

New York State Office Of General Services
Procurement Services Group
Corning Tower Building
Empire State Plaza
Albany, New York 12242
<http://www.ogs.state.ny.us>

PURCHASING MEMORANDUM

CONTRACT AWARD NOTIFICATION UPDATE

AWARD NUMBER: [S960275-E.1](#)

DATE: June 1, 2006
STATE AGENCIES &
CONTRACTORS

GROUP: 73012: *IT Services*

PLEASE ADDRESS INQUIRIES TO:
Sylvia Casper, Team Leader IT Services
(518) 473-8079; fax: (518) 486-6867
sylvia.casper@ogs.state.ny.us

CONTRACT PERIOD: from award date thru 12/31/10

OTHER AUTHORIZED USERS

Customer Services
(518) 474-6717
customer.services@ogs.state.ny.us

THIS MONTH'S HIGHLIGHTS: *** DISCRETIONARY PURCHASES FROM A BACK-DROP CONTRACT**

TO ALL STATE AGENCIES AND OTHERS AUTHORIZED TO USE STATE CONTRACTS:

As many of you know, the Procurement Services Group maintains a continuously expanded list of pre-qualified contractors who can provide an extensive range of services in the fields of computer consulting, systems integration, and training. These contracts give agencies the flexibility to solve complex problems using a simplified Procurement Process rather than a detailed and time-consuming Request for Proposal (RFP).

Since Contractors are added on a continuous basis to the list of eligible Contractors, the information you receive at the beginning of one month may not be current by the next month. Therefore, only when you are ready to initiate a project under the *mini-bid process* and if you do not have Internet access, you can obtain up-to-date information from us contacting Sylvia Casper at sylvia.casper@ogs.state.ny.us or by telephone at 518-473-8079

REMEMBER!!

- ➔ **It is important to use the most recently issued Guidelines & Templates for each new procurement.**
- ➔ **Always download the most recent mailing list for each new procurement.**

Thank You!!

Please note: An alternative is to open the Contract Award Notification Page with your Web Browser at: "www.ogs.state.ny.us/purchase/snt/awardnotes/73012S960275can.htm". Click on any of the menu options for detailed information.

*** THIS MONTH'S HIGHLIGHTS**

**DISCRETIONARY PURCHASES FROM
A BACK-DROP CONTRACT**

Under the new, higher Discretionary Thresholds (up to \$50,000 to any of the back-drop contractors; up to \$100,000 to a NYS SBE, NYS certified WBE or MBE) and higher dollar amounts for OSC PRE-approval (over \$50,000), the AC340 will be completed in the following manner for purchases with a value of **LESS THAN \$50,000** where there is **OSC pre-approval is NOT required:**

Field Name	Data Entered
Batch Type	TNT
Contract No.	First letter must be a "T" followed by any 6 digits or letters (see Note)

Note: Suggestions include

T + agency code + sequential number, e.g. TOGS001; TDOH003, etc.

T + sequential number, e.g. T000001

Each subsequent Discretionary Purchase would have the next sequential number.

PREVIOUSLY REPORTED HIGHLIGHTS

IMPORTANT LEGISLATIVE AMENDMENTS TO THE STATE FINANCE LAW EFFECTIVE DATE: APRIL 10, 2006

Effective April 10, 2006, some discretionary thresholds were amended by Chapter 50 of the Laws of 2006. When using discretionary thresholds, an agency is not required to perform a formal competitive solicitation for commodities, services or technology procurements. The following chart summarizes discretionary thresholds, Contract Reporter (CR) requirements and OSC pre-audit requirements.

DISCRETIONARY THRESHOLDS			
Item	State Agencies	OGS	SUNY
General Procurement TO ANY CONTRACTOR	Discretion up to \$50,000	Discretion up to \$85,000	Discretion up to \$150,000 (varies by campus)
NYS Small Business (SB), or, nys Certified Minority or Women Owned Enterprises (M/WBE), or Recycled, or Remanufactured commodities or technology	Discretion up to \$100,000.	Discretion up to \$100,000.	Discretion up to \$150,000 (varies by campus)
Printing	Discretion up to \$5,000	Discretion up to \$10,000	Discretion up to \$5,000
OSC CONTRACT PRE-AUDIT REQUIREMENTS			
General Procurement	Required for contracts/proejects valued at \$50,000 and higher	Required for contracts/projects valued at \$85,000 and higher	Required for contracts valued at up to \$150,000 and higher (varies by campus)
CONTRACT REPORTER REQUIREMENTS WHEN ISSUING YOUR OWN RFP			
CONTRACT REPORTER REQUIREMENTS DO NOT APPLY WHEN USING THE BACK-DROP CONTRACTS!!			
Commodities	Advertisement required at \$15,000 or more (individual contracts)	Procurement Services Group - exempt	Advertisement required at \$20,000 or more (individual contracts)
Services (definition by law includes technology)	Advertisement required at \$15,000 or more (individual contracts)	Advertisement required at \$30,000 or more (individual contracts)	Advertisement required at \$20,000 or more (individual contracts)
Generic items	Quarterly advertisements between \$5,000 to \$15,000	Quarterly advertisements including continuous and periodic recruitment.	Quarterly advertisements between \$10,000 to \$20,000

-over-

NOTES:

1. All discretionary threshold levels pertain to purchases on the open market. They are not applicable to purchases from Preferred Sources or OGS Centralized Contracts.
2. SUNY's discretionary threshold is known as "SUNY Flex." The amounts represent the greatest discretionary spending limits under SUNY Flex. Limits may change for individual campuses each year.
3. While New York State SBs, M/WBEs, recycled products and remanufactured product purchases have increased discretionary limits, the Contract Reporter and OSC pre-audit have lower limit requirements.
4. Localities and other Authorized Users must follow their own governing laws and guidelines.
5. OSC released a new G Bulletin - 225 with respect to the new discretionary amounts. <http://www.osc.state.ny.us/agencies/gbull/g-225.htm>

GUIDELINES SPECIFIC TO THE BACK-DROP CONTRACTS FOR IT SERVICES

1. If procurement is for LESS THAN **\$50,000**, solicit bids from
 - a) Any firm within the services and category/ies that satisfy the procurement requirements
 - b) OSC POST audit only
2. If procurement is BETWEEN **\$50,000 and \$100,000**, solicit bids from
 - a) A minimum of three Contractors within the services and category/ies that satisfy the procurement requirements

OR

 - b) Buy Direct from any Contractor within the services and category/ies that satisfy the procurement requirements that has been designated as one of the following:
 - NYS SBE (small business enterprise) or
 - Certified MBE (minority owned business enterprise) or
 - Certified WBE (woman owned business enterprise).
3. OSC PRE-audit (OGS pre-audit at **\$85,000**); State Agencies at **\$50,000**

Please note: If you are NOT using the back-drop contacts for your procurement, the requirement to advertise in the Contract Reporter for procurement over \$15,000 still applies.

Procurement Lobbying Law Affects IT Services Solicitations

It has been determined that all solicitations issued by State agencies and certain government entities will include the following in order to comply with the **State Finance Law §139-j(10)(b)**

- a. State Agencies (departments, boards, bureaus, commissions, divisions, offices, councils, committees and officers of the state including those which are temporary);
- b. NYS Senate and Assembly;
- c. Unified Court System;
- d. Public Authorities and Public Benefit Corporations and any subsidiary or affiliate thereof;
- e. Industrial development agencies in jurisdictions with a population of 50,000 or more; and
- f. Local public benefit corporations.

The Guidelines and Templates have been revised to reflect the language to be included within the solicitations regardless of the procurement option (Mini-Bid, Discretionary Purchase, Fast Track, Multiple Award Standby Agreement)

The PD Attachments Packet and the RTS Attachments Packet for Consulting and Training respectively have been updated to include forms relevant to the Procurement Lobbying Law.

All changes to the Guidelines and Templates pertaining to Procurement Lobbying Law are highlighted in **yellow**.

Visit the IT Services web site at:

<http://www.ogs.state.ny.us/purchase/snt/awardnotes/73012S960275can.htm>

Click on [Guidelines, Forms, Templates for All Procurement Options](#) to download the most recent forms.

The Information Security Breach and Notification Act

To All State Contractors and Prospective Contractors:

The "Information Security Breach and Notification Act" Law took effect on December 9, 2005. Agencies are being urged to include the following language in their solicitations (Fast Tracks, Mini-Bids, Discretionary Purchases) MASAs) under the back-drop contract for IT Services. Consider either the Cover Letter or within the body of the specifications.

The New York State "Information Security Breach and Notification Act" also known as the "Internet Security and Privacy Act" took effect December 9, 2005. The Legislature and Governor have enacted the Law in response to past and continuing identity theft and security breaches affecting thousands of people. The Law requires any person or business that conducts business in New York State and that owns or licenses computerized data that includes private information (including but not necessarily limited to social security numbers, credit and debit card numbers, drivers license numbers, etc.) must disclose any breach of that private information to all individuals affected or potentially affected in an expeditious manner. You may view a copy of the Law at <http://public.leginfo.state.ny.us/menugetf.cgi?COMMONQUERY=LAWS> by searching for "INTERNET SECURITY AND PRIVACY." The Law is Article 2 of the State Technology Law. You may also find the Law in Chapter 442, Laws of 2005. All contractors must be compliant with the Law.

Bidder's Candidate Certification

To address rising concerns about the accuracy and completeness of candidate resumes being submitted by Contractors when bidding on various opportunities under the back-drop contracts for IT Services, PSG has added a new form to the Attachments Packet, (Attachment 17) and language to the mini-bid and MASA templates referencing this new attachment. These sections are highlighted in yellow so they can be found easily.

Using CPI increases in PDs

Please keep in mind that when you prepare a Project Definition (PD) or a Request for Training Services (RTS) solicitation, you can reserve the option to grant rate increases at specified timeframes during the course of a project. If it is not stated in the PD or RTS, then Contractors cannot raise their rates during the term of the project.

However, if you specify a rate increase, keep in mind the following:

Sample language which is excerpted from the RFP#S960275-E.1 regarding CPI related increases could be included in your specifications as follows: The brackets [] indicate changes I have made to the RFP#S960275-E.1 section as I have adapted it to be used in project specifications. The < > is where you will insert the applicable information.

Contractor shall be entitled to hold or modify [project rates] during <specify time intervals for increases> of the project term. The project rates are subject to a maximum increase of **the lesser of five percent (5%) or the percent increase in the copy of the National Consumer Price Index for All Urban Consumers (CPI-U)** as published sixty (60) days prior to price increase request in the United States Bureau of Labor Statistics, Washington, D.C., 20212. <Issuing Entity> will notify the Contractor(s) in writing of the [allowable rate increase] based on the maximum allowable under the above formula. <Issuing Entity> will require updated Staffing Rosters from Contractors who accept the rate increase. **[Under no circumstances will the increased rate exceed the Contractor's back-drop contract rates.]**

When Contractors change their names, addresses....

Please look at the section each Purchasing Memo section entitled "OTHER CONTRACT INFORMATION UPDATES". Changes to key Company information such as the company names, headquarters address, and federal id # will be listed for the month in OGS was informed of the change.

1. Contractors are responsible for notifying every agency with which they are doing work under the back-drop contract of changes at the same time that they notify OGS.
2. OGS processes these changes by submitting AC340s to OSC for the back-drop contract.
3. The OSC Central Accounting System does NOT automatically update the information at the agency level.
4. Each agency will be required to obtain in writing from the Contractor the nature of the change (an e-mail is acceptable).
5. Each agency must submit an AC340 to OSC to reflect the change (new company name, new Headquarters address, etc.) for each award within the agency. For example, an agency awarded 3 projects over the course of a year to the same firm, i.e. CMS123B, CMS123C, CMS124D. The firm changed its headquarters address where it received payments. The agency would have to issue 3 separate AC340s to change the address for each award. Note: For address changes, the Batch Type = TCA.
6. OSC will return the approved AC340s to the agency which will indicate that the changes have been made to the OSC Central Accounting System for that contractor for that agency for each project awarded to that Contractor.

If you see that a firm's address, company name or federal id# has been changed by OGS, and if the Contractor has not relayed this information to you, make sure that you contact the Contractor ASAP.

If a Contractor informs an agency of these types of changes, confirm with OGS that they have notified OGS and that OGS has approved these changes.

Alternatives to Pre-Bid Conferences

We would like to remind OGS Customers of several alternative methods to conducting in-person pre-bid conferences. Audio teleconferencing, video-conferencing and net or web meetings are available techniques that may assist users in conducting meetings. Utilizing one of these options may increase competition and as a result may reduce costs. Allowing Contractors to participate in mandatory pre-bid meetings via telephone or computer may help to increase your pool of bidders while lessening the disadvantage to businesses unable to commit the staff time away from the office. This could also promote increased participation of Small and M/WBE businesses, which would assist agencies in meeting goals for fostering such participation. Information on these alternative services offered by the OGS contracts or provided by OFT, can be found at the following sites:

- ✓ OGS Procurement Services, Aggregated Telecommunication Services contracts offer various conferencing services. A link to those contracts appears below. If you have any questions about covered services, please contact Hal Bartley at (518) 474-6705.
<http://www.ogs.state.ny.us/purchase/snt/awardnotes/7701011134can.HTM>
- ✓ OFT Telecommunications also offers various conferencing services. A link to the OFT website, which details their services, is provided below. If you have questions about their offerings please contact your Agency Telecommunications Representative.
<http://www.of.t.state.ny.us/telecom/videotel.cfm?TArea=TS>

If you have questions, please feel free to contact any of those listed above.

Vendor Responsibility

Vendor Responsibility

On November 1, 2004, OSC issued Bulletin No. G-221 Vendor Responsibility: Standards, Procedures, and Documentation requirements. These requirements took effect for all contracts received at OSC for approval on or after January 1, 2005. OGS PSG is responsible for evaluating Vendor Responsibility before a recommendation of a back-drop contract award is made. The following conditions were agreed to by OSC and OGS, **in terms of OGS' responsibility in the establishment of back-drop contracts and each State Agency's responsibility when using the back-drop contracts for their IT Services procurements:**

In Appendix C, Part II, the Corporate Profile and the Mandatory Disclosures of RFP#S960275-E.1 to which Vendors respond in order to qualify for a back-drop contract, there are 17 questions to which Vendors must respond which address the Vendor's financial and organizational capabilities as part of the evaluation process in determining whether or not they qualify for this contract award.

If any responses are YES to questions 7 and 8, OGS requests a Dun & Bradstreet report. Upon review by OGS an opinion is rendered as to whether or not the firm should be considered for a contract award or if already on contract should that firm be permitted to retain its contract (i.e. annual re-filing). State agencies may do their own Vendor Responsibility investigation if they deem that their procurement is of such a nature to warrant additional research and VR confirmation.

PDF & .EXE files - CAUTION!! A Request From The Back-Drop Contractors

"Can authorized users issuing solicitations and other types of attachments refrain from using ZIP and EXE formats which is blocked by the e-mail gateway. This results in Contractors missing out on some bid opportunities. Oftentimes we learn after-the-fact that we had not received an e-mail due to the above referenced files types."

E-Mail Delivery Concerns

It has recently been brought to my attention that solicitations with several attachments that are being e-mailed to the Contractors are resulting in "delivery failure" problems oftentimes due to the Contractors inability to accept numerous attachments. What is the responsibility of the issuing entity under these circumstances?

1. The entity may contact the Contractors in question to notify them of this problem. In some cases the Contractor can increase the size of their in-box. In some cases they have to notify their ISP that they require an increase in the size of their in-box.
2. If the entity does not have the resources to follow-up with the Contractors, they should forward the undelivered e-mail notices to Sylvia Casper who will follow-up with the Contractors in question.
3. An alternative solution for some users is to post the solicitations on the entity's web site. Then the e-mail that is sent to the Contractors would include the link and instructions to download the solicitation. This option should eliminate the delivery failure problem when it has to do with limitations on the number or size of attachments.

Sylvia Casper will also follow-up with the Contractors to make them aware of their responsibility in managing their e-mail in-boxes to accept attachments and to assure that they "clean out their in-boxes to avoid "over quota" delivery problems.

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Is Contractor Information Current?

1. When preparing to send out solicitations, questions and answers, selection/non-selection notifications, what steps can we take to verify that the contact information originally downloaded has not changed during that window of time?
2. There is no easy answer to this question. Under Continuous Recruitment, PSG awards back-drop contracts on an on-going basis, sometimes daily. An agency or other authorized user may not be able to replicate its original contact information (i.e. e-mail addresses, mailing addresses, etc.) after the solicitation is issued because there may be additions to that list as soon as days after that list was downloaded and used to send the solicitation. Oftentimes, the number of Contractors eligible to receive a solicitation can be in the hundreds.
3. However, at the point that selections have been made, the number of selected and non-selected Contractors is usually a manageable number. Agencies and other authorized users are asked to visit the IT Services web site and confirm the contact information has not changed for these firms who are about to receive a selection or non-selection notification.

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Changes To OSC Bid Packet For Project Approvals

1. Effective immediately, winning proposals AND rejected proposals are submitted to OSC as part of the packet for project approval. For years, the Mini-Bid Guidelines, Fast Track and Discretionary Purchases Instructions directed agencies to submit only the winning proposal(s) to OSC unless there were less than 3 proposals, then all proposals were to be included in the packet sent to OSC.
2. OSC considers a bid/proposal that does not meet mandatory requirements as a rejection. Most of the time this is the only reason for rejection since the vast majority of awards are based on best value and after passing the mandatories the selection is based purely on numbers.
3. When procuring services under the Discretionary Purchase procurement option and purchasing DIRECTLY without going to a minimum of three (3) firms, please include a brief explanation as to why they selected the firm (e.g. has had prior experience with the firm and was satisfied with their performance).
4. The Guidelines and Instructions have been revised to reflect the above referenced changes.

Copying E-Mail Addresses With Group Wise

Recently, users who have GroupWise as their messaging software have inquired about an easier way to download the e-mail addresses into the GroupWise header (bcc) when they are ready to send a solicitation electronically.

Admittedly it is much easier to copy those email address when using Outlook. However, Microknowledge shared with me the following link which may be helpful to GroupWise users.

Please note: Skip step one - Ignore the term "tab-delimited" - Follow the rest of the steps

<http://plantpath.wisc.edu/lindenlan/email/another-pegasus-to-GW.htm>

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Key Points To Remember When E-Mailing Your Solicitations (in MS Exchange)

1. When e-mailing your solicitations, project questions and answers or any other related project communications, it is a Best Practices procedure to always **USE** the **BLIND CARBON COPY (Bcc)** for the e-mail address rather than the 'To' or Carbon Copy (Cc) fields.

Our Contractors have requested that you follow this protocol as a courtesy to them to reduce the Spam e-mail and headhunter e-mails that are being generated because these organizations are able to capture the Contractor e-mail addresses readily when the To and Cc fields are used.

2. In order to clearly identify e-mailed solicitations by authorized users using the OGS PSG back-drop contracts for *IT Services* (computer consulting, systems integration, and training), the "**Subject:**" field of the e-mail should start with

Subject: GROUP # 73012 (followed by unique project identifier)

The cooperation by authorized users in using the **73012** prefix should assist Contractors in quickly identifying solicitations under the *IT Services* (Computer Consulting, Systems Integration, and Training) back-drop Contracts.

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Download E-mail Addresses

make it easy as 1-2-3-4 to download e-mail and mailing addresses

1. Select the Type of Service (Consulting SI, Live Training, On-Going Services, Maintenance & Support, etc. and the 1 or more Category/ies of Expertise, the list of Contractors satisfying the query is displayed with their contract rates.
2. At the bottom of that page is a button to the Contractor Mailing List.
 - ✓ Click on that button and the Contractor contact information is displayed.
 - ✓ Click on the Download Instructions link to display the step-by-step Download Instructions.
3. Copy & Paste the e-mail addresses into the **Bcc** of the e-mail header.

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Agency Responsibility If Contractor Information Changes

1. Due to the constraints of the OSC Central Accounting System, when a firms with a back-drop contract for IT Services notifies OGS PSG of any of the changes listed below, each agency **MUST** send to OSC the following:
 - ✓ An AC340 (Contract Encumbrance Request Form) to reflect the change
 - ✓ Copy of the monthly purchasing memorandum that shows the changes.
 2. **CHANGES** may include any of the following scenarios singularly or in combination:
 - ✓ Company name change only
 - ✓ Company name change and Federal Identification Number change
 - ✓ Company headquarters address change
 - ✓ Company acquisition by another firm that has a back-drop contract
 - ✓ Company acquisition by another firm that does not have a back-drop contract
 3. **Time-Saver Hints**
 - ✓ The month during which OGS processes the paperwork to effect the above referenced changes, notification will appear in the next month's Purchasing Memorandum (PM).
 - ✓ It would be in the agency's best interest to read each month's PM.
 1. They are posted to the web no later than the 5th of every month.
 2. They are also sent out through the OGS Purchaser Notification System (PNS)
 4. If a Contractor to whom an agency has awarded work under the back-drop contract has notified OGS of critical contract information changes, the agency can attach a copy of that PM to the AC340 to effect the change at the agency level.
 - ✓ This will save the agency the time of requesting the "proof" from the Contractor.
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CONTRACTS CANCELLED/INACTIVATED THIS MONTH

<u>Effective Date</u>	<u>Contractor Name</u>	<u>Contract Number</u>	<u>Comments</u>
	NONE THIS MONTH		

OTHER CONTRACT INFORMATION UPDATES (In Company Name Order)

<u>Effective Date</u>	<u>Contractor Name</u>	<u>Contract Number</u>	<u>Change</u>
4/21/06	Computer Network Solutions	CMS118A	Headquarters address change to: 11 Commercial Street, Plainview, NY 11803
5/3/06	Computer Horizons	CMS195A	Headquarters address change to: 845 Third Avenue, NY, NY 10022
5/24/06	Centurion	CMS348A	Headquarters address change to: 2710 Kucera Drive, Lincoln, NE 68502

CHANGES TO THE TEMPLATES/GUIDELINES

Guidelines/Templates affected	Change/Update	Revision date
All Guidelines and Templates	Added language that defines the "restricted period" for Procurements under the back-drop contracts with respect to Procurement Lobbying	5/01/06
All Guidelines and Templates	Updated to reflect <u>New Discretionary Thresholds</u> . These changes are highlighted in yellow to make it easier to find	4/18/06

KEEP BIDDERS INFORMED: It's important!

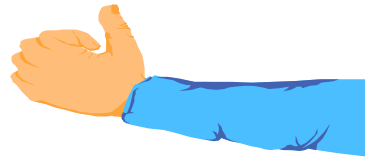


IT IS GOOD PRACTICE & IN EVERYONE'S BEST INTEREST FOR USERS OF THE BACK-DROP CONTRACTS TO NOTIFY BIDDERS OF THE STATUS OF A PROJECT'S PROGRESS. AT A MINIMUM, ADDRESS THESE POINTS:

- **IS THERE GOING TO BE A DELAY IN THE ORIGINAL SCHEDULE OF EVENTS?**
- **HAS A SELECTION BEEN MADE?**
- **HAS AN AWARD BEEN FINALIZED?**
- **HAS THE PROJECT BEEN PUT "ON HOLD" OR CANCELED?**

HOW ARE THE BACK-DROP CONTRACTORS DOING?

WE WANT TO HEAR FROM YOU!



BY COMPLETING & RETURNING THE *CONTRACT PERFORMANCE REPORT*, YOU CAN HELP OGS ANSWER THE QUESTION" HOW ARE OUR CONTRACTORS DOING?" AS THEY PROVIDE SERVICES UNDER THE BACK-DROP CONTRACTS. THE POSITIVE AND NEGATIVE COMMENTS WILL HELP US TO BETTER SERVE YOU.

This form is available from the IT Services Page at:

www.ogs.state.ny.us/purchase/snt/awardnotes/73012S960275can.htm.

Please return completed form

E-mail to sylvia.casper@ogs.state.ny.us,

Fax to 518/486-6867

Mail to:

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