

Notice of Intent to Certify Sole Source

To: Interested Parties

From: Craig P. Orgeron, Ph.D.

CC: ITS Project Number 42744

Date: May 3, 2016

Re: Sole Source Certification Number 3914 for Finalist Database Maintenance and Support for the Mississippi Department of Information Technology Services (ITS)

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 3914 for Finalist Database Maintenance and Support for the Mississippi Department of Information Technology Services (ITS), please be advised that ITS intends to award the software maintenance and support to Pitney Bowes Software, Inc. (PBSI), as the sole source provider of Finalist Database Maintenance and Support through June 30, 2017, in an amount not to exceed \$60,017.00. ITS anticipates decommissioning the applications that use PBSI during Fiscal Year 2017; however, should the applications remain in production after June 2017, then this sole source certification will be valid through June 30, 2018. 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 Finalist software fits multiple environments including mainframe, which ITS utilizes for its software. Such utilization is advantageous to customers that print address labels through XPAF, which is a XEROX interface software utilized by ITS customers that is exclusively available on z/OS systems. PBSI has exclusive rights to distribute the software. 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:

Pitney Bowes' Finalist is a Coding Accuracy Support System (CASS) certified address matching system. Finalist software provides address and zip-code validation to agencies that send correspondence through the United States Post Office. ITS utilizes Delivery Point Validation (DPV) which matches delivery addresses with the USPS ZIP+4 database and then compares the addresses to another data file, confirming the addresses as valid delivery points. The LACSLink Advantage feature further utilizes Finalist to determine if any address conversion is required. Finalist then returns any converted addresses in a standardized, cleansed format. These features help ensure the printing of accurate address labels, as well as valid addresses for postal mail delivery. 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:

PBSI is the owner, developer and manufacturer of the source code for the Finalist Database. No other vendor has end user distribution rights to the source code. PBSI is the only vendor that has the ability and expertise to support the software for the purposes of maintenance services, updates, enhancements, bug fixes and standard technical support issues. The vendor's sole source certification letter is included as Attachment B.

Schedule

Task	Date
First Advertisement Date	05/03/16
Second Advertisement Date	05/10/16
Response Deadline From Objectors	05/17/16, at 3:00 P.M. Central Time
Notice of Award/No Award Posted	Not before 05/18/16

Project Details

Originally purchased in 1992, the Data Services Division of the Mississippi Department of Information Technology Services uses this software to allow the State Data Center users to take advantage of Zip+4 postal discounts and barcoded tray/sack tags. Expenditures to date total \$1,242,217.58.

Submission Instructions and Format of Response from Objecting Parties

Interested parties who have reason to believe that the Finalist Database maintenance and support 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 Pitney Bowes Software, 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, May 17, 2016, 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. 3914-42744
Accepted until May 17, 2016 @ 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: Renew Finalist Software Maintenance		Stimulus (ARRA) Funds? <u>Yes</u> <u>No</u> X	
Customer Contact Information			
Agency/Public University: 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		Division/Dept: Handmail: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Project Summary Narrative Description of Project (include details of original acquisition if applicable): ITS maintains the Pitney Bowes software and allow other agencies to use. This is used to receive postal discounts and barcoded tray/sack tags with Zip +4.			
ITS Acquisition Approval (CP-1) should be effective through this date (Please allow time for all vendor invoices to be paid):			
Cost Estimates <i>Fiscal Year</i>	Initial Costs	Ongoing Costs	Time Constraints Item Needed by: 05/30/16 Funds Expire:
FY16	\$60,017.00		Anticipated Lifecycle of Products/System (i.e. estimated years of effective use): 1 year Discuss Funding (e.g. how much of needed funding is definite; total project budget; any matching or other non-state funds) All funding is definite and will be paid from ITS Data Services Funds.
Total	\$60,017.00		
Acquisition Details			
Items Requested	Qty	Description	Location(s)
Finalist Maintenance	1	Software Maintenance	Data Center, Eastwood Drive
Finalist Database	1	Database	Data Center, Eastwood Drive
Describe platform & infrastructure (connectivity; software/hardware platforms; utilization of State Data Center resources: mainframe, eGovernment portal, payment engine, document management, hosting). This software is run in the State Data Center at the Eastwood Location. This runs on IBM 2818-R03 S#0F3E7 using 705 MIPS			
Progress to Date: What has been done related to this project, including any communication with ITS staff (data/voice/procurement/other)? Project request submitted. Obtained quote and sole source letter from PBSI.			
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: Pitney Bowes' Finalist is a Coding Accuracy Support System (CASS) certified address matching system. Finalist software provides address and zip-code validation to agencies that send correspondence through the United States Post Office. ITS utilizes Delivery Point Validation (DPV) which matches delivery addresses with the USPS ZIP+4 database and then compares the addresses to another data file, confirming the addresses as valid delivery points. The LACSLink Advantage feature further utilizes Finalist to determine if any address conversion is required. Finalist then returns any converted addresses in a standardized, cleansed format. These features help ensure the printing of accurate address labels, as well as valid addresses for postal mail delivery.			
Explain why these products or services are the only ones that can meet your needs (include unique features/special functionality): The Finalist software fits multiple environments including mainframe, which ITS utilizes for its software. Such utilization is advantageous to customers that print address labels through XPAP, which is a XEROX interface software utilized by ITS customers that is exclusively available on z/OS systems. PBSI has exclusive rights to distribute the software.			
Explain why the source is the only entity that can provide the products or services (Include other products/vendors researched or evaluated): PBSI is the owner, developer and manufacturer of the source code for the Finalist Database. No other vendor has end user distribution rights to the source code. PBSI is the only vendor that has the ability and expertise to support the software for the purposes of maintenance services, updates, enhancements, bug fixes and standard technical support issues.			
Explain why the amount to be expended for the services is reasonable: N/A			
Explain what your agency did to obtain the best possible price for the services: N/A			
Vendor's Certification of Sole Source attached: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Vendor's proposal submitted: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

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

Place Order To

Vendor Name: Pitney Bowes Software, Inc.

Vendor Address: P. O Box 371896

Pittsburgh, PA 15250-7896

Remit To

Vendor Name: Pitney Bowes Software, Inc.

Vendor Address: P. O Box 371896

Pittsburgh, PA 15250-7896

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, PhD, EXEC. DIRECTOR

Name (Agency Head or Public University CIO)/Title

[Handwritten Signature]

Signature

4/28/16

Date



March 3rd, 2016

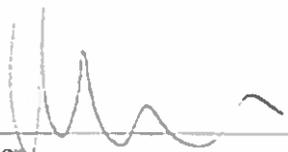
State Of Mississippi
3771 Eastwood Dr
Jackson, MS 39211

SOLE SUPPLIER CERTIFICATION

This is to certify that the computer software program(s) identified below (the "Software"), are proprietary property of Pitney Bowes Software Inc. ("PBSI"). PBSI is the owner, developer, and manufacturer of the source code to the Software and has exclusive rights to distribute the Software or authorize resellers to distribute the Software on PBSI's behalf. No other vendor has end user distribution rights to the source code.

PBSI is the only vendor that has the ability and expertise to support the Software for the purposes of maintenance services, including Software updates, enhancement, bug fixes, and standard technical support issues. If subscription services are applicable, the subscription master file is manipulated by PBSI to operate with the proprietary nature of the Software.

"Products"
See Attached Schedule A



Mark Miller Signature
Manager, Renewals North America
PITNEY BOWES SOFTWARE INC.

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.