

Notice of Intent to Certify Sole Source

To: Interested Parties

From: David C. Johnson

CC: ITS Project Number 46652

Date: August 31, 2021

Re: Sole Source Certification Number 4414 to provide CapPLUS Cost Allocation Software and Hosting for the Mississippi Department of Human Services (MDHS)

Contact Name: Robert Martinez

Contact Phone Number: 601-432-8002

Contact E-mail Address: Robert.Martinez@its.ms.gov

Sole Source Certification Award Details

Regarding Information Technology Services (ITS) Sole Source Certification Number 4414 for the Mississippi Department of Human Services, please be advised that ITS intends to award Interactive Voice Application, Inc. (IVA) as the sole source provider of CapPLUS Cost Allocation Software and Hosting through September 30, 2024 in an amount not to exceed \$95,709.00. Please be advised that ITS will determine if additional support is within scope during the certification period and may increase the spending authority accordingly. Should IVA change their name during this certification period, then ITS will determine if a recertification is necessary. 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 is currently using Random Moment Sampling (RMS) to conduct three different 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. 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:

CapPLUS allows MDHS to import and export data, such as the agency's financial and statistical information. This data can be imported to and exported from the state's accounting systems, as well as the Random Moment Sampling system known as RmsPLUS. The two systems use the same database, allowing for data from RmsPLUS to be automatically uploaded into the CapPLUS 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 only 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	08/31/21
Second Advertisement Date	09/07/21
Response Deadline From Objectors	09/15/21 at 3:00 P.M. Central Time
Notice of Award/No Award Posted	Not before 09/16/21

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 and export data from the current Random Moment Sampling System. ITS issued Sole Source 4107 for the acquisition of CapPLUS Cost Allocation Software and Hosting to use in conjunction with the existing RmsPLUS System. With this addition, MDES has spent to date \$235,709 on CapPLUS, and \$324,875.00 on RmsPLUS.

Submission Instructions and Format of Response from Objecting Parties

Interested parties who have reason to believe that the 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 to 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 Tuesday, September 15, 2021, at 3:00 p.m. (Central Time) to Robert Martinez at Robert.Martinez@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 Robert Martinez 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. 4414-46652
Accepted until September 15, 2021 @ 3:00 p.m.,
ATTENTION: Robert Martinez

If you have any questions concerning the information above or if we can be of further assistance, please contact Robert Martinez at 601-432-8002 or via email at Robert.Martinez@its.ms.gov.

Attachment A: Customer Sole Source Certification Request

Attachment B: Vendor Correspondence

Attachment C: Sole Source Procurement Overview



Sole Source Certification Request

Project Title:		Cost Allocation Software	
Contact Information			
Agency/Institution:		Mississippi Department of Human Services	Contact Person: Vicki Brown
Mailing Address:		200 South Lamar Street, Jackson, MS 39201	Phone Number: (601) 359-4610
			Email Address: Vicki.Brown@mdhs.ms.gov
MAGIC Customer #: (Only required from state agencies.)		7000000190	Division/Dept: IT Procurement
Project Summary			
Description of Project: (Include details of original acquisition if applicable)		MDHS would like to continue support for the cost allocation system. The cost allocation system was acquired in two phases. MDHS purchased the Random Sampling Services in 2011 via Competitive RFP and CapPLUS software in 2018 via Sole Source. The Random Moment Sampling Services along with the CapPLUS services provides MDHS with a cost allocation system to request reimbursement for federal funds.	
ITS Acquisition Approval (CP-1) should be effective through this date:			
Cost Estimates (Maximum allowed duration is 3 years per request/project)			
Fiscal Year		Initial Costs	Ongoing Costs
FY	2022		\$30,360.00
FY	2023		\$31,878.00
FY	2024		\$33,471.00
Total Estimated Project Cost:		\$95,709.00	
Funding Source:		Federal and State Funds	
Discuss Funding: (e.g. fund number; how much of needed funding is definite; total project budget; any matching or other non-state funds)		NA	
Acquisition Details			
Item or Part Number	Quantity	Description	Building Location(s)
CapPLUS Software and Hosting	1		
Describe Platform and Infrastructure: Where does your agency plan to house or host the requested equipment or service? What resources currently available through ITS are needed (network connectivity, cloud computing/storage, colocation, business resiliency, etc.)? <i>NOTE: For equipment or services outside of current ITS available contracts and resources, justification must be attached.</i>			
NA			
Sole Source Certification - Certification must be renewed for each revision or continuation of previous Sole Source Approval.			
Explain why these products or services are the only ones that can meet your needs: (Include specific functionality or special features that make this product or service unique.)		MDHS is currently using Random Moment Sampling (RMS) to conduct three different 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. 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.	
Specific business requirements to be met by the products/services: (e.g. intended use, how it helps accomplish a task, etc.)		CapPLUS allows MDHS to import and export data, such as the agency's financial and statistical information. This data can be imported to and exported from the state's accounting systems, as well as the Random Moment Sampling system known as RmsPLUS. The two systems use the same database, allowing for data from RmsPLUS to be automatically uploaded into the CapPLUS system.	
Explain why this is the only entity that can provide the products/services: (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 only available directly from IVA. IVA does not offer the products through any dealers, distribution networks, retailers, or resellers.	
If for services or installations (not a product) the following two questions must be addressed.			

Vendor's proposal submitted:		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (select only one)		Vendor's Certification of Sole Source 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.							
Place Order To Vendor Code:	Vendor Name:	Interactive Voice Applications	Remit To Vendor Code:	Vendor Name:	Interactive Voice Applications		
	Vendor Address:	P.O. Box 670991 Dallas, TX 75367	3100024868	Vendor Address:	P.O. Box 670991 Dallas, TX 75367		
3100024868							

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.

Robert G. Anderson Executive Director

Name and Title (Agency Head/Institution President/CIO)

DocuSigned by:

Robert G. Anderson

Signature

8/27/2021

Date

DocuSign Envelope ID: ABB8BE74-7720-42C9-B764-F3B143F6BF2D



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

July 19, 2021

Dear Ms. Dixon,

Regarding our RmsPLUS random moment sampling software and 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 do not 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'.

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

This sole source letter has been prepared by Interactive Voice Applications, Inc. ("IVA, Inc.") exclusively for use and review by Mississippi DHS. This quote contains privileged or confidential business or financial information exempt from disclosure under the Freedom of Information Act and/or state law. RmsPLUS and CapPLUS software, features, design, technical specifics, and related company literature © 2005, 2012 Interactive Voice Applications, Inc. (IVA or IVA, Inc.). All rights reserved.

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.

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.