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Craig P. Orgeron, Ph.D., Executive Director

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## Notice of Intent to Certify Sole Source

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**To:** Interested Parties  
**From:** Craig P. Orgeron, Ph.D.  
**CC:** ITS Project Number 44299  
**Date:** June 26, 2018  
**RE:** Sole Source Notice Number 4107 for the acquisition of CapPLUS Cost Allocation Software and Hosting for the Mississippi Department of Human Services (MDHS)  
**Contact Name:** Jamekia Hilliard  
**Contact Phone Number:** 601-432-8219  
**Contact E-mail Address:** Jamekia.Hilliard@its.ms.gov

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### Sole Source Certification Award Details

Regarding Information Technology Services (ITS) Sole Source Certification Number 4107 for the acquisition of CapPLUS Cost Allocation Software and Hosting for the Mississippi Department of Human Services (MDHS), please be advised that ITS intends to award to Interactive Voice Application, Inc. (IVA) as the sole source provider of the software and hosting through September 30, 2021, at a total not-to-exceed lifecycle cost of \$209,000.00. 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:

**MDHS is currently using Random Moment Sampling (RMS) to conduct three time studies to determine what program or service a Department employee is working on and what kind of activity that employee is performing at a randomly chosen moment. CapPLUS and RmsPLUS have the ability to use the same database, and the data from RmsPLUS can be automatically uploaded into CapPLUS to allocate costs based on the transactions in an agency's financial accounting system. This gives MDHS a complete cost allocation 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:

**MDHS does not have a cost allocation system to request reimbursement for federal funds and currently, all reimbursement requests are entered manually. CapPLUS will allow MDHS to import/export data, such as the agency's financial and statistical**

**information to the state's accounting systems and the RMS 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 the product or services:

**CapPLUS cost allocation software is proprietary to IVA, and the hosting, maintenance, and licensing for this product is available directly from IVA. IVA does not offer the products through any dealers, distribution networks, retailers, or resellers. The vendor's sole source certification letter is included as Attachment B.**

### Schedule

Task	Date
First Advertisement Date	07/03/18
Second Advertisement Date	07/10/18
Response Deadline From Objectors	07/18/18, at 3:00 P.M. Central Time
Notice of Award/No Award Posted	07/19/18

### Project Details

ITS issued Request for Proposals (RFP) No. 3562 on July 25, 2011, on behalf of MDHS for the acquisition of a web-based Random Moment Sampling (RMS) System where Interactive Voice Applications, Inc. was the awarded vendor. CapPlus is the only cost allocation component that will allow MDHS to import/export data from current Random Moment Sampling System. MDHS has made the business decision to acquire CapPLUS to use in conjunction with the existing RmsPLUS. With this addition, the total spend to date is \$391,500.00.

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

Interested parties who have reason to believe that CapPLUS Cost Allocation Software and Hosting 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 with Interactive Voice Applications, 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 Wednesday, July 18, 2018, at 3:00 p.m. (Central Time) to Jamekia Hilliard at [Jamekia.Hilliard@its.ms.gov](mailto:Jamekia.Hilliard@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 Jamekia Hilliard 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. 4107-44299  
Accepted until July 18, 2018 @ 3:00 p.m.,  
ATTENTION: Jamekia Hilliard**

If you have any questions concerning the information above or if we can be of further assistance, please contact Jamekia Hilliard at 601-432-8219 or via email at [Jamekia.Hilliard@its.ms.gov](mailto:Jamekia.Hilliard@its.ms.gov).

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

## Attachment A



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

## Sole Source Certification Request

<b>Project Title: Cost Allocation Software</b>			<b>Stimulus (ARRA) Funds? Yes ___ No <u>X</u></b>	
<b>Customer Contact Information</b>				
<b>Agency/Public University:</b> MS Department of Human Services <b>Address:</b> 750 North State Street Jackson, MS 39202			<b>Contact Person:</b> Vicki Brown <b>Phone:</b> (601) 359-4610 <b>Fax:</b> (601) 359-4698 <b>Email Address:</b> vicki.brown@mdhs.ms.gov	
<b>MAGIC Customer Number</b> (only required from state agencies): <b>7000000190</b>			<b>Division/Dept:</b> <b>Handmail:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>Project Summary Narrative Description of Project</b> (include details of original acquisition if applicable): MDHS is utilizing a Web-based Random Moment Sampling (RMS) system to capture random moments specifically chosen by time, day, and month. CapPlus is the only cost allocation component that will allow MDHS to import/export data from current Random Moment Sampling System.				
<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: ASAP Funds Expire:	<b>Anticipated Lifecycle of Products/System</b> (i.e. estimated years of effective use): 5 years
<b>FY19</b>	<b>\$50,000.00</b>	<b>\$53,000.00</b>	<b>Discuss Funding</b> (e.g. how much of needed funding is definite; total project budget; any matching or other non-state funds) Federal 100%	
<b>FY20</b>		<b>\$53,000.00</b>		
<b>FY21</b>		<b>\$53,000.00</b>		
<b>Total</b>	<b>\$50,000.00</b>	<b>\$159,000.00</b>		
<b>Acquisition Details</b>				
<b>Items Requested</b>	<b>Quantity</b>	<b>Description</b>	<b>Building Location(s)</b>	
<b>Implementation</b>	<b>1</b>	<b>Set up, configuration, and customization</b>		
<b>CapPLUS Cost Allocation Software</b>	<b>1</b>	<b>Software</b>		
<b>Hosting</b>	<b>3 years</b>	<b>Hosting</b>		
<b>Describe platform &amp; infrastructure</b> (connectivity; software/hardware platforms; utilization of State Data Center resources: mainframe, eGovernment portal, payment engine, document management, hosting).				
<b>Progress to Date:</b> What has been done related to this project, including any communication with ITS staff (data/voice/procurement/other)? Received a quote and sole source memo from vendor.				
<b>Sole Source Certification</b> Note: Certification must be renewed for each revision or continuation of previous Sole Source Approvals.				
<b>Specific business requirements to be met by the requested products or services:</b> MDHS does not have a cost allocation system to request reimbursement for federal funds and currently, all reimbursement requests are entered manually. CapPLUS will allow MDHS to import/export data, such as the agency's financial and statistical information to the state's accounting systems and the RMS system.				
<b>Explain why these products or services are the only ones that can meet your needs</b> (include unique features/special functionality): MDHS is currently using Random Moment Sampling (RMS) to conduct three time studies to determine what program or service a Department employee is working on and what kind of activity that employee is performing at a randomly chosen moment. CapPLUS and RmsPLUS have the ability to use the same database, and the data from RmsPLUS can be automatically uploaded into CapPLUS to allocate costs based on the transactions in an agency's financial accounting system. This gives MDHS a complete cost allocation system.				
<b>Explain why the source is the only entity that can provide the products or services</b> (Include other products/vendors researched or evaluated): CapPLUS cost allocation software is proprietary to IVA, and the hosting, maintenance, and licensing for this product is available directly from IVA. IVA does not offer the products through any dealers, distribution networks, retailers, or resellers.				
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	
<b>MAGIC Vendor Code(s) Vendor must be in MAGIC before a CP-1 can be issued.</b>				
<b>Place Order To</b> <b>Vendor Name: Interactive Voice Applications, Inc.</b> <b>Vendor Address: P.O. Box 670991</b> <b>Dallas, TX 75367</b>			<b>Remit To</b> <b>Vendor Name: Interactive Voice Applications, Inc.</b> <b>Vendor Address: P.O. Box 670991</b> <b>Dallas, TX 75367</b>	

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.

**Attachment A**

DocuSigned by:



6/29/2018

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John Davis, MDHS Executive Director

Date

**Attachment B**



Debra Dixon, Director  
Budgets, Cost Allocation and  
Grants Management  
Mississippi Department of Human Services  
Division of Budgets and Accounting  
Phone: (601) 359-4837 Fax: (601) 359-4960  
debra.dixon@mdhs.ms.gov

May 31<sup>st</sup>, 2018

**SOLE SOURCE JUSTIFICATION FOR RmsPLUS and CapPLUS**

Dear Ms. Dixon,

Regarding our RmsPLUS random moment sampling software plus our CapPLUS cost allocation software: those systems are proprietary to IVA, and the hosting, maintenance, support and licensing for those products are available only directly from IVA. We don't offer the products through any dealers, distribution networks, retailers or resellers. As such we consider the availability of the licensing for them to be sole source because they are available only from us.

Sincerely,

A handwritten signature in black ink that reads "John R. Young". The signature is written in a cursive, flowing style.

John R. Young  
(817) 609-8116  
john@ivacsp.com

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

Interactive Voice Applications, Inc.  
PO Box 670991, Dallas, TX 75367

(817) 609-8110

## 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.