

RFP Questions and Clarifications Memorandum

To: Vendors Responding to RFP Number 3748 for the Mississippi Department of Information Technology Services (MDITS)

From: Craig P. Orgeron, Ph.D.

Date: April 11, 2014

Subject: Responses to Questions Submitted and Clarifications to Specifications

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RFP Number 3748 is hereby amended as follows:

1. Section VIII EPL Process Specifications, Item 8.3.1 is modified as follows:

- 8.3.1 Manufacturers may only designate sellers who have been approved by **ITS** during either the initial RFP opening date of April 24, 2014 or the Six Month Updates scheduled for November and April May of each year.

Vendor must include in their proposal a response to each amended requirement as listed above. Vendor must respond using the same terminology as provided in the original requirements.

The following questions were submitted to ITS and are being presented as they were submitted, except to remove any reference to a specific vendor. This information should assist you in formulating your response.

Question 1: Section VII, Express Product List Overview, Item 4; Section VIII, EPL Process Specifications, Items 3.4, 9.1, 9.4.1, 9.5.1, 10.2.2, and 10.2.7; Section XII, Cost Information Submission, Item 2.7.5:

“Not to exceed pricing” is referenced multiple times within this RFP. Is it the State’s intent to receive a capped price for each part number, and the manufacturer can provide a lower price and then increase to the capped rate over the term of the contract? Please elaborate on “not-to-exceed pricing” and the update limitations on pricing.

Response: “Not-to-exceed pricing” is the price the vendor sets for a product, replacement part or service (labor or travel). The vendor may sell the

product, replacement part or service at or below the “not to exceed pricing”, but may not sell above the set price.

Vendors may submit updates once a month to lower published pricing. These updates must be received by the 15th of the month to be published on the ITS website in the same month. Updates received after the 15th will be processed the following month.

If a Vendor wishes to raise a price, the changes may only be submitted in the months of November and May each year. These changes must be received no later than the 15th of the month or the increase will not be published.

Question 2: Section VIII, EPL Process Specifications, Item 8.2.3:

“Pricing may be lowered at any monthly update but may only be raised in the months of November and May of each year”.

If pricing can be increased during November and May of each year then what does the State mean when referring to “not-to-exceed pricing” throughout the contract?

Response: When the manufacturer sets the price for “not-to-exceed” pricing, it should include enough of a margin to ensure the seller derives income from the sale of the product, replacement part or service after accounting for the cost of goods sold.

Regardless of cost increases incurred by the manufacturer over the course of the year, price increases for “not-to-exceed pricing” are allowed only during the months of November and May.

Vendors are required to pass any price decreases on to the customer, so “not-to-exceed pricing” may be lowered at any time. In order to have the lower “not-to-exceed pricing” published to the ITS website, vendors must submit this information to ITS on or before the 15th of each month.

Question 3: Section XIV, References, Item 1:

Are manufacturers required to submit Value Added Vendors’ references in the manufacturer’s response?

Response: No, each seller is responsible for submitting Value Added Vendor references as part of their RFP proposal response.

If the manufacturer plans to sell directly off the EPL and alongside its’ sellers, then the manufacturer should submit Value Added Vendor references as part of their RFP proposal response.

Question 4: Section X, Vendor Contacts and Service Fees for Sellers:

Are manufacturers required to submit Value Added Vendors’ service fees in the manufacturer’s response?

Response: If the manufacturer is sponsoring a reseller group, but does not plan to sell directly, then the manufacturer is not required to submit the Service Fees spreadsheet.

If the manufacturer plans to sell directly off this EPL and alongside its' sellers, then the manufacturer should submit the Service Fees spreadsheet.

Question 5: Section IX, Technical Specifications, Item 1.

Page 55 outlines the acceptable responses for each line item. If we are only bidding recording solutions and a line item is completely unrelated to recording (such as 5.3 on page 59 related to controllers), what should our response be for those items?

Response: Please refer to Section IX, Technical Specifications, Item 1.3.

RFP responses are due April 24, 2014, at 3:00 p.m. (Central Time).

If you have any questions concerning the information above or if we can be of further assistance, please contact Kay-Lynn Meador at 601-432-8001 or via email at KayLynn.Meador@its.ms.gov.

cc: ITS Project File Number 40728