**DES SOLE SOURCE FILING JUSTIFICATION**

**Purchase Requests/Purchase Orders**

|  |
| --- |
| **NOTE: Every question must be answered or the Sole Source Contract Database (SSCD) will reject the filing.** |

*Please refer to the* [*CPU SharePoint page*](http://one.dshs.wa.lcl/FS/OSS/CPU/Purchasing/Pages/PurchasesExemptfromCompetitionSoleSourceEmergencyPurchasesOver%2410%2C000.aspx) *for Sole Source filing information.*

*For information on sole source contracts, please review the following Department of Enterprise Services (DES) policy:*  [Policy #DES-140-00, Sole Source Contracts (RCW 39.26.140)](https://des.wa.gov/about/projects-initiatives/procurement-reform/current-enterprise-procurement-policies%22%20%5Cl%20%22DES14000SoleSource)

*After electronically completing this form, please send to the Central Purchasing Unit.*

**SECTION 1 – Purchase Request/Purchase Order Information**

**1. Administration/Program and Contact Person:** **TIA/ESA ACES - Jessica Stamer**

**2. Proposed Purchase Date:** **July 2024**

**3. Proposed Delivery Date: N/A**

**4. Vendor Name & Address:** **Levi, Ray & Shoup, Inc., 2401 W. Monroe Street, Springfield, IL 62704**

**5. Vendor’s TIN or SSN: 37-1073724**

**6. Purchase Request (PR) Number: PR2419758 and/or Purchase Order (PO) Number (if known):**

**7. Purpose of Purchase:** **VPS/PCL, VPS and VPS/TCPIP have been used to support the ACES mainframe under the IBM and Kyndryl contracts. With the expiration of the Kyndryl contract, the State is now required to procure this software directly from the vendor.**

**8. Funding Source:**

Federal: $**15,975.5**

 State: $**15,975.5**

 Other: $

 **Total: $$31,951.00**

**SECTION 2 – Ethics Questions**

**1. Are any of the Vendor’s staff CURRENT state employees?**

**YES** **[ ]  NO** **[x]**

**If YES, please provide the following information for EACH current state employee** (use a separate sheet of paper, if necessary)**:**

|  |
| --- |
| **Employee’s Name:** **State Agency Where Employed:** **Position Title:** **Has employee received Ethics Board approval? YES** **[ ]  NO** **[ ]** **If Board approval NOT granted, explain why:**  |

**2. Are any of the Vendor’s staff FORMER state employees within two (2) years of the purchase date?**

**YES [ ]  NO [x]**

**If YES, please provide the following information for EACH former state employee** (use a separate sheet of paper, if necessary)**:**

|  |
| --- |
| **Employee’s Name:** **State Agency Where Last Employed:** **Position Title:** **Termination Date:**  |

**SECTION 3 – Purchase Order Justification Questions**

**1. What is the business need or problem that requires this purchase?**

VPS/PCL, VPS and VPS/TCPIP have been used to support the ACES mainframe under the IBM and Kyndryl contracts. With the expiration of the Kyndryl contract, the State is now required to execute a contract to assign this software to the State.

Vulnerable Washingtonians ensure their wellbeing through more than 75 health and human services programs, such as Medicaid, Basic Food, and cash assistance. The programs are administered by HHS Coalition organizations, namely the Department of Children, Youth & Families (DCYF), the Department of Health (DOH), DSHS, the Health Benefit Exchange (HBE), and the Health Care Authority (HCA). These programs rely on the DSHS Automated Client Eligibility System Complex to provide essential financial eligibility and program operations.

The ACES Complex facilitates delivery of these services, providing close to $2 billion in benefits annually to nearly three million clients. The ACES Complex includes many components that support HHS program operations and are used by state staff, community partners, and residents, including:

• ACES (both mainframe and web environments, performing client intake and screening, scheduling, application processing, benefit calculation and issuance, client notifications, reporting, and almost 200 state and federal data exchange interfaces)

• Eligibility Service (developed to support the Affordable Care Act and Washington’s Health Benefit Exchange)

• Washington Connection (online web application for residents to use in applying for public assistance benefits, eligibility reviews, and reporting changes in their circumstances)

**2. Describe the unique features, qualifications, abilities or expertise of the vendor proposed for this sole source purchase.**

 LRS is the sole proprietor of this software, and as such, is uniquely qualified to provide the licenses for their own products.

**3. What kind of market research did the agency conduct to conclude that alternative sources were inappropriate or unavailable?** Provide a narrative description of the agency’s due diligence in determining the basis for the sole source contract, including methods used by the agency to conduct a review of available sources such as researching trade publications, industry newsletters and the internet; contacting similar service providers; and reviewing statewide pricing trends and/or agreements. Include a list of businesses contacted (if you state that no other businesses were contacted, explain why not), date of contact, method of contact (telephone, mail, e-mail, other), and documentation demonstrating an explanation of why those businesses could not or would not, under any circumstances, perform the contract; or an explanation of why the agency has determined that no businesses other than the prospective contractor can perform the contract.

 There are no other cost-neutral alternatives on the market. No other third party company that provides this software we currently use. The work involved in trying to license and integrate software from another vendor into our system at this point would be cost prohibitive.

**4. Provide a detailed and compelling description of the costs and risks mitigated by purchasing from this vendor** (i.e. learning curve, follow-up nature).

 The existing licenses for VPS/PCL, VPS and VPS/TCPIP are currently owned by Kyndryl. In order to assign the licenses to the State, the State must enter into an Agreement with LRS to ensure the software remains functional on the ACES mainframe and the State is the owner of the licenses moving forward.

**5. Is the agency proposing this sole source vendor because of special circumstances, such as confidential investigations, copyright restrictions, etc.?** **Yes [ ]  No [x]**

 **If YES, please describe**:

**6. Is the agency proposing this sole source vendor because of unavoidable, critical time delays or issues that prevented the agency from completing this acquisition using a competitive process**? **Yes [ ]  No [x]**

 **If YES, please describe**. (For example, if time constraints are applicable, identify when the agency was on notice of the need for the goods and/or service, the entity that imposed the constraints, explain the authority of that entity to impose them, and provide the timelines which work must be accomplished.)

**7. Is the agency proposing this sole source vendor because of a geographic limitation?**

 **Yes [ ]  No [x]**

 **If YES, state the basis for this conclusion and the rationale for limiting the size of the geographical area selected.**

**8. What are the consequences of not having this sole source filing approved?** (Describe in detail the impact to the agency and to services it provides if this sole source filing is not approved.)

 If the State is not able to assume the current LRS licenses, we will lose this critical software that supports printing in the ACES mainframe environment. This would greatly impact users of ACES that need to print as print production would halt.

**9. What considerations were given to providing opportunities to this vendor or other small business** (e.g., unbundling the goods and/or services acquired)**?**

 This vendor is the sole proprietor of this software and does not work with any software value added resellers.

**10. Since competition was not used as the means for procurement, how did the agency conclude that the costs, fees, or rates negotiated are fair and reasonable?** (Please make comparison with comparable vendors, use the results of a market survey, or employ other appropriate means calculated to make such a determination.)

The ACES mainframe already uses this software. We do not have any cost neutral alternatives.

**SECTION 4 – Processing** ***(to be completed by the Central Purchasing Unit)***

1. Is this purchase exempt from Sole Source Filing?

  **[ ]  Yes**

The following exemption applies: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

This purchase order does not need to be filed as a sole source.

Completed by: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 **[ ]  No**

This purchase order must be filed as a sole source purchase.

Completed by: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

WEBS Notice: Posted on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

DSHS CCLS Website: Posted on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

SSCD Filing: Filed on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_