

Notice of Intent to Certify Sole Source

To: Interested Parties
From: Craig P. Orgeron, Ph.D.
CC: ITS Project Number 42190
Date: October 20, 2015
Re: Sole Source Certification Number 3840 for Software Enhancements to the ClaimsAssistant System
Contact Name: Paula Conn
Contact Phone Number: 601-432-8046
Contact E-mail Address: Paula.Conn@its.ms.gov

Sole Source Certification Award Details

Regarding Information Technology Services (ITS) Sole Source Certification Number 3840 for software enhancements to the Attorney General's Office ("AG"/"AGO") ClaimsAssistant System, please be advised that ITS intends to award software enhancements of the ClaimsAssistant System to Bonditech, LLC (herein after referred to as "Bonditech") as the sole source provider of software enhancements through June 30, 2016, in an amount not to exceed \$46,230.00. 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 exists:

The system was originally awarded through RFP No. 3273, meeting the requirements for providing financial assistance to victims of violent crime and their family members. The system selected and installed met the federal requirements. The system has been enhanced over the course of time to meet the changes in the federal requirements. The AG's Office has made a business decision to continue using the current system.

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 system was procured competitively to meet federal guidelines for providing compensation to victims of violent crimes and to the victims' families. The Office of the Attorney General has made a business decision to continue using the current system, rather than purchasing a new system.

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 products or services:

The system itself is the intellectual property of Bonditech and as such no other entity/company can perform programming on the system.

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:

The cost to replace the system in its entirety, coupled with the time factor in reporting to the U.S. Dept. of Justice, Office for Victims of Crime and possible financial penalties to the State, far exceeds the \$46,230.00 it will cost to enhance the current system to meet the federal requirements. The initial system in 2002 cost \$132,000.00.

The average hourly cost of \$115.00 compares favorably to hourly rates offered by other vendors for similar programming services, which range from \$105.00 to \$165.00 per hour.

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

The AGO negotiated with the vendor to obtain the most favorable rate offered by Bonditech for software programming services.

Schedule

Task	Date
First Advertisement Date	October 20, 2015
Second Advertisement Date	October 27, 2015
Response Deadline From Objectors	November 3, 2015, at 3:00 P.M. Central Time
Notice of Award/No Award Posted	Not before November 4, 2015

Project Details

In May, 2002, ITS on behalf of the Office of the Attorney General awarded RFP No. 3273 for a customized commercial off-the-shelf (COTS) turnkey solution for a comprehensive automated claims processing system for the Crime Victim Compensation Program (CVCP) to Emergingsoft Corporation as the lowest and best responding vendor. The system, designated ClaimsAssistant, met state and federal requirements for providing financial assistance to victims of violent crime and their family members. In 2009, Emergingsoft changed its name to Bonditech. The system, with previous enhancements, continues to meet the needs of the AG's Office regarding state and federal requirements for providing financial assistance to victims. As such, the AG's Office has made a business decision to continue using the ClaimsAssistant.

The AG's Office is now in need of additional enhancements as a result of the new federal quarterly performance measurement tool (PMT) and reporting requirements mandated by the U.S. Department of Justice, Office for Victims of Crime for all state crime victim compensation programs. The State intends to seek programming assistance from Bonditech, as owner of the source code, to perform these enhancements to the ClaimsAssistant.

Submission Instruction and Format of Response from Objecting Parties

Interested parties who have reason to believe that the software enhancements 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 Bonditech, 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, November 3, 2015, at 3:00 p.m. (Central Time) to Paula Conn at Paula.Conn@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 Paula Conn 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. 3840-42190
Accepted until November 3, 2015 @ 3:00 p.m.,
ATTENTION: Paula Conn**

If you have any questions concerning the information above or if we can be of further assistance, please contact Paula Conn at 601-432-8046 or via email at Paula.Conn@its.ms.gov.

Attachment A: Customer Sole Source Certification Request

Attachment B: Vendor Correspondence

Attachment C: Sole Source Procurement Overview



Mississippi Department of
Information Technology Services

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

Sole Source Certification Request

Project Title: Claims Assist Enhancements Stimulus (ARRA) Funds? Yes No

Customer Contact Information

Agency/Public University: Office of the Attorney General Address: 12 th Floor, Sillers Building Jackson, MS 39201	Contact Person: Rick Moore Phone: 601-359-3517 Fax: Email Address: crmoo@ago.state.ms.us
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MAGIC Customer Number (only required from state agencies): 7000000022 (AG-Crime Victim Compensation)	Division/Dept: Handmail: <input type="checkbox"/> Yes <input type="checkbox"/> No
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Project Summary Narrative Description of Project (include details of original acquisition if applicable):
 Changes are needed as a result of the new federal quarterly performance measurement tool (PMT) and reporting requirements recently mandated by the U.S. Dept. of Justice, Office for Victims of Crime for all state crime victim compensation programs.

ITS Acquisition Approval (CP-1) should be effective through this date (Please allow time for all vendor invoices to be paid):

Cost Estimates Fiscal Year	Initial Costs	Ongoing Costs	Time Constraints Item Needed by: 7/1/15 Funds Expire: n/a	Anticipated Lifecycle of Products/System (i.e. estimated years of effective use): 6 or more yrs.
2016	\$46,230.00		Discuss Funding (e.g. how much of needed funding is definite; total project budget; any matching or other non-state funds) Funding is definite	
Total	\$46,230.00			

Acquisition Details

Items Requested	Quantity	Description	Building Location(s)
Federal Performance Report Enhancement	218 hours	services	
CA Enhancements—letter, screen changes, and add'l features	184 hours	services	

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:
 Oracle database currently housed in the AGO datacenter

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 system was originally awarded through RFP 3273, meeting the requirements for providing financial assistance to victims of violent crime and their family members. The system selected and installed met the federal requirements. The system has been enhanced over the course of time to meet the changes in the federal requirements.

Explain why these products or services are the only ones that can meet your needs (include unique features/special functionality): The system itself is the intellectual property of Bonditech and as such no other entity/company can perform programming on the system. The system was procured competitively. The office of the Attorney General has made a business decision to continue utilization of the system.

Explain why the source is the only entity that can provide the products or services (Include other products/vendors researched or evaluated): Bonditech has provided documentation that it owns the ClaimsAssistant source code and as such is the sole provider for the system. Should any other company attempt to provide enhancements or modifications will void software support maintenance.

Explain why the amount to be expended for the services is reasonable: The cost to replace the system in its entirety, coupled with the time factor in reporting to the U.S. Dept. of Justice, Office for Victims of Crime and possible financial penalties to the State, far exceeds the \$46,230.00 it will cost to enhance the current system to meet the federal requirements. The initial system in 2002 cost \$132,000.00.

Explain what your agency did to obtain the best possible price for the services: The average hourly cost of \$115.00 compares favorably to hourly rates offered by other vendors for similar programming services, which range from \$105.00 to \$165.00 per hour. However, the system requires programmers that are knowledgeable of the system and the federal requirements.

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: Bonditech LLC Vendor Address: 1 Technology Dr., Suite J723 Irvine, CA 92618	Remit To Vendor Name: Bonditech LLC Vendor Address: 1 Technology Dr., Suite J723 Irvine, CA 92618
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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.

Rick Moore/IT Director
 Name (Agency Head or Public University CIO)/Title

Rick Moore
 Signature 10/15/15
 Date

bonditech™

1 Technology Dr., J723
Irvine, CA 92618
Phone (949) 258-0880
Fax (949) 258-8473
<http://www.bonditech.com>

June 29, 2015

Rick Moore
IT Director
Office of the Attorney General
550 High Street
Jackson, MS 39201

RE: Sole Source Statement from Bonditech for ClaimsAssistant Software

Dear Mr. Moore,

ClaimsAssistant customization can only be supplied through professional services from BondiTech. Bonditech owns the source code for ClaimsAssistant. There is no other company that has rights to modifying the ClaimsAssistant source code. BondiTech is the sole source provider for ClaimsAssistant.

Sincerely,

A handwritten signature in black ink, appearing to read 'BK Path', is written over a horizontal dashed line.

Brandon K. Path
CEO
BondiTech, LLC

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.