

Notice of Intent to Certify Sole Source

To: Interested Parties

From: Craig P. Orgeron, CPM, Ph.D. ^{CMG}

CC: ITS Project Number 48662

Date: February 4, 2025

Re: Sole Source Certification Number 4664 to provide SAS Software Licenses and Maintenance for the Mississippi Department of Information Technology Services (ITS)

Contact Name: Angelia Pryor

Contact Phone Number: 601-432-8008

Contact E-mail Address: angelia.pryor@its.ms.gov

Sole Source Certification Award Details

Regarding Information Technology Services (ITS) Sole Source Certification Number 4664 for the Mississippi Department of Information Technology Services (ITS), please be advised that ITS intends to award SAS Institute, Inc. (SAS) as the sole source provider for SAS Software Licenses and Maintenance for the Mississippi Department of Information Technology Services (ITS) through April 14, 2026, in an amount not to exceed \$54,707.00. If ITS opts to renew SAS Software Licenses and Maintenance, this sole source certification shall be valid through April 14, 2028. Please be advised that ITS will determine if any optional services or support are within scope during the certification period and may increase the spending authority accordingly. Should SAS Institute Inc. 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 B: 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:

SAS is used as the programming language for many mainframe applications running on the Statewide Payroll and Human Resources System (SPAHRs) in conjunction with other State agencies. SAS can uniquely read data in almost any format, and many agencies rely on SAS in order to process System Management Facilities data in daily, weekly, monthly, and annual jobs. In particular, the MXG billing software running on SPAHRs relies on SAS. In addition, SAS can scan a physical tape and produce a report from the label, including data set name, Data Control Block information, and data set history.

2. The purchaser must be able to show specific business objectives that can be met only through the unique product or services:

The SAS software was acquired in the late 1980's through a competitive procurement. After the SAS products were acquired, many agencies, including ITS, wrote programs and processes using the SAS language. Many of these programs remain in production today and provide performance analysis, read/process mainframe data in a multitude of formats, and produce analytical and statistical reports from numerous database resources.

If access to SAS is removed, all programs would have to be rewritten, and a new language may have to be procured. Any re-engineering of production systems would be costly to both ITS and the State Data Center customers.

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:

SAS Institute Inc. is the sole manufacturer and reseller of SAS software. While SAS has indicated there is a reseller for new licenses, SAS is the sole source provider for the renewal of the software currently licensed by ITS. The maintenance of the software is performed only by SAS Institute Inc. The Vendor's sole source certification letter is included as Attachment A.

Schedule

Task	Date
First Advertisement Date	02/04/2025
Second Advertisement Date	02/11/2025
Response Deadline From Objectors	02/19/2025 at 3:00 P.M. Central Time
Notice of Award/No Award Posted	Not before 02/20/2025

Project Details

ITS originally produced Base SAS, SAS/CONNECT, and SAS ACCESS Interface to DB2 software licenses and support through a competitive procurement in the late 1980's. Beginning in March 2016, ITS issued Sole Source Certification Number 3882 for the SAS software license and maintenance renewal with SAS Institute Inc. deemed the sole source provider. Since then, ITS has continued to renew the SAS software licenses and maintenance through a sole source procedure without receiving any objections. ITS has expended approximately \$2,660,001.00 for these SAS software license and maintenance since 1988.

Submission Instructions and Format of Response from Objecting Parties

Interested parties who have reason to believe that the SAS Software Licenses and Maintenance for the Mississippi Department of Information Technology Services (ITS) 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 SAS Institute, 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, February 19, 2025, at 3:00 p.m. (Central Time) to Angelia Pryor at angelia.pryor@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 Angelia Pryor 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. 4664-48662
Accepted until February 19, 2025 @ 3:00 p.m.,
ATTENTION: Angelia Pryor

If you have any questions concerning the information above or if we can be of further assistance, please contact Angelia Pryor at 601-432-8008 or via email at angelia.pryor@its.ms.gov.

- Attachment A: Vendor Correspondence
- Attachment B: Sole Source Procurement Overview



January 28, 2025

Erica Cornelius, CPM
MS Department of Information Technology Services
Erica.Cornelius@its.ms.gov

RE: SAS Site No. 354

Dear Erica Cornelius:

Pursuant to your request, this letter will confirm that SAS Institute Inc. ("SAS") is the sole manufacturer, publisher, and sole source of SAS® software (the "Software") in the United States, except for eligible government entities and education institutions in the United States as described below.

Executive Information Systems, LLC ("EIS") is the sole authorized reseller for new licensing, renewals, and maintenance (excluding JMP Software) of the following:

- Perpetual SAS Software;
- SAS Viya 3.x Software; and
- SAS Software licensed on a mainframe.

EIS and Carahsoft Technology Corporation ("Carahsoft") are the authorized resellers for SAS Viya 4 Software and annual SAS 9.x Software.

Under certain circumstances and upon SAS' prior approval, EIS and Carahsoft may allow certain third parties to resell Software to eligible government entities and education institutions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Karyn Long', written over a horizontal line.

Karyn Long
Sr Director, Sales Operations
Americas Sales

Attachment B

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 A.

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 \$75,000 (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.

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.