

STATE OF NEW JERSEY DEPARTMENT OF THE TREASURY GSA PURCHASE BUREAU	<b>AWARD RECOMMENDATION</b>	REFERENCE NUMBER      03-X-34627
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REPORT DATE    09/30/02	NUMBER OF BIDS MAILED 410	NUMBER OF BIDS RECEIVED 16	PRICE EXPIRATION DATE OF RECOMMENDED VENDOR N/A
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TO:      Joseph B. Reilly, Deputy Director	SUBJECT: Unemployment Insurance Operations
FROM:   Anthony F. Genovese, Unit Supervisor	Modernization for the DOL

**RECOMMENDATION**

I concur with the evaluation committee's recommendation that the contract award for Unemployment Insurance Operations Modernization for the DOL., be awarded to PA Consulting, the bidder with the highest technical score. This award recommends bypassing four responsive lower cost bidders: Indus Consultancy; eVisory; Q Data USA; and Rohn Consulting. A fifth lower cost bidder, KPMG was found unresponsive. The bypass is based on the committee's conclusion that the selected bidder is the most advantageous to the State, price and other factors considered. This bidder presented a thorough detailed approach and documented relevant experience in their bid submission. The price bid by PA Consulting is: \$849,970 which is well within the Department's budget for this project.

**JUSTIFICATION:**

The purpose of this request for proposal (RFP) was to seek a qualified contractor to provide business process reengineering and systems analysis and strategic planning for the Operations Modernization of the Unemployment Insurance Operations of the Department of Labor. This project was approved by the Office of Information Technology (OIT) and OIT was represented on the evaluation committee.

Bids were received from the sixteen vendors listed below. PA Consulting received the highest technical score and is the sixth ranked in price. PA Consulting's price is within budget and they provided sufficient information in their bid proposal for the Committee to determine that they had the relevant experience and the thorough understanding of the scope and complexity of the project required to complete the project within budget and in less than one year.

KPMG's proposal was found to be nonresponsive based on the conclusion that the price offered was not a firm fixed price. This conclusion was reached because on page 4-1 KPMG made the following statement: "We believe the *hours estimated* to complete the project are realistic and necessary to accomplish the services requested in a professional manner. Our *estimate assumes* that all requested documentation will be provided on a timely basis and that appropriate Division of UI personnel will be readily available to participate.....The *total estimated cost* of the project .....is \$790,000." Additional assumptions were stated on 2-9: " *It is essential that* the Division of UI provide certain support to KPMG in order to successfully execute the approach. The support expected includes.....providing all documents requested for review within five business days..." The use of the word estimate as it relates to price combined with the statement of assumptions that the State can not guarantee, could subject the price to change.

APPROVALS: _____ <i>Supervisor</i>	_____ <i>Director, Division of Purchase &amp; Property</i>
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I concur with the committee's findings, recommendations and conclusions as expressed in the attached committee report. A summary of the evaluation is as follows:

Firm Name	Technical Rank	Technical Score	Fixed Cost	Cost Rank
PA Consulting	1	4145	849,970	6
TRW	2	3735	993,263	8
Maximus	3	3540	2,692,613	14
GovConnect	4	3455	2,491,240	13
Unisys	5	3065	2,994,965	15
Mathtech	6	3005	912,900	7
KPMG*	7	2660	790,000	5
Gartner	8	2520	1,244,558	10
Fujitsu	9	2480	1,628,666	11
Spherion	10	2465	21,244,294	16
cyberThink	11	2355	1,150,212	9
Q Data USA	12	1930	658,400	3
Deloitte Touche	13	1765	1,854,800	12
eVisory	14	1425	322,940	2
Indus	15	1350	159,856	1
Rohn	16	1280	685,780	4

\* This bid was determined to be nonresponsive.

The evaluation committee's report is attached, along with the RFP, the addenda and the Affirmative Action Employee Information Report. Completed ownership disclosure forms, and business registrations for PA Consulting and its subcontractors are also enclosed.

Respectfully Submitted: \_\_\_\_\_

Jennifer Petrino  
Procurement Specialist