

Notice of Intent to Certify Sole Source

To: Interested Parties

From: Craig P. Orgeron, CPM, Ph.D. *CPD*

CC: ITS Project Number 48938

Date: May 13, 2025

Re: Sole Source Certification Number 4692 to provide direct servicing software maintenance and support for the Mississippi Development Authority (MDA)

Contact Name: Denetta Durr

Contact Phone Number: 601-432-8022

Contact E-mail Address: Denetta.durr@its.ms.gov

Sole Source Certification Award Details

Regarding Information Technology Services (ITS) Sole Source Certification Number 4692 for the Mississippi Development Authority (MDA), please be advised that ITS intends to award The Mitas Group, Inc. as the sole source provider of direct servicing software maintenance and support for the Mississippi Development Authority (MDA) through June 30, 2026, in an amount not to exceed \$26,421.56. If MDA opts to renew direct servicing software maintenance and support, this sole source certification shall be valid through June 30, 2028. Please be advised that ITS will determine if additional enhancements, upgrades, and support are within scope during the certification period and may increase the spending authority accordingly. Should The Mitas Group, 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:

The MITAS Product consists of proprietary software written over several years by the company that can only be supported and maintained by The Mitas Group. Mitas provides periodic enhancements to the programs as maintenance to their Direct Servicing Software. These enhancements are generally designed to ensure that MDA's system will not become obsolete when new technology has been introduced in the industry that will allow MDA to operate more effectively and efficiently. Mitas offers custom programming services to modify the existing programs to meet unique requirements or write new programs that will integrate with MDA's existing system.

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

The Community Services Division and the Financial Resources Division of MDA use MITAS Direct Servicing Software to collect payments and track proper application of outstanding payments on economic development loans. In addition, it tracks interest accrual and provides various accounting reports. The software also services active loans, monitors collateral, Uniform Commercial Code, insurance expiration dates, and job requirement thresholds, as well as monitors business viability to perform risk analysis and provides the capability to perform variable loan terms during the lifetime of the loan.

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 Mitas Group is the sole owner of the MITAS Direct Servicing Software and the only company that can support the software, as it requires the source code to do so. The Vendor's sole source certification letter is included as Attachment A.

Schedule

Task	Date
First Advertisement Date	05/13/25
Second Advertisement Date	05/20/25
Response Deadline From Objectors	05/28/25 at 3:00 P.M. Central Time
Notice of Award/No Award Posted	Not before 05/29/25

Project Details

The MDA originally purchased the MITAS Direct Servicing Software as an emergency in June 2011. MDA is seeking ongoing support and maintenance to service thousands of dollars in loans for economic development. In July 2016, ITS began issuing Sole Source Certifications for maintenance and support of MITAS and has not received any objections to the advertise notice. To date, MDA has spent \$279,897.11 for this software and associate support and maintenance. ITS has obtained permission from the Mississippi Department of Finance and Administration, Office of Fiscal Management, to proceed with this request.

Submission Instructions and Format of Response from Objecting Parties

Interested parties who have reason to believe that the direct servicing software maintenance and support 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 The Mitas Group, 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, May 28, 2025, at 3:00 p.m. (Central Time) to Denetta Durr at denetta.durr@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 Denetta Durr 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:

<p>SUBMITTED IN RESPONSE TO Sole Source Certification No. 4692 Accepted until May 28, 2025 @ 3:00 p.m., ATTENTION: Denetta Durr</p>

If you have any questions concerning the information above or if we can be of further assistance, please contact Denetta Durr at 601-432-8022 or via email at denetta.durr@its.ms.gov.

Attachment A: Vendor Correspondence

Attachment B: Sole Source Procurement Overview



The Mitas Group, Inc.

HOUSING FINANCE AGENCIES | HUMAN RESOURCES | CUSTOM DEVELOPMENT

April 2, 2025

Mr. Jonathon Dixon
IT Procurement & Systems Manager
MS Development Authority
501 North West Street
Jackson, MS 39201

Dear Mr. Dixon,

Thank you for your continued partnership and use of the MITAS Application Software. We are happy to offer ongoing Application Software Maintenance and Support services to your agency for the MITAS Direct Servicing Application Software Module. The MITAS product consists of proprietary software written over several years by our company. We are the sole owners of the product and the only company that can support the software as it requires the source code to do so.

The MITAS product is a Microsoft Windows® based application that utilizes a Microsoft SQL database for its data storage.

Your agency utilizes this product to service various loans (thousands) that have been made by different departments within your agency. Servicing requires collection of payments and proper application of payments outstanding, accrual of interest, year-end reporting requirements, and various accounting reports. During initial implementation, MITAS also enhanced the product to be able to comply with certain processing needs that your loans have regarding how the interest is calculated and due amounts are determined. The Mitas Group specializes in servicing environments such as yours that do not necessarily follow industry standard amortization rules. All our business is government related such as your agency.

Our pricing for Application Software Maintenance and Support is based on a long history of industry standards in determining pricing based on initial cost of product and thus cost to replace. A very typical scenario is 25% of original purchase cost (excluding services). Annually, this cost may be increased due to inflation or additional custom functionality added at the request of your agency. With each renewal, The Mitas Group analyzes the previous maintenance and support year to determine if any significant increase is warranted, else only a minor increase to keep up with the growing costs of doing business is applied. Multi-year contracts are generally beneficial to our clients as they set an agreed upon rate of increase for the term.

Best Regards,

Steven M. Mitas
President

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.