

**DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

**ITEM: 3-IT** Agency Contact:  
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**DEPARTMENT/PROGRAM:** Department of Information Technology (DoIT)  
Web Services Division

**CONTRACT ID:** Maryland Self-Funded eGovernment Services  
ADPICS NO. 060B1400050

**CONTRACT DESCRIPTION:** This is a work order-based, single award indefinite quantity Master Contract to provide eGovernment services and support for the State of Maryland. The Master Contract will be managed by DoIT, but available for use by all State agencies, as desired, via a work order process.

**AWARD:** NICUSA, Inc.  
Olathe, Kansas

**TERM:** Five (5) Years – Anticipated NTP 8/15/11 – 7/31/16  
With Three (3) One-Year Renewal Options at the State’s Discretion

**AMOUNT:** \$200,000 5 year base term  
\$ 40,000 Option #1 – Year 6  
\$ 40,000 Option #2 – Year 7  
\$ 40,000 Option #3 – Year 8  
\$320,000 Not to Exceed

**PROCUREMENT METHOD:** Competitive Sealed Proposals

**BIDS OR PROPOSALS:** Single Bid - See Attachment 1

**MBE PARTICIPATION:** 30%  
Applies to all State-paid time and materials work orders, which is represented by the \$320,000 NTE amount.

**INCUMBENTS:** N/A

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**ITEM: 3-IT (Cont.)**

**REMARKS:** The State of Maryland desires to promote citizen, business and government efficiency by making new services available online anytime/anywhere and enhancing the desirability and efficiency of providing existing online services to business and Maryland residents. This contract provides enterprise-wide eGovernment (eGov) services that are available for all State agencies, boards and commissions.

The eGov contract provides for the design, development, hosting, operation and maintenance of eGov products and services via a funding model that leverages fees for select services to pay for other non-fee-based services. This model will leverage a small number of commercially-valuable services desired by the private sector and pool the fees generated from the purchase of those services into a special contractor-owned and managed fund created for the contract. The fund will be used exclusively to deliver eGov services for all agencies across State government on a work order basis.

Approximately 24 states currently use the self-funded eGov model and typically deploy 10 to 20 new eGov services per year. Because so many other States have adopted this model, the proposed vendor, NIC, has a large catalog of applications already developed that may be beneficial to the State for no additional cost to Maryland.

DoIT will work with the contractor to establish an eGov Governance Board made up of key State IT and business leaders. This Board will encourage collaboration between agencies to identify and recommend new services and enhancements and determine priorities, including which new services will be provided for a fee and which will be offered at no cost. Services will be developed and managed at the direction of the State and the State will maintain ownership of all State data. The contractor oversees the electronic delivery of services and information by providing application development and support, common payment processing, integration with existing systems; security; hosting, marketing, and financial audit reporting to maintain exact investment and return of State fees generated by electronic transactions. As such, the contractor will adhere to all State privacy and security guidelines.

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As the eGov Governance Board determines what services and applications to pursue, they will do so by submitting individual Work Orders to NIC. Using the examples of the other 24 states who have implemented this eGov model, Work Orders most commonly fall into two categories:

Work Order Category	Brief Description	Approximate % of work per category on NIC contracts in other states
<p><b>No Cost to the State</b></p> <p><b>No Cost to the Customer</b></p>	<p>No public funds were expended to deliver this service. No fees were charged to use or access the service.</p> <p>NIC is able to support the No Cost services because:</p> <ul style="list-style-type: none"> <li>• they bring to the State a catalog of applications already developed and in place in other States that can “plug and play” in Maryland</li> <li>• they will introduce new fee-based products and services of interest to businesses and citizens that will offset the no-cost offerings</li> </ul>	<p><b>80%</b></p>
<p><b>No Cost to the State</b></p> <p><b>Cost to the Customer</b></p>	<p>No public funds were expended to deliver this service or product. The service was provided for a fee to those interested in paying for it. As evidenced in other states, most services provided are Government-to-Business and are of high value to the businesses purchasing them, based on efficiency, time savings and/or content.</p> <p>Some types of fees included:</p> <p>Convenience: Paying a fee for the convenience of purchasing a product or service online or over a smart phone (similar to TicketMaster)</p> <p>Subscription: Paying a fixed amount for regular access to or delivery of a product or service (e.g., monthly download of driver records)</p>	<p><b>20%</b></p>
<p><b>Time and Materials</b></p>	<p>Maryland has added this category in the event that the eGov Board identifies a product or service that Maryland would like NIC to provide that does not fit into the other two categories. This category carries a 30% MBE goal.</p> <p>In this case, State funds will be expended to develop a new product or to provide a service. The agency requesting this Work Order will need to provide a funding source to support the paid work.</p>	<p><b>Not applicable to other state contracts</b></p>

