June 13, 2012, at 3:00 p.m. (Central Time).

If you have any questions concerning the information above, or if we can be of further assistance, please contact Debra Spell at 601-432-8132 or by email at debra.spell@its.ms.gov.

cc: ITS Project File Number 39831

Attachment A

DATA SERVICES	TELECOM SERVICES	INFORMATION SYSTEM SERVICES	EDUCATION SERVICES
BATCH	VOICE	CONSULTING	IT TRAINING
1ST SHIFT	LOCAL SERVICE	CONSULTANT - $80/HR	CLASSES-INTERNAL INSTR.
2ND SHIFT	ANALOG	CONSULTANT - $75/HR	10 HOURS OR LESS
3RD SHIFT	DIGITAL	CONSULTANT - $70/HR	10 – 20 HOURS
	VOICE MAIL	CONSULTANT - $65/HR	20 – 30 HOURS
TSO	CALL CENTERS/ACD	CONSULTANT - $60/HR	CLASSES-CONTRACT INSTR.
1ST SHIFT	CENTREX LINES	CONSULTANT - $35/HR	SPECIAL COURSES
2ND SHIFT	BUSINESS/RESIDENTUAL LINES	DFA SUPPORT	TEXTS/MATERIALS
3RD SHIFT	SMALL ESSEX TRUNKING	MEDICAID PROJECT	FACILITY FEE
	TARIFFED SERVICES (PT)	SUPREME COURT (1)	
CIC	MEM CALL P-T	CONTRACTOR PROJECTS	
1ST SHIFT	AUDIO/WEB CONFERENCING		
2ND SHIFT	MENTAL HEALTH SUPPORT		
3RD SHIFT	DSL SERVICE		
	LONG-DISTANCE		
ADABAS	INTERNATIONAL CALLING		
1ST SHIFT	AREA CALLING PLAN		
2ND SHIFT	DIRECTORY ASSISTANCE		
3RD SHIFT	CALLS		
	800 SERVICE		
I /O SERVICES	CREDIT CARDS		
DASD STORAGE	MINUTES		
DASD I/O	CALLS		
TAPE STORAGE	SERVICE ORDERS		
TAPE I/O	TECHNICIANS		
PAGE PRINT	PROGRAMMING		
	BUREAU OF BLDGS PROJECTS		
MISCELLANEOUS	PASS-THRU		
PIMS (CICS & DB2)	INSTALLATION (TELCO)		
STARS	MAINT - MH SWITCH		
RCVRY SVCS(DHS)	USF		
DB2 SOFTWARE			
DEPT OF HUMAN SVCS	NETWORK SERVICES		
DOCUMENT MGT	WAN SUPPORT		
D-R SERVICES	WAN CIRCUITS		
GIS	WAN USER ROUTERS		
SERVICE DESK	AGENCY-OWNED ROUTER		
	MAINT		
OPEN SYSTEMS SERVICES	FIBER NETWORK		
E-MAIL	VPN - ONE-TIME SERVICES		
WINTEL WEB/AP HOSTING	VPN - SUPPORT SERVICES		
UNIX WEB/AP HOSTING	EDUCATION NETWORK		
VIRTUAL WINTEL	VIDEO SERVICES (ETV)		
DEDICATED UNIX	ATM BACK-BONE		
SHARED SQL	NETWORK INSTALLS		
DEDICATED SQL	DIAL NETWORK		
SHARED DB2			
DATA CENTER SWITCHES			
SERVER HOUSING			
UMC HOUSING			
SUPREME COURT			
PORTAL			
BLACKBERRY AXS			
SPAM/MAIL RELAY			
TEAM SITE			
WORK SITE			
MISC. ITS SERVICES			
MSWIN			
SECURITY SERVICES			
PASS-THRU			