
Notice of Intent to Certify Sole Source

To: Interested Parties
From: Craig P. Orgeron, Ph.D. ^{cro}
CC: ITS Project Number 42146
Date: July 28, 2015
Re: Sole Source Certification Number 3799 maintenance for SAS Windows Workstation software
Contact Name: Jill Chastant
Contact Phone Number: 601-432-8214
Contact E-mail Address: Jill.Chastant@its.ms.gov

Sole Source Certification Award Details

Regarding Information Technology Services (ITS) Sole Source Certification Number 3799 for manufacturer maintenance for SAS Windows Workstation for the State of Mississippi, please be advised that ITS intends to award maintenance of SAS Windows Workstation to SAS Institute, Inc. as the sole source provider of manufacturer maintenance through August 31, 2018, in an amount not to exceed \$302,259.11. For an explanation regarding Mississippi state law, policy and procedures for sole source procurements, refer to Attachment C: Sole Source Procurement Overview.

Sole Source Criteria

1. The product or services being purchased must perform a function for which no other product or source of services exist:

The SAS Windows Workstation software is being renewed for maintenance only. SAS Windows Workstation is used to provide increased productivity to agencies to run programs from their desktop computers and reduce the load on the mainframe at the state computer center. The customer's sole source certification request is included as Attachment A.

2. The purchaser must be able to show specific business objectives that can be met only through the unique product or services:

The SAS software is used by various agencies for interagency use and to perform program development. This software is installed on the state computer center mainframe to provide a micro-to-host link. There are currently 14 agencies that use one or more of six separate products. Each one has its own specific function; from forecasting and reporting to enabling connections between computers with different OS versions. The customer's sole source certification request is included as Attachment A.

3. The product or services must be available only from the manufacturer and not through resellers who could submit competitive pricing for the product or services:

SAS Institute Inc. (SAS) is the manufacturer and publisher of SAS software. They are the sole source for maintenance of the software. The vendor's sole source certification letter is included as Attachment B.

Schedule

Task	Date
First Advertisement Date	7/28/15
Second Advertisement Date	8/04/15
Response Deadline From Objectors	8/11/15, at 3:00 P.M. Central Time
Notice of Award/No Award Posted	Not before 8/12/15

Project Details

SAS is an Analytics and Business Intelligence Software which helps manage, access, analyze and report on data to aid in decision-making. This product was originally purchased in 1995 on an Enterprise Computing Offer (ECO) that is no longer available. The State has made a business decision to continue maintenance on the existing software, rather than purchasing new licenses for similar products.

Submission Instructions and Format of Response from Objecting Parties

Interested parties who have reason to believe that the manufacturer direct maintenance should not be certified as a sole source should provide information in the following format for the state to use in determining whether or not to proceed with awarding the Sole Source contract to SAS Institute, Inc.

- 1.1 Interested Party Information
 - 1.1.1 Contact Name, Phone Number and email address
 - 1.1.2 Company Website URL, if applicable
- 1.2 Objection to Sole Source Certification
 - 1.2.1 Interested parties must present specific objections to the Sole Source certification using the criteria listed above.
 - 1.2.2 A statement regarding the Interested Party's capabilities as related to this Sole Source Certification Request.
- 1.3 Comments will be accepted at any time prior to Tuesday, August 11, 2015, at 3:00 p.m. (Central Time) to Jill Chastant at Jill.Chastant@its.ms.gov or at the Mississippi Department of Information Technology Services, 3771 Eastwood Drive, Jackson, Mississippi 39211. Responses may be delivered by hand, via regular mail, overnight delivery, e-mail or by fax. Fax number is (601) 713-6380. ITS WILL NOT BE RESPONSIBLE FOR DELAYS IN THE DELIVERY OF RESPONSES. It is solely the responsibility of the Interested Parties that responses reach ITS on time. Interested Parties may contact Jill Chastant to verify the receipt of their Responses. Responses received after the deadline will be rejected.

1.4 Interested Party responses should include the following information:

**SUBMITTED IN RESPONSE TO
Sole Source Certification No. 3799-42146
Accepted until August 11, 2015 @ 3:00 p.m.,
ATTENTION: Jill Chastant**

If you have any questions concerning the information above or if we can be of further assistance, please contact Jill Chastant at 601-432-8214 or via email at Jill.Chastant@its.ms.gov.

Attachment A: Customer Sole Source Certification Request

Attachment B: Vendor Correspondence

Attachment C: Sole Source Procurement Overview



3771 Eastwood Drive
Jackson, Mississippi 39211
Phone 601-432-8000 Fax 601-713-6380

Sole Source Certification Request

Project Title: <u>SAS for Window Workstation</u>		Stimulus (ARRA) Funds? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Customer Contact Information			
Agency/Public University: MS ITS Address: 3771 Eastwood Drive, Jackson, MS 39211		Contact Person: Lynn Templeton Phone: 601-432-8054 Fax: 601-713-6380 Email Address: lynn.templeton@its.ms.gov	
MAGIC Customer Number (only required from state agencies): 7000000174 (TIS-Data Services)		Division/Dept: 0131 Handmail: X Yes <input type="checkbox"/> No	
Project Summary <i>Narrative Description of Project</i> (include details of original acquisition if applicable): This software is being used by the State Data Center through an Enterprise Computing Offer. This allows customer agencies to use the software in conjunction with Base SAS. This is used for reporting purposes, data manipulation, information storage and retrieval and statistics. Some modules also provide data connectivity and integration between SAS and other data sources.			
ITS Acquisition Approval (CP-1) should be effective through this date (Please allow time for all vendor invoices to be paid): 07/30/2018			
Cost Estimates <i>Fiscal Year</i>	<i>Initial Costs</i>	<i>Ongoing Costs</i>	Time Constraints Item Needed by: 07/31/2015 Funds Expire: 08/31/2018
FY16		\$97,790.00	Anticipated Lifecycle of Products/System (i.e. estimated years of effective use): 3 years Discuss Funding (e.g. how much of needed funding is definite; total project budget; any matching or other non-state funds) Total budget funding. There are no non-state or matching funds.
FY17		\$100,723.70	
FY18		\$103,745.41	
Total		\$302,259.11	
Acquisition Details			
Items Requested	Quantity	Description	Building Location(s)
WNDW SAS/Access	10	Provide data connectivity and integration between SAS and third-party data sources	Eastwood Bldg A
WNDW ECO	100	Enterprise Computing Offer	Eastwood Bldg A
WNDW SAS/Acc ODBC	15	Provide data connectivity and integration between SAS and third-party data sources using ODBC connection	Eastwood Bldg A
WNDW SAS/ETS	3	Forecasting and simulation of business processes	Eastwood Bldg A
WNDW SAS/Share	1	Data server that allows multiple users to gain simultaneous access to SAS files	Eastwood Bldg A
WNDW StatPlus	30	Designed for both specialized and enterprise wide analytical needs	Eastwood Bldg A
Describe platform & infrastructure (connectivity; software/hardware platforms; utilization of State Data Center resources: mainframe, eGovernment portal, payment engine, document management, hosting). For equipment or hosting outside the State Data Center, attach justification: This software product is run on Windows Workstations.			
Progress to Date: What has been done related to this project, including any communication with ITS staff (data/voice/procurement/other)?			
Sole Source Certification Note: Certification must be renewed for each revision or continuation of previous Sole Source Approvals.			
Specific business requirements to be met by the requested products or services: The SAS software is used by various agencies to perform program development and for interagency use. This is installed on the state computer center mainframe to provide a micro-to-host link. There are currently 14 agencies that use one or more of the 6 separate products mentioned above. Each one has its own specific function; from forecasting and reporting to enabling connections between computers with different OS versions.			

Explain why these products or services are the only ones that can meet your needs (include unique features/special functionality):

The SAS software currently is being renewed for maintenance only. SAS is used to provide increased productivity to agencies so they could run programs from their desktop computers and reduce the load on the mainframe at the state computer center. Over the years, the agencies running the SAS software have found more uses to help with statistics and projections. Some of the agencies currently running the software are the Mississippi Department of Transportation, Mississippi State Department of Health and Mississippi Department of Education.

Explain why the source is the only entity that can provide the products or services (Include other products/vendors researched or evaluated):

SAS Institute Inc. (SAS) is the manufacturer and publisher of SAS software. Therefore, they are the sole source for maintenance of the software. This product was originally purchased in 1995 on an Enterprise Computing Offer (ECO) that is no longer available. To purchase similar products, we estimate an increase in the amount we are paying by four.

Explain why the amount to be expended for the services is reasonable:

N/A (maintenance only)

Explain what your agency did to obtain the best possible price for the services:

N/A (maintenance only)

Vendor's Certification of Sole Source attached: Yes No Vendor's proposal submitted: Yes No

MAGIC Vendor Code(s) Vendor must be in MAGIC before a CP-1 can be issued.

Place Order To

Vendor Name: SAS INSTITUTE INC-ATLANTA
Vendor Address: P. O. BOX 406922, ATLANTA, GA 30384-6922

Remit To

Vendor Name: SAS INSTITUTE INC-ATLANTA
Vendor Address: P. O. BOX 406922, ATLANTA, GA 30384-6922

By my signature, I certify that, to the best of my professional knowledge: the requested product or services are a sole source as outlined in the ITS Procurement Handbook, Rule 207.2:013-030 Procurement Types: Sole Source, and as outlined in Mississippi Code annotated Section 31-7-13. In addition, I acknowledge that there is a charge for ITS procurement services associated with this request which will be billed to the requestor by ITS and that my agency/public university is responsible for these charges/costs.

CRAIG P. ORGERON, EXECUTIVE DIRECTOR

Name (Agency Head or Public University CIO)/Title

[Signature] 7/22/15

Signature

Date



June 9, 2015

To: Lynn.Templeton@its.ms.gov

Re: Renewal of SAS Software License; License Agreement No. 09903 Site No. 53272

Dear Ms. Templeton:

Pursuant to your request, this letter will confirm that SAS Institute Inc. ("SAS") is the sole manufacturer and publisher of SAS® software (the "Software") in the United States. SAS is the sole source for the renewal of the license of the Software currently licensed by MS DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES under the above-referenced License Agreement and Site Number.

SAS is also the sole source for the new licensing of SAS Software in the United States (excluding JMP→ software) except in the limited circumstances described below. Newly licensed Software may also be obtained as follows:

- Eligible government entities may license the Software from an authorized reseller of the Software. Currently, Executive Information Systems, LLC ("EIS") with offices at 6901 Rockledge Drive, Suite 600, Bethesda, Maryland 20817, is SAS' sole authorized reseller for Version 8 and later of the Software to such government entities. EIS may license the Software and sell subsequent maintenance under the United States General Services Administrative ("GSA") schedule, other approved federal schedule contracts, or terms approved by SAS. Under certain circumstances and upon SAS' prior approval, EIS may allow certain third parties to resell Software to government entities on GSA terms.
- Notwithstanding the foregoing, upon approval from SAS, local government entities with populations below a certain threshold (100,000 people for cities and towns or 250,000 people for counties and parishes) may obtain first year license rights for an annual license of the Software through select third party resellers. However, the renewals for such licenses are available solely through SAS.

Sincerely,

A handwritten signature in black ink, appearing to read 'Karyn Long', is written over a light blue horizontal line.

Karyn Long
Business Operations Manager
State and Local Government

Attachment C: Sole Source Procurement Overview

The acquisition of information technology for all state agencies and institutions of higher learning (IHLs) is within the scope of the ITS law, found in Mississippi Code Section 25-53-1, et seq., and the policies and procedures established in accordance with this statute, found in the ITS Procurement Handbook posted on the ITS website (www.its.ms.gov).

ITS enabling legislation requires that information technology hardware, software and services be acquired in a manner that insures the maximum of competition among all manufacturers and suppliers of such equipment and services. Accordingly, ITS promotes full and open competition through the issuance of open specifications and the objective evaluation of Interested Party proposals to determine the lowest and best offering to meet an agency's or public university's business requirements. True competition protects the integrity and credibility of purchasing in the public sector and is essential in providing best value and adequate contractual protection for the purchasing entity. In certain limited situations, information technology acquisitions may be sole-sourced.

ITS utilizes the provisions of Public Purchasing Law for Sole Source and Emergency procurements of information technology. Mississippi Public Purchasing Law (Mississippi Code Section 31-7-13) specifies that noncompetitive items available from one source only be exempted from bid requirements (sole-sourced). ITS statute, in Section 25-53-5 (p), permits ITS to utilize provisions in Public Purchasing Law or regulations, when applicable.

Per Public Purchasing law, acquisitions must meet the following criteria to be authorized as sole source:

1. The product or services being purchased must perform a function for which no other product or source of services exists,
2. The purchaser must be able to show specific business objectives that can be met only through the unique product or services, AND
3. The product or services must be available only from the manufacturer and NOT through resellers who could submit competitive pricing for the product or services. The vendor's correspondence regarding this criterion for this project is included as Attachment B.

By policy as documented in the ITS Procurement Handbook, acquisitions of IT services must include the following information to be authorized as sole source:

1. An explanation about why the amount to be expended is reasonable, and
2. An explanation regarding the efforts by the purchaser to obtain the best possible price.

For state agencies, approval of all technology purchases with a lifecycle cost of \$5,000 or less, including sole source purchases, has been delegated to the agency. The ITS Procurement Limits Policies for Agencies (a section in the ITS Procurement Handbook) require a minimum of two competitive written bids or proposals for technology purchases with a lifecycle cost over \$5,000 but not over \$50,000 (not over \$25,000 for projects funded by the American Recovery and Reinvestment Act). Since, for single source items, the procuring agency will be unable to obtain two written bids, ITS must certify all sole source acquisitions of information technology with a lifecycle cost greater than \$5,000.

Institutions of Higher Learning (IHLs) or public universities have been delegated the authority to certify sole source procurements up to \$250,000 lifecycle cost under the ITS Procurement Limits Policies for IHLs (a section in the ITS Procurement Handbook). For the certification of sole source procurements delegated to the CIOs at public universities, the public university must follow ITS' Sole Source Procedure, including advertisement of the intent to award as sole source. Institutions certifying a sole source purchase must ensure the criteria listed above are met and documented in writing by the institution and the Interested Party prior to certifying a product or service as sole source. Sole source documentation must be reviewed and approved by the IHL's CIO for any sole-source certification above \$5,000. All sole source documentation should be retained in the public university's procurement file. Sole source requests above \$250,000 lifecycle cost require ITS approval.

Attachment C: Sole Source Procurement Overview

Other than the delegations outlined above, all sole source technology procurements must be certified by ITS. The customer's Sole Source Certification Request for this project is included as Attachment A.

ITS thoroughly reviews Sole Source Certification Requests, determining if competing products and/or services exist. If so, ITS conducts a competitive procurement. If ITS' review confirms the sole source, then a Sole Source advertisement is issued, giving other Interested Parties an opportunity to identify competing products and/or services. Based upon the results of the Sole Source advertisement, ITS will either certify the request as a sole source or conduct a competitive procurement.