

Supplement D
Department of Information Technology
ACTION AGENDA
September 7, 2016

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1-IT. DEPARTMENT OF BUDGET AND MANAGEMENT

Contract ID: Enterprise Budget System Replacement 2016 – DOIT-FY16-24
ADPICS BPO No.: F50B7400013

Contract Description: Commercial budgeting software package that will support the creation, analysis, publication, and maintenance of operating budgets for all State agencies.

Awards: Performa Software USA, Reston, VA

Term: 10/1/2016* – 9/30/2019 (3-year base, with two 2-year options)
(*or earlier upon Board approval)
10/1/2019 – 9/30/2021 (Option 1)
10/1/2021 – 9/30/2023 (Option 2)

Amount: \$ 8,496,911 (3-year base)
\$ 1,026,863 (Option 1)
\$ 1,060,813 (Option 2)
\$10,584,587 (not-to-exceed)

Procurement Method: Competitive Sealed Proposals

Proposals:

Offeror	Ranking			
	Technical	Financial	Overall	Evaluated Price
Performa Software USA	1	1	1	\$10,584,586
Deloitte	2	2	2	\$26,727,400

MBE Participation: 10.2%

VSBE Participation: 1.1%

Remarks: The State’s current budgeting system, HOBOS, has since 1988 been the system for all State agencies to prepare and analyze annual budgets. In 2005, DBM’s Information Technology division commissioned a Statewide Application Risks Assessment that determined the HOBOS system was a high risk due to its use of outdated and unsupported technologies.

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1-IT. DEPARTMENT OF BUDGET AND MANAGEMENT (cont'd)

Remarks: (cont'd) This contract's objectives are to:

- (1) Provide state-of-the-art commercially available software packages to support the creation, analysis, publication and maintenance of operating budgets for all State agencies as coordinated and led by DBM;
- (2) Manage change to enterprise budgeting processes in concert with adoption of the Enterprise Budget System Solution; and
- (3) Ensure the user community is educated and prepared to use the solution effectively when made available.

DoIT, on behalf of DBM, released a Request for Proposals. DoIT advertised the RFP on *eMarylandMarketplace*. In addition, DoIT directly solicited 873 Minority Business Enterprise firms and 476 Veteran Small Business Enterprise firms. Further, DoIT sent the RFP directly to 64 businesses known to provide the type of software and services sought.

Six proposals were received in response to the RFP. Of those, one was found to not meet the minimum qualifications and the other five were reviewed by the technical evaluation committee. After further discussions and demonstrations of each of the proposed systems, four proposals were found reasonably susceptible for award; the fifth offeror was not willing to accept the State's non-visual access requirements. The procurement officer issued a best and final offer request to the four remaining offerors and received three proposals; one vendor opted not to proceed. One of the vendors who submitted a best and final offer refused to accept the State's contract terms. This left two remaining offerors, Performa Software USA and Deloitte Consulting, LLP.

Performa was ranked higher of the two by both the technical and financial evaluation teams. Performa's product is in use by other states as well as internationally. The Performa solution and team are able to deliver all of the State's required features by the required dates with limited customization, while providing a substantially lower total cost of ownership than its competition. Specific strengths of its presented solution include an easy-to-learn, user-friendly product; visualization capabilities such as charts and graphs; the ability to automatically generate the majority of the budget books; the expected level of involvement of State staff; and the quality and experience of their proposed staff.

The recommended awardee has committed to exceed the established subcontract goals and will provide 10.2% MBE and 1.1% VSBE participation.

Fund Source: General (MITDPF)
Resident Business: No

Approp. Code: F50B0406
MD Tax Clearance: 16-2681-0000

BOARD OF PUBLIC WORKS	THIS ITEM WAS:		
APPROVED	DISAPPROVED	DEFERRED	WITHDRAWN
WITH DISCUSSION		WITHOUT DISCUSSION	