

---

## Notice of Intent to Certify Sole Source

---

**To:** Interested Parties  
**From:** Craig P. Orgeron, Ph.D.  
**Date:** September 3, 2015  
**RE:** Sole Source Notice Number 3818 for additional modules for the MCAPS grants management software for the Mississippi Department of Education (MDE).  
**Contact Name:** Renée Murray  
**Contact Phone Number:** 601-432-82146  
**Contact E-mail Address:** Renee.Murray@its.ms.gov

---

### Sole Source Certification Award Details

Regarding Information Technology Services (ITS) Sole Source Certification Number 3818 for grants management software (GMS) for MDE, please be advised that ITS intends to award to HMB, Inc. as the sole source provider of additional modules for the MCAPS grants management system to include hosting, support and maintenance through August 31, 2019, at a total not-to-exceed lifecycle cost of \$331,500.00. For an explanation regarding Mississippi state law, policies, 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:  

**MDE was granted ownership of grants management system software developed by HMB, Inc. by the Ohio Department of Education in April 2014. The system is designed to reduce the administrative burden placed on Local Education Agencies (LEAs) when applying for grant funding, while at the same time increasing transparency of grant activities to ensure funds are spent in accordance with federal and state guidelines.**

**The system, known as MCAPS, has been implemented at MDE for selected programs. MDE has made a business decision to expand its use to include other programs managed by MDE, rather than procuring a separate or replacement 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:

**MDE has made a business decision to expand the use of the current system rather than to purchase an additional system to incorporate the additional programs. 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:

**HMB has certified that they are the sole source supplier for the proprietary MCAPS grants management system, hosting, and support. The vendor's Sole Source Certification is included as Attachment B.**

### **Schedule**

<b>Task</b>	<b>Date</b>
First Advertisement Date	08/18/15
Second Advertisement Date	08/25/15
Response Deadline From Objectors	09/18/15.at 3:00 P.M.Central
Notice of Award/No Award Posted	Not before 09/21/15

### **Project Details**

The Mississippi Department of Education (MDE) desired to implement a web-based grants management system. The goal of the application was to reduce the administrative burden placed on Local Education Agencies (LEAs) when applying for grant funding, while at the same time increasing transparency of grant activities to ensure funds are spent in accordance with federal and state guidelines.

The Ohio Department of Education (ODE) successfully implemented a grants management system that met the needs of MDE and its LEAs. HMB was the vendor contracted by ODE to design and build the GMS solution. Because the initial software was developed using federal funds, the underlying source code was provided to the State of Mississippi at no cost in 2014.

The system is hosted, supported and maintained by HMB. MDE desires to modify the existing system to include additional grants administered by MDE including, but not limited to, Special Education grants, IDEA Project Application grants and Educational Interpreters grants. MDE has made a business decision to expand its use to include other programs managed by MDE, rather than procuring a separate or replacement system. With the requested additions, the total 5-year lifecycle cost of the project will be \$951,429.00.

### **Submission Instructions and Format of Response from Objecting Parties**

Interested parties who have reason to believe that the additional modules for the MCAPS grants management software 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 HMB.

#### **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 Friday, September 18, 2015, at 3:00 p.m. (Central Time) to Renée Murray at [Renee.Murray@its.ms.gov](mailto:Renee.Murray@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 Patti Irgens 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. 3818-42011  
Accepted until September 18, 2015 @ 3:00 p.m.,  
ATTENTION: Renée Murray**

If you have any questions concerning the information above or if we can be of further assistance, please contact Renée Murray at 601-432-8146 or via email at [Renee.Murray@its.ms.gov](mailto:Renee.Murray@its.ms.gov).

Attachment A: Customer Sole Source Certification Request  
Attachment B: Vendor Correspondence  
Attachment C: Sole Source Procurement Overview

cc: ITS Project File Number 42011



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

## Sole Source Certification Request

<b>Project Title:</b> HMB Modification			<b>Stimulus (ARRA) Funds?</b> Yes No	
<b>Customer Contact Information</b>				
<b>Agency/Public University:</b> MDE/Federal Programs Address: PO Box 771 Jackson, MS 39205-0771			<b>Contact Person:</b> Ellen Davis Burnham Phone: 601-359-3487 Fax: 601-359-8027 Email Address: eburnham@mde.k12.ms.us	
<b>MAGIC Customer Number</b> (only required from state agencies): 700000096			<b>Division/Dept:</b> Handmail: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Project Summary</b> <i>Narrative Description of Project</i> (include details of original acquisition if applicable): Extend the Grants Management System Software to allow for the implementation, customization and support for the Offices of Special Education (OSE) and Federal Programs (OFP). This will allow for the online collection of grant applications, monitoring, etc.				
<b>ITS Acquisition Approval (CP-1) should be effective through this date</b> (Please allow time for all vendor invoices to be paid):				
<b>Cost Estimates</b> <i>Fiscal Year</i>	<b>Initial Costs</b>	<b>Ongoing Costs</b>	<b>Time Constraints</b> Item Needed by: Funds Expire:	<b>Anticipated Lifecycle of Products/System</b> (i.e. estimated years of effective use):
FY16	\$211,500.00	\$24,000.00	Discuss Funding (e.g. how much of needed funding is definite; total project budget; any matching or other non-state funds)	
FY17-FY19		\$96,000.00		
<b>Total</b>		<b>\$331,500.00</b>		
<b>Acquisition Details</b>				
<b>Items Requested</b>	<b>Quantity</b>	<b>Description</b>	<b>Building Location(s)</b>	
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:				
<b>Progress to Date:</b> What has been done related to this project, including any communication with ITS staff (data/voice/procurement/other)?				
<b>Sole Source Certification</b> 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: MDE was granted ownership of Grants Management System software developed by Harris, Mackessey & Brennan, Inc. (HMB) by the Ohio Department of Education in April 2014. The system has been implemented for selected programs at MDE and has been branded as MCAPS. MDE has made a business decision to continue use of this system and to expand its use to include other programs managed by MDE.				
Explain why these products or services are the only ones that can meet your needs (include unique features/special functionality): Expanding the use of the current system is preferable to acquiring and maintaining multiple grants management systems.				
Explain why the source is the only entity that can provide the products or services (Include other products/vendors researched or evaluated): HMB has certified that they are the sole source supplier for the proprietary MCAPS grants management system				
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 attached: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
MAGIC Vendor Code(s) Vendor must be in MAGIC before a CP-1 can be issued. 3100034496				
Place Order To		Remit To		
Vendor Name: Harris, Mackessey & Brennan, Inc.		Vendor Name: same		
Vendor Address: 570 Polaris Pkwy Ste 125 Westerville, OH 43082		Vendor Address: same		

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.

Dr. Carey M. Wright / State Superintendent of Education  
 Name (Agency Head or Public University CIO)/Title

Signature Date 9/2/15



April 03, 2015

Marcus Cheeks  
Bureau Director of Title Programs  
Mississippi Department of Education  
P.O. Box 771  
Jackson MS 39205-0771

Dear Mr. Cheeks:

The Grants Management System software that HMB has implemented for the Mississippi Department of Education is a custom product developed, enhanced, and maintained exclusively by HMB, Inc. HMB originally developed the system for the Ohio Department of Education (ODE). ODE paid for the system's development using federal grant funds. As such, ODE has been willing to "gift" the underlying system source code to other state departments of education at no cost. HMB has successfully implemented the Ohio solution for the state departments of education in Alaska, Arizona, Mississippi, Nevada, North Carolina, Tennessee, and Utah.

Since its original conceptualization, HMB has been the only vendor to develop, enhance, and maintain the Grants Management System. As such, HMB is the "sole source" capable of configuring, implementing, enhancing, and supporting the product. Additionally, the software specifically conforms to federal education grant regulations. For all of these reasons, the system is not an off-the-shelf commodity like other grants management systems.

Please do not hesitate to contact me if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read 'John Mackessy'.

John Mackessy  
Partner and CEO

570 Polaris Parkway, Suite 125, Westerville, Ohio 43082  
T. 614.221.6831 F. 614.221.6856

[www.hmbnet.com](http://www.hmbnet.com)

## 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](http://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

## **Attachment C: Sole Source Procurement Overview**

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.

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.