



Notice of Intent to Certify Sole Source

To: Interested Parties
From: Craig P. Orgeron, Ph.D. ^{cro}
CC: ITS Project Number 42097
Date: September 15, 2015
Re: Sole Source Certification Number 3812 for Bell and Howell Hardware and Software Maintenance for the Mississippi Department of Human Services (MDHS)
Contact Name: Teresa Washington
Contact Phone Number: 601-432-8049
Contact E-mail Address: teresa.washington@its.ms.gov

Sole Source Certification Award Details

Regarding Information Technology Services (ITS) Sole Source Certification Number 3812 for Bell and Howell hardware and software maintenance for MDHS, please be advised that ITS intends to award Bell and Howell hardware and software maintenance to Bell and Howell LLC as the sole source provider of these services through June 30, 2016, in an amount not to exceed \$246,404.00. 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:

MDHS requires maintenance service for their Bell and Howell mail sorting equipment. The agency's Office of Administrative Services uses the equipment to process over 200,000 pieces of bulk mail monthly to ensure the efficient and timely delivery of services to clients. This mail includes approximately 3,000 checks for child support recipients, foster parents, and day care providers, notices and appointment letters to clients receiving food stamps, and other benefits provided to needy families. 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:

Bell and Howell certified engineers are the only OEM trained and authorized maintenance service provider in the state of Mississippi for Bell and Howell manufactured equipment. Bell and Howell's software used on the equipment is proprietary to Bell and Howell. As a result, Bell and Howell is the only entity that

legally has access to the software source code for modification or update purposes. 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:

There are no third parties approved by Bell and Howell to perform maintenance services. The vendor's sole source certification letter is included as Attachment B.

Schedule

Task	Date
First Advertisement Date	9/15/15
Second Advertisement Date	9/22/15
Response Deadline From Objectors	9/29/15, at 3:00 P.M. Central Time
Notice of Award/No Award Posted	Not before 9/30/15

Project Details

MDHS originally procured the mail sorting equipment and maintenance via competitive written quotes. The procurement was approved by the Personal Service Contract Review Board in August 2004, for a total cost of \$296,320.00. Maintenance has been procured as a sole source since 2005. MDHS has expended a total of \$933,400.55 for maintenance, of which \$823,950.55 was for hardware maintenance and \$109,450.00 was for software maintenance. The equipment is used to mail notices, checks, and various other documents. MDHS has made the business decision to continue maintenance of this equipment and the associated software necessary for the system to function during the next year, while a competitive procurement is conducted for a replacement mail sorter. The competitive procurement for a replacement mail sorter will fall under the purview of the Mississippi Department of Finance and Administration Office of Purchasing, Travel, and Fleet Management.

Submission Instructions and Format of Response from Objecting Parties

Interested parties who have reason to believe that the Bell and Howell hardware and software 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 Bell and Howell 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 29, 2015, at 3:00 p.m. (Central Time) to Teresa Washington at teresa.washington@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 Teresa Washington 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. 3812-42097
Accepted until September 29, 2015 @ 3:00 p.m.,
ATTENTION: Teresa Washington

If you have any questions concerning the information above or if we can be of further assistance, please contact Teresa Washington at 601-432-8049 or via email at teresa.washington@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: Bell & Howell Software & Hardware Maint. Stimulus (ARRA) Funds? Yes No X				
Customer Contact Information				
Agency/Public University: MS Dept. of Human Services Address: 750 North State Street Jackson, MS 39202			Contact Person: Jackie Surrell Phone: 601-359-4963 Fax: 601-359-4565 Email Address: jackie.surrell@mdhs.ms.gov	
MAGIC Customer Number (only required from state agencies): 700000190			Division/Dept: MIS Handmail: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Project Summary Narrative Description of Project (include details of original acquisition if applicable): MDHS is requesting your assistance with providing a CP-1 to secure the software and hardware maintenance for the agency's Bell and Howell equipment. This equipment is used to mail out agency notices, checks, and various other documents.				
ITS Acquisition Approval (CP-1) should be effective through this date (Please allow time for all vendor invoices to be paid): June 30, 2017				
Cost Estimates Fiscal Year	Initial Costs	Ongoing Costs	Time Constraints Item Needed by: ASAP Funds Expire:	Anticipated Lifecycle of Products/System (i.e. estimated years of effective use): 1 Year
2016	\$123,202.00		Discuss Funding (e.g. how much of needed funding is definite; total project budget; any matching or other non-state funds) 100 % of needed funding is definite 66% State; 34% Federal	
Total	\$123,202.00			
Acquisition Details				
Items Requested	Quantity	Description	Building Location(s)	
		Maintenance of Bell & Howell equipment	MDHS	
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: Bell & Howell equipment is in place; manufacturer maintenance				
Progress to Date: What has been done related to this project, including any communication with ITS staff (data/voice/procurement/other)? Quotes requested for pricing and sole source information requested.				
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: Bell and Howell certified engineers are the only OEM trained and authorized maintenance service provider in the state of Mississippi for Bell and Howell manufactured equipment. Bell and Howell's software used on the equipment is proprietary to Bell and Howell. As a result, Bell and Howell is the only entity that legally has access to the software source code for modification or update purposes.				
Explain why these products or services are the only ones that can meet your needs (include unique features/special functionality): MDHS requires maintenance service for their Bell and Howell mail sorting equipment. The agency's Office of Administrative Services uses the equipment to process over 200,000 pieces of bulk mail monthly to ensure the efficient and timely delivery of services to clients. This mail includes approximately 3,000 checks for child support recipients, foster parents, and day care providers, notices and appointment letters to clients receiving food stamps, and other benefits provided to needy families.				
Explain why the source is the only entity that can provide the products or services (Include other products/vendors researched or evaluated): There are no third parties approved by Bell and Howell to perform maintenance services.				
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				

Attachment A

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

Place Order To

Vendor Name: Bell & Howell
Vendor Address: 7049 Solutions Center
Chicago, IL 60677

Remit To

Vendor Name: Bell & Howell
Vendor Address: 7049 Solutions Center
Chicago, IL 60677

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.

Richard BERRY EXECUTIVE Director
Name (Agency Head or Public University CIO)/Title

Richard A Berry 9/4/15
Signature Date



4/17/2015

STATE OF MISSISSIPPI
750 N STATE ST
JACKSON, MS -39202-3033

Dear Mr. Adams,

Bell and Howell retains ownership of all Bell and Howell software, including the Bell and Howell software integrated with the Bell and Howell equipment, and has not licensed or otherwise authorized any third parties in the United States to provide upgrades, patches, updates or any other modifications to such software. Moreover, Bell and Howell certified engineers are the only OEM trained and authorized maintenance service provider in the state of Mississippi for Bell and Howell manufactured equipment.

Besides being the only factory authorized service provider for the Bell and Howell products, Bell and Howell is more qualified than others to provide maintenance service to you for the following specific reasons:

- Bell and Howell's software used on the equipment is proprietary to Bell and Howell. As a result, Bell and Howell is the only entity that legally has access to the software source code for modification or update purposes;
- Bell and Howell Service has access to the Engineering departments that originally designed the product. Such access means that problems that cannot be corrected in the field can be quickly escalated to Engineering for resolution.

All of us at Bell and Howell appreciate the opportunity to work with State of Mississippi and we look forward to serving you in the future. Please feel free to call me at (919)767-4309 with any questions or additional information you may require.

Sincerely,

Joseph Wilson

A handwritten signature in black ink that reads "Joseph Wilson". The signature is written in a cursive, flowing style.

Contracts Analyst
Service Operations Support
Bell and Howell

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.