Dick Wyatt

From: Sent:

Jane Benton < Jane.Benton@dfa.arkansas.gov> Wednesday, February 13, 2013 4:03 PM

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To:

Dick Wyatt FW: termination letter

Subject: Attachments:

noridian tewrmination 2-13-13.doc

Here's what we developed. Please review this, put on your letterhead and send to Noridian.

Jane T. Benton, CPPO, Director Office of State Procurement 1509 W. 7th Street Little Rock, AR 72201

PH: 501-324-9312 FAX: 501-324-9311

www.arkansas.gov/dfa/procurement

OSP is now communicating with our Vendor Community via Facebook.

Vendors.... Like us on Facebook

From: Ray Pierce

Sent: Wednesday, February 13, 2013 4:01 PM

To: Jane Benton

Subject: termination letter

Ray S. Pierce

Attorney, Office of State Procurement

Department of Finance & Administration 1509 W. 7th St., 3d Floor Little Rock, AR 72201 (501) 324-9317 (501) 324-9311 (facsimile) (501) 551-2538 (mobile)

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After careful consideration of the Department of Human Services' needs with respect to the COTS Eligibility and Enrollment project, Request for Proposal No. 12-0256, and in light of the complete inability of the Department and Noridian to agree to fundamental terms for this project, the Department has chosen to pursue an alternative plan with respect to the software and service specified in the RFP, and that it is in the State's best interest to terminate all negotiations effective immediately. Please be advised that the Department will <u>not</u> be negotiating any contracts or agreements with the next ranked proposal on this RFP.

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Arkansas Department of Human Services

OFFICE OF SYSTEMS AND TECHNOLOGY

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Richard H. Wyatt Chief Information Officer Richard.Wyatt@arkansas.gov

February 13, 2013

Mr. Tom McGraw President and CEO Noridian Administrative Services LLC 900 42nd Street South Fargo, ND 58103

Subject: Noridian Administrative Services LLC Negotiations

Reference: Bid Number SP-12-0256, Eligibility and Enrollment COTS Framework

Dear Mr. McGraw:

After careful consideration of the Arkansas Department of Human Services' needs with respect to the COTS Eligibility and Enrollment project, Request for Proposal No. 12-0256, and in light of the complete inability of the Department and Noridian Administrative Services LLC to agree to fundamental terms for this project, the Department has chosen to pursue an alternative plan with respect to the software and service specified in the RFP, and it is in the State's best interest to terminate all negotiations effective immediately. Please be advised that the Department will not be negotiating this procurement with the next ranked proposal on this RFP.

Yours truly,

Richard H Wyatt Arkansas Department of Human Services Chief Information Officer



writing to be unreasonable as to price;

- (4) failure to furnish a bond when required by a Request for Proposals; and
- (5) any or all proposals when the procurement official makes a written determination that it is in the best interest of the State.

R7:19-11-230. Correction or withdrawal of proposals.

- (a) The State Procurement Director or agency procurement official may waive technicalities or minor irregularities in proposals which do not affect the material substance of the Request for Proposals when it is in the State's best interest to do so.
- (b) Amendments to proposals shall be allowed if the amendments are in writing and signed, are received prior to the date and time of the proposal opening, and clearly indicate the date and time of proposal opening and Request for Proposals number.
- (c) If there is a suspected proposal mistake, the State
 Procurement Director or agency procurement official may request
 confirmation of a proposal and shall request the confirmation to be made in
 writing. The response of any bidder who fails or refuses to clarify in writing
 within a reasonable time any matter contained in his proposal shall be
 rejected. The written clarification shall become a part of the contract
 awarded on the basis of that proposal.
- (d) Proposal prices shall not be increased after the date and hour of the proposal opening.
- (e) When a mistake in a proposal is claimed by the vendor prior to award and the evidence is clear and convincing that a material mistake was made in the proposal, and that due to such mistake the proposal submitted was not the proposal intended, the bidder may be permitted to withdraw his proposal.

R8:19-11-230. Negotiations.

- (a) Negotiation of Request for Proposals should be authorized in those cases where the best interests of the State are served. Negotiations are begun with the highest ranked offeror based on the scores as established in the Request for Proposals' scoring criteria. If a satisfactorily negotiated contract cannot be developed, the bidder may be declared non-responsive and time permitting, the negotiation process may be repeated with the next respondent deemed most likely to be awarded a contract.
- (b) Prior to negotiation, the Request for Proposals file must include documentation giving the stated purpose for the negotiation and the objective to be achieved.

- (c) An agency should investigate with the provider determined most likely to be awarded a contract, factors affecting the price, performance, and scope of services to be offered including current market conditions.
- (d) Prior to initiating negotiations, the agency must develop a plan to include at least:
- (1) The acceptable range of price, the desired "best" price and the highest acceptable price.
- (2) Adjustments to the scheduled delivery of services that may have an impact on price.
 - (3) Acceptable modifications in the overall scope of work.
- (4) A prioritized list of acceptable changes in services that may result in price reduction.
 - (5) Timetable for completion of negotiation.
- (e) No part of any negotiation plan shall be revealed to bidder(s) or made available for public review until after a contact award.
- (f) An acceptable negotiated contract shall list the agreed upon terms, conditions, specifications, quantities and pricing, and be signed by the agency and the provider.
- (g) All proposals may be rejected if, after evaluation of the proposals, including consideration of any clarifying or explanatory information submitted by the bidders, it is determined by the procurement official that no satisfactory proposal has been received.

R9:19-11-230. Cancellation of the Request for Proposals.

A notice of cancellation of an OSP Request for Proposals shall be posted on the OSP website. The proposals may be returned if properly identified.

R10:19-11-230. Ethical standards.

In accordance with Ark. Code Ann. § 19-11-708(a), (b), and (c), the following statement must be conspicuously set forth in all contracts and solicitations costing more than ten thousand dollars (\$10,000): "It shall be a breach of ethical standards for a person to be retained, or to retain a person, to solicit or secure a state contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies maintained by the contractor for the purpose of securing business."