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Mississippi Department of Information Technology Services

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

Notice of Intent to Certify Sole Source

To: Interested Parties

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

CC: ITS Project Number 49357

Initial CPD

Date: February 10, 2026

Re: Sole Source Certification Number 4741 for Application Security Platform Subscription for the Public Employee Retirement System (PERS)

Contact Name: Matthew Livingston

Contact Phone Number: 601-432-8244

Contact E-mail Address: matthew.livingston@its.ms.gov

Sole Source Certification Award Details

Regarding Information Technology Services (ITS) Sole Source Certification Number 4741 for the Public Employee Retirement System (PERS), please be advised that ITS intends to award Pathlock, Inc. as the sole source provider of Application Security Platform Subscription through December 31, 2026, in an amount not to exceed $102,857.97. If PERS opts to renew the Application Security Platform Subscription, this sole source certification shall be valid through December 31, 2028. Please be advised that ITS will determine if additional subscriptions, enhancements, upgrades, or support are within scope during the certification period and may increase the spending authority accordingly. Should Pathlock, 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 exists:

   The Pathlock Identity Security Platform was developed specifically for Oracle's PeopleSoft software suite, which is the platform on which the PERS MARS system is based. Pathlock provides integration with a range of multifactor authentication providers and comes with 24x7 support. PERS was looking for a product that could "authenticate users", provide "Single Sign On", "mask data fields" and provide "log auditing" at the data presentation layer. PERS looked at other providers, including Oracle, but Pathlock was the only software package that provided all three of these features with ongoing support.

Board Members: Christa L. Alexander, Chair • Bill Cook, Vice-Chair • Thomas A. Wicker • Mark E. Henderson • J. Keith Van Camp
Legislative Advisors: Senator Bart Williams • Representative Jill Ford

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

   PERS currently used Pathlock to enhance security and protect sensitive data within the MARS/PeopleSoft environment, which supports nearly 800 external employees. Pathlock provides application-level security controls that address risks associated with authentication standards implemented when MARS/PeopleSoft was originally deployed. Pathlock is used to enforce modern security standards and protect sensitive member and employer data in an increasingly hostile threat environment. Specifically, Pathlock enables PERS to:

   - **Protect sensitive data at the application level by enforcing security controls directly within the MARS/PeopleSoft application, rather than relying solely on network or database protections.**
   - **Mask sensitive data at the presentation layer (Web browser), preventing unauthorized users from viewing sensitive fields such as Social Security Numbers and banking information.**
   - **Control and restrict access based on risk factors, including blocking traffic from known malicious or foreign IP ranges attempting to access the system.**
   - **Enforce multi-factor authentication (MFA) for MARS users, including both PERS staff and external employers, with the ability to require additional authentication for access to sensitive data fields as needed.**
   - **Apply security controls using a centralized, rules-based engine, allowing PERS to adjust enforcement levels based on user role, data sensitivity, and operational needs.**
   - **Integrate with existing authentication solutions, including Google Authenticator one-time password functionality, without additional licensing costs.**

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:

   Pathlock is the sole provider of a commercially available, vendor-supported, integrated platform. Workarounds can be achieved through custom development for individual components, but no other solution provides this integrated, PeopleSoft native capability set. The Vendor's sole source certification letter is included as Attachment A.

Schedule

Task	Date
First Advertisement Date	02/10/2026
Second Advertisement Date	02/17/2026
Response Deadline From Objectors	02/24/2026 at 3:00 P.M. Central Time
Notice of Award/No Award Posted	Not before 02/25/2026

Project Details

The IT security environment has changed significantly since the launch of MARS, the PERS pension administration system, in 2015. While PERS has taken numerous steps to implement industry standard best practices with their IT security protocols, one area of continued exposure pertains to employer reporting and the MARS application. While PERS has implemented Multi-factored Authentication for PERS employees for network access, they need to strengthen their security practices around access for the nearly 800 employers who have access and provide data

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to the system. Current practices have not evolved significantly since 2015 go-live and do not include MFA, the minimal benchmark for today's environment.

The Oracle/Peoplesoft platform on which MARS is based, is not set up to automatically integrate and support MFA technology software. It does not natively support Security Assertion Markup Language (SAML). As a result, these applications are often excluded from MFA systems and the underlying code must be customized for a specific MFA provider (requiring specific expertise and additional infrastructure) or a bolt-on integration package is required.

Pathlock is the only provider to bridge this gap, natively integrating SAML with Peoplesoft. Additionally, this solution provides enhanced application security measures, including data masking of confidential information, MFA within the application for certain transactions, and enhanced logging and audit capability. These features will be used operationally within PERS as additional security measures over member data files and transactions. The cost of Pathlock software to protect PERS' customer information measured against the option of continuing business as usual, makes the Pathlock software solution very attractive in both cost and the greatly enhanced safety that would be derived.

In 2022, ITS, on the behalf of PERS, issued Notice of Intent to Certify Sole Source No. 4508 for Application Security Platform December 31, 2025, at a total 3-year lifecycle cost of $376,713.00. An amendment was executed in 2024 to record an official name change from GreyHeller LLC dba Appsian to Pathlock, Inc.

Submission Instructions and Format of Response from Objecting Parties

Interested parties who have reason to believe that the Application Security Platform Subscription 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 Pathlock, Inc.

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, February 24, 2026, at 3:00 p.m. (Central Time) to Matthew Livingston at matthew.livingston@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 Matthew Livingston

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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. 4741-49357** **Accepted until February 24, 2026 @ 3:00 p.m.,** **ATTENTION: Matthew Livingston**

If you have any questions concerning the information above or if we can be of further assistance, please contact Matthew Livingston at 601-432-8244 or via email at matthew.livingston@its.ms.gov.

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

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Attachment A

pathlock

THE MARKET LEADING ACCESS ORCHESTRATION PLATFORM

TO WHOM SO EVER IT MAY CONCERN

1531-531 - PUBLIC EMPLOYEES' RETIREMENT
429 MISSISSIPPI STREET
SYSTEM OF MISSISSIPPI
JACKSON MS 39201

*This is to certify and confirm that Pathlock is the sole provider of a **commercially available, vendor-supported, integrated platform** that delivers the following capabilities for PeopleSoft within a single solution:*

- Controls access to PeopleSoft Application Infrastructure (PIA) based on defined attributes
- Enforces 2-factor authentication over sensitive content
- Captures detailed end-user access data supporting audit, compliance, and incident response requirements
- Masks or removes sensitive data within PeopleSoft applications
- Operates natively within the PIA with deep integration into PeopleSoft architecture

Work arounds can be achieved through custom development for individual components, but no other solution provides this integrated, PeopleSoft native capability set. Custom development would require significant investment, ongoing internal maintenance burden, and would lack the vendor support, regular updates, and compliance certifications that Pathlock provides as a dedicated solution.

For Pathlock Inc

Name: Jonathan Hildrey
Title: CFO
Date: 23rd January 2026

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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.