
Notice of Intent to Certify Sole Source

To: Interested Parties
From: Craig P. Orgeron, Ph.D. ^{cm}
CC: ITS Project Number 42218
Date: September 8, 2015
Re: Sole Source Certification Number 3822 for Paciolan Access Management and Digital Ticketing components to include hardware, software and subscription/hosting fees for the University of Southern Mississippi (USM)
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 3822 for Access Management and Digital Ticketing components to include hardware, software and subscription/hosting fees for the University of Southern Mississippi (USM), please be advised that ITS intends to award the Access Management and Digital Ticketing components to include hardware, software and subscription/hosting fees to Paciolan, LLC d/b/a Spectra Ticketing and Fan Engagement as the sole source provider through December 20, 2022, in an amount not to exceed \$798,525.00. 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:
USM purchased the Paciolan software for ticketing purposes in 2005. USM has made the business decision to continue utilizing the Paciolan software. USM now desires to acquire the Access Management and Digital Ticketing components which will allow USM to add critical and significant value to fans; such as allowing fans the ability to print tickets at home or forward their tickets to other fans. This will eliminate having to use a "will call" window. 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:

Paciolan's Access Management solution is exclusive to Paciolan's operating system which USM currently utilizes, and uses proprietary software specific to Paciolan's system. Only Paciolan's equipment can allow USM to properly integrate and manage the digital ticketing solution, including reading mobile or print at home tickets. 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:

The Janam handheld scanners that USM will receive will each be equipped with software that is exclusive to Paciolan's operating system and are the only hardware compatible with Paciolan and its operating systems. The vendor's sole source certification letter is included as Attachment B.

4. If services, explain why the amount to be expended for the services is reasonable.

USM has benchmarked the proposed pricing against other contracts from Paciolan customer schools and found this offer to be in line or more affordable. The hardware included is being sold to USM at 0% interest and amortized across the life of the Agreement.

5. If services, explain what the agency did to obtain the best possible price for the services.

USM obtained the best possible price from Paciolan through their benchmarking and removing components that were not needed or would not be utilized.

Schedule

Task	Date
First Advertisement Date	09/08/15
Second Advertisement Date	09/15/15
Response Deadline From Objectors	09/22/15, at 3:00 P.M. Central Time
Notice of Award/No Award Posted	Not before 09/23/15

Project Details

The University of Southern Mississippi Department of Athletics wants to purchase the Digital Ticketing and Access Management components of the Paciolan Software. USM has been under contract with Paciolan since 2005. Digital ticketing will allow USM to add critical and significant value for its patrons while helping to obtain both customer and behavioral data necessary to improve the Athletic Department's marketing and operational functions.

In order to properly operate the Access Management system, USM will receive forty (40) Janam handheld scanners, each of which is equipped with software exclusive to Paciolan's operating system. Janam produces the only access management equipment that is compatible with Paciolan and its operating systems. Paciolan installs customized software into the scanners so the items are not available from other distributors or companies. Both the hardware and software are the only ones which integrate with Paciolan.

USM would have the ability to track attendance, including no-shows, enabling the Athletic Department to tailor marketing, retention and loyalty programs. Digital ticketing will also cut down on the number of counterfeit tickets in the marketplace for high demand games, allowing for a more

secure environment on game day. USM would be uniquely set up to integrate all of its attendance and customer information they have been unable to capture in the past.

Submission Instructions and Format of Response from Objecting Parties

Interested parties who have reason to believe that the hardware, software and fees 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 Paciolan, LLC.

- 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, September 22, 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. 3822-42218
Accepted until September 22, 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: Paciolan		Stimulus (ARRA) Funds? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Customer Contact Information			
Agency/Public University: University of Southern MS Address: Box 5001 Hattiesburg, MS 39406		Contact Person: Paige Strickland Phone: 601-266-4007 Fax: Email Address: paige.strickland@usm.edu	
MAGIC Customer Number (only required from state agencies): 5000000091 (University of Southern MS)		Division/Dept: Handmail: X Yes <input type="checkbox"/> No	
Project Summary Narrative Description of Project (include details of original acquisition if applicable): The University of Southern Mississippi Department of Athletics wants to purchase the Digital Ticketing and Access Management component of the Paciolan Software. USM has been under Contract with Paciolan since 2005. Digital ticketing will allow USM to add critical and significant value to its patrons while helping to obtain both customer and behavioral data necessary to improve the athletic department's marketing and operational functions.			
ITS Acquisition Approval (CP-1) should be effective through this date (Please allow time for all vendor invoices to be paid): 12/20/22			
Cost Estimates	Initial Costs	Ongoing Costs	Time Constraints
<i>Fiscal Year</i>			Item Needed by: Funds Expire: 12/20/2022
			Anticipated Lifecycle of Products/System (i.e. estimated years of effective use): 6 years
FY16	\$114,075.00		Discuss Funding (e.g. how much of needed funding is definite; total project budget; any matching or other non-state funds) Funding for this project will come directly from the University and has already been budgeted for. The added expense that will be incurred will be taken care of through the elimination of an Assistant Ticket Manager position which will free up the funds necessary for this amendment.
FY17		\$114,075.00	
FY18		\$114,075.00	
FY19		\$114,075.00	
FY20		\$114,075.00	
FY21		\$114,075.00	
FY22		\$114,075.00	
Total		\$798,525.00	
Acquisition Details			
Items Requested	Quantity	Description	Building Location(s)
Access Management	1	Access Management new install	USM
Access Subscription	5	Annual Access Management subscription fee	USM
Hosting Services Fee	5	Annual hosting fee	USM
HW, SW & Services	5	Annual Access Management Hardware, Software and Services	USM
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: The system currently utilizes the USM network. The additional server would be set up within the network, and the handheld scanners would utilize the University's network wirelessly.			
Progress to Date: What has been done related to this project, including any communication with ITS staff (data/voice/procurement/other)? Communication with ITS.			
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: Paciolan's Access Management solution is exclusive to Paciolan's operating system which USM currently utilizes, and uses proprietary software specific to Paciolan's system. Only Paciolan's equipment can allow USM to properly integrate and manage the digital ticketing solution, including reading mobile or print at home tickets.			
Explain why these products or services are the only ones that can meet your needs (include unique features/special functionality): USM purchased the Paciolan software for ticketing purposes in 2005. USM has made the business decision to continue utilizing the Paciolan software. USM now desires to acquire the Access Management and Digital Ticketing components which will allow USM to add critical and significant value to fans; such as allowing fans the ability to print tickets at home or forward their tickets to other fans. This will eliminate having to use a "will call" window.			
Explain why the source is the only entity that can provide the products or services (Include other products/vendors researched or			



July 9th, 2015

Mississippi Department of Technology Services
301 North Lamar Street
Suite 508
Jackson MS, 39201
(601) 432-8000

Re. Sole Source Justification for the University of Southern Mississippi & Paciolan

To Whom It May Concern:

The University of Southern Mississippi and Paciolan are seeking approval on a sole source to include Paciolan's digital ticketing and access management solution. The sole source would provide the University of Southern Mississippi with proprietary hardware and software that will enable the athletics department to provide digital tickets to their patrons and manage their access control system.

In order to properly operate their access management system the University of Southern Mississippi will receive forty (40) Janam handheld scanners, each of which are equipped with software exclusive to Paciolan's operating system. Janam produces the only access management equipment that is compatible with Paciolan and its operating systems, therefore another other manufacturers equipment would not allow the University of Southern Mississippi to properly integrate and manage patron access into their venues. Furthermore, because Paciolan installs customized software into the scanners these items are not available from other distributors or companies. Both the hardware and software are the only ones that integrate with Paciolan.

The scanners that the University of Southern Mississippi would receive are used for the purposes of access control by validating tickets at each entrance of the University's athletic venues. With access management the University of Southern Mississippi would have the tools to enable their customers to fulfill their own tickets online via print-at-home, mobile tickets or magnetic stripe delivery. The University of Southern Mississippi would now also have the ability to track attendance, including no-shows, enabling the athletic department to tailor marketing, retention and loyalty programs.

With the addition of the access management hardware the University of Southern Mississippi would also be uniquely set up to integrate all of its attendance and customer information data taken directly from customer's mobile devices and have it sent back into the primary ticketing solution. The University of Southern Mississippi has been unable to capture any of this data in the past.

It is of our opinion that because of these reasons set forth in this letter that a sole source is justified for this agreement.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Heaslip", written over a horizontal line.

Adam Heaslip
Director of College Athletics, Paciolan

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.