Technical Services
Contract

Procedure Manual
For Agencies

ITS Statewide IT Procurement Office

Revised February 5, 2003
1. Introduction/Overview

ITS developed the Technical Services Contract as a method of contracting for the procurement of certain technical services. This streamline method speeds the procurement process by providing quicker response time for soliciting and evaluating bids and awarding the contract. This is possible because of:

- The creation (in advance of need) of listings of eligible vendors by areas of technical services offered by the vendor and required by state agencies and other governmental organizations participating in the statewide contract.
- The reduction and streamlining of administrative processes for developing bids and selecting winning vendors.
- Flexibility to add new areas of technical services and update the lists of eligible vendors in a timely manner, thus enabling the contract to accommodate evolving agency needs and respond to continuous changes in technologies.

This contract sets forth clear and simple processes for identifying areas of technical services required by agencies, soliciting prospective vendors, determining the eligibility of vendors to provide required services, developing bids, evaluating vendor responses, and justifying the selection of winning vendors. It allows for more competition for work, which results in more cost-competitive bids. It facilitates improved quality control and performance monitoring of vendors because Information Resource Management Commission (IRMC) Quality Assurance (QA) processes and standards are included in the statewide contract.

This procurement method includes new responsibilities for individual agencies. The purpose of this manual is to educate agencies about the process and to assist them in carrying out the steps of the process for which they are responsible. Purchasing officers and others involved should make themselves familiar with this manual and reference it as required. It includes form outlines, a glossary, reference information for the RFP contract, and other procedures and suggestions to ease implementation, all of which may be helpful to state agencies and other governmental users as they adapt to this procurement method.
2. General Concepts of Contract

2.1 Overview of Key Objectives and Provisions

The Technical Services Contract is structured to meet the following objectives:

- Provide flexibility for meeting the challenges and opportunities encountered by state government resulting from new government initiatives, increasing citizen expectations for better and more responsive services, and more demanding business and program requirements for economical operations and improved outcomes.
- Enable the state to make use of the capabilities of new and emerging technologies in a timely fashion to meet its constantly changing business and program needs.
- Facilitate the State's ability to procure quality services at competitive prices to develop and implement technically current systems and modern technologies.
- Assist the state in developing systems and implementing technology under increasingly aggressive time frames, while meeting more exacting quality standards.

To accomplish these objectives, the contract has the following features:

- Allows for the timely addition of new skills and capabilities as they are identified or needed to match the pace of change in technology.
- Provides for the expeditious and ongoing addition of new vendors to offer rapidly changing skills and expertise, so that these may be available when needed at competitive rates.
- Enables users to procure appropriate and responsive technology services in a quick manner by streamlining and simplifying the bidding process.
- Ensures the delivery of satisfactory services by incorporating within the contract the state's technical architecture, as well as its project management and quality assurance policies, standards and practices.

Key provisions of the contract are highlighted as follows:
Focus on contracting with firms for completing specified projects or assignments rather than obtaining individuals for providing specific skills. The responsibility for making and fulfilling commitments is focused on organizations, and this approach unambiguously identifies accountabilities of contracted firms for the satisfactory performance of work (e.g., time schedule, budget costs, and system/technology deliverables or benefits).

Establish potential vendor lists for areas of technology or technical skills rather than for personnel job categories. This feature provides for flexibility in the swiftly evolving categories of technology skills and expertise as business concepts and technical components are undergoing rapid mutations.

Allow the State to add new areas of technology to the contract on an ongoing basis to keep up with the fast paced environment of technology introduction and transition.

Enable the State to solicit bids from vendors for providing technology services in specific areas of technology, while providing a vehicle for prospective vendors to respond with a combined technical and cost bid. Allow bids to be evaluated on the concept of “best value” to the state and to consider the total life cycle cost of each acquisition.

Provide best practices, guidelines, lessons-learned, and procedures to help individual agencies design the solicitation, conduct evaluations, select vendors, and recommend contract award for each bid.

Incorporate, as much as possible, the technologies, concepts and capabilities of electronic commerce to offer a more efficient and responsive bid process by:

- Posting agency service requests (Scope Statements) on the Web and notifying prospective vendors by e-mail of the postings.
- Posting the master contract and related information on the Web.
- Providing other capabilities, as technology enables and fiscal and personnel resources allow.
2.2 Benefits

2.2.1 Benefits to Agencies

- Quick access to emerging technologies and new skills
- Clear process for soliciting and evaluating bids and contracting for work - includes best practices and detailed procedures
- Streamlined process for obtaining vendor services - quicker response time for soliciting bids and starting work
- Open competition for work; more competitive best-value bids
- IRMC QA processes, standards, and reviews are incorporated in the mastercontract; thus allowing better quality control and performance monitoring of vendors

2.2.2 Benefits to the State

- Performance measurement of vendor work - applies "best value" procurement reform evaluations
- "Lessons learned" included in master contract - better protection for the state
- Better metrics on costs and accountability for results at both project-by-project and state-level scales

2.2.3 Benefits to Vendors

- Clear, standards-based procedures and processes for responding to bids, conducting evaluations, selecting winning vendor and contracting
- Better understanding of performance expectations and commitments for each bid and project
- Better understanding of QA expectations and obligations
- Shortened process cycle from identification of service need to contract award
- Easier access to opportunities for offering services
3  Process Description and Flowcharts

The process for using the Technical Services Contract is defined in this section. There are three different sub-processes that must be followed when performing various activities covered under the contract:

➢ Adding Eligible Vendors for New Technology Areas

➢ Advertising Specific Technology Projects and Selecting the Winning Vendor

➢ Changing a Scope Statement Contract

Each sub-process is described below and followed by a Flowchart that maps the steps and activities involved, and a checklist for the agencies to use to facilitate the process.

3.1  Adding New Technology Service Areas

3.1.1  Process Description

(This process is illustrated by Flowchart 1.)

Step 1. The agency or ITS identifies the need for a new technology service that is not currently included in one of the attachments in the RFP. The agency or ITS completes a document entitled “Request to Add New Technology Service Area(s) to Contract” and submits it to the Statewide IT Procurement Office, Technical Services Contract Manager. (Guidelines for preparing this document can be found in section 4.1 of this manual.)

Step 2. The Statewide IT Procurement Office processes the request and, after approval, develops a new attachment for the RFP.

Step 3. The new RFP attachment is posted on the web and vendors are notified via VendorLink [http://www.itp.its.state.nc.us/itvendors.html].
Step 4. The Statewide IT Procurement Office receives and reviews vendor responses and determines vendor eligibility to provide services in the identified category.

Step 5. If approved, the Statewide IT Procurement Office adds newly eligible vendors to the Eligible Vendor List. The list is available on the ITS IT Procurement Web site at http://www.its.state.nc.us/ITProcurement/ConvenienceContracts/CBids/Contracts.asp?CID=2

Step 6. The Statewide IT Procurement Office notifies the vendors in regards to their eligibility status via e-mail.

To facilitate this process, a flowchart and an agency checklist follows:
This Checklist is a tool to be used by the agencies to facilitate the process of adding new technology service areas to the Technical Services Contract.

Checklist

<table>
<thead>
<tr>
<th>Number</th>
<th>Activity Description</th>
<th>Done ✔</th>
<th>Supporting Template or Tool</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Ensure identified need for a new technology service area is not currently included in one of the existing attachments in the “master RFP”.</td>
<td></td>
<td>“ITS Technical Services Contract”,</td>
</tr>
<tr>
<td>2.</td>
<td>Complete the “Request to Add New Technology Service Area(s) to Contract” form and submit to the Statewide IT Procurement Office</td>
<td></td>
<td>“Request to Add New Technology Service Area(s) to Contract” located in Section 4.1.2 of the Agency Manual</td>
</tr>
<tr>
<td>3.</td>
<td>Confirm that the new RFP for your requested attachment has been posted on the web.</td>
<td></td>
<td><a href="http://www.its.state.nc.us/ITProcurement/ConvenienceContracts/CBids/Contracts.asp?CID=2">http://www.its.state.nc.us/ITProcurement/ConvenienceContracts/CBids/Contracts.asp?CID=2</a></td>
</tr>
<tr>
<td>4.</td>
<td>Confirm newly eligible vendors have been added to the Eligibility List for your requested attachment</td>
<td></td>
<td><a href="http://www.its.state.nc.us/ITProcurement/ConvenienceContracts/CBids/Attachments.asp?CID=2">http://www.its.state.nc.us/ITProcurement/ConvenienceContracts/CBids/Attachments.asp?CID=2</a></td>
</tr>
</tbody>
</table>

3.2 Advertising Project and Selecting Winning Vendor

3.2.1 Process Description

(This process is illustrated by Flowchart 2.)

**Step 1.** The agency identifies the problem/challenge/opportunity and prepares a scope statement that is submitted to the Statewide IT Procurement Office, Technical Services Contract Manager. (Guidelines for preparing a scope statement are given in section 4.2 of this manual.)

**Step 2.** The Statewide IT Procurement Office receives and reviews the scope statement. If it is not complete or not in compliance with
NC procurement regulations or other contract terms and conditions, it is returned to the agency for modification.

Step 3. The Statewide IT Procurement Office posts complete scope statement to the IT Procurement Web Site – http://www.its.state.nc.us/ITProcurement/ConvenienceContracts/CBids/Attachments.asp?CID=2

Step 4. The Statewide IT Procurement Office notifies eligible vendors for the category of services referenced on the newly posted scope statement via e-mail.

Step 5. The vendors, if they choose to respond, prepare a Scope Statement Response and submit it to the using agency utilizing the format structure required by the agency in the scope statement.

Step 6. The using agency evaluates the Scope Statement Responses and, using the “best value” method, selects a winning vendor. (Guidelines for selecting a winning vendor are given in section 4.3 of this manual.)

Step 7. The agency then prepares the “Selection Justification for Winning Vendor” and submits it to the Statewide IT Procurement Office along with a copy of all responses. (Guidelines for preparing the Selection Justification document are given in section 4.3.2 of this manual.)

Step 8. The Statewide IT Procurement Office receives and reviews the Selection Justification. If it is incomplete, it is sent back to the agency for modification.

Step 9. The Statewide IT Procurement Office files the approved Selection Justification for future reference along with a copy of each vendor’s response.

Step 10. The Statewide IT Procurement Office posts the winning vendor to the ITS IT Procurement Web Site at: http://www.its.state.nc.us/ITProcurement/ConvenienceContracts/CBids/Attachments.asp?CID=2

Step 11. The using agency receives an e-mail notification from the Statewide IT Procurement Office about the award authorization.
Step 12. The using agency will issue the contract award and notify the winning vendor.

Step 13. The winning vendor contacts the agency regarding acceptance of the contract.

Step 14. The agency issues a purchase order to the winning vendor.

Step 15. The agency and the vendor jointly monitor the contract and work begins.

It is important to note that each agency is required to send a copy of the executed Scope Statement contract to the Statewide IT Procurement Office along with a copy of each vendor’s response. Additionally, each agency is responsible for managing public records involved in the purchasing process conducted under the Technical Services Contract. This includes all records necessary to fully document the procurement process in accordance with this contract and NC Statutes.

To facilitate this process, a flowchart and an agency checklist follow:
Flowchart 2

Advertising Project and Selecting Winning Vendor

This Checklist is a tool to be used by the agencies to facilitate the process of advertising a project via a Scope Statement and selecting the winning vendor. For timely processing of the
Scope Statement and vendor award, follow the steps as listed below. Templates and tools available to facilitate certain activities are also provided.

Checklist

<table>
<thead>
<tr>
<th>#</th>
<th>Activity Description</th>
<th>Done ✔</th>
<th>Supporting Template or Tool</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Prepare a Scope Statement for the identified opportunity</td>
<td></td>
<td>Suggested Scope Statement Outline located in Section 4.2.2 of the Agency Manual</td>
</tr>
<tr>
<td>2</td>
<td>Prepare evaluation criteria and include them in the Scope Statement document</td>
<td></td>
<td>Refer to Section 4.2.3 of the Agency Manual</td>
</tr>
<tr>
<td>3</td>
<td>Submit Scope Statement to the Statewide IT Procurement Office</td>
<td></td>
<td>Required</td>
</tr>
<tr>
<td>4</td>
<td>If Scope Statement is returned for revision from the Statewide IT Procurement Office</td>
<td></td>
<td>Suggested Scope Statement Outline located in Section 4.2.2 of the Agency Manual</td>
</tr>
<tr>
<td>5</td>
<td>Confirm complete Scope Statement has been posted to the IT Procurement Website.</td>
<td></td>
<td><a href="http://www.its.state.nc.us/ITProcurement/ConvenienceContracts/CBids/Attachments.asp?CID=2">http://www.its.state.nc.us/ITProcurement/ConvenienceContracts/CBids/Attachments.asp?CID=2</a></td>
</tr>
<tr>
<td>6</td>
<td>Upon receipt of the vendors’ Scope Statement Responses, select a winning vendor</td>
<td></td>
<td>Refer to Section 4.3 of the Agency Manual</td>
</tr>
<tr>
<td>7</td>
<td>Prepare a “Selection Justification for Winning Vendor” and submit it to the Statewide IT Procurement Office</td>
<td></td>
<td>“Selection Justification for Winning Vendor” found in section 4.3.2 of the Agency Manual.</td>
</tr>
<tr>
<td>8</td>
<td>If the selection justification is sent back by the Statewide IT Procurement Office</td>
<td></td>
<td>“Selection Justification for Winning Vendor” found in section 4.3.2 of the Agency Manual.</td>
</tr>
<tr>
<td>9</td>
<td>Confirm the winning vendor has been posted to the ITS IT Procurement Website.</td>
<td></td>
<td><a href="http://www.its.state.nc.us/ITProcurement/ConvenienceContracts/CBids/Attachments.asp?CID=2">http://www.its.state.nc.us/ITProcurement/ConvenienceContracts/CBids/Attachments.asp?CID=2</a></td>
</tr>
<tr>
<td>10</td>
<td>Issue a purchase order to the winning vendor.</td>
<td></td>
<td>Purchase Order form appropriate to specific agency.</td>
</tr>
<tr>
<td>11</td>
<td>Send a copy of the purchase order to the Statewide IT Procurement Office</td>
<td></td>
<td>Required</td>
</tr>
<tr>
<td>12</td>
<td>Ensure vendor jointly accepts the contract and work begins.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3.3 Making Changes to a Scope Statement Contract

ITS recognizes that changes during an IT project life cycle may affect costs. Change orders may be allowed under individual Scope Statement Contracts. Changes may comprise but are not limited to:
• Any change that is outside the scope of the original Scope Statement
• Any additional deliverable not defined in the original Scope Statement
• Any additional activity or task not defined in the original Scope Statement for a planned deliverable
• Changes to an accepted or planned deliverable
• Time spent to investigate and/or estimate any change request
• Time lost to unavailability of needed equipment, client personnel, or approvals.
• Additional time or cost of contract

In accordance with Section IX.A. of the Technical Services Contract, change orders issued by agencies shall not exceed twenty percent (20%) of the original dollar value of the Scope Statement Contract award. Any recommended change order that exceeds 20% of the original dollar value shall be subject to reassessment by the ITS Procurement Office. ITS may, at its option, require the changes requested to be competitively re-solicited under the terms of the Technical Services Contract or as an open market procurement in accordance with 9 NCAC 6B. The process for submitting all change order requests follows:

### 3.3.1 Process Description

(This process is illustrated by Flowchart 3.)

**Step 1.** The agency identifies and obtains internal approval for needed changes to the Scope Statement Contract, prepares a Contract Change Request in accordance with Section IX.A. of the master contract and submits it to the Statewide IT Procurement Office.

**Step 2.** The Statewide IT Procurement Office receives and approves the Change Request. If it is not approved, it is returned to the agency for modification or preparation of a new scope statement for re-solicitation.

**Step 3.** If the change is approved, the Statewide IT Procurement Office notifies the agency and the agency contacts the vendor and executes the change.

**Step 4.** Upon execution of the contract change, the agency sends the Statewide IT Procurement Office a copy of the executed change.
It is important to note that each agency is required to send ALL contract change requests to the Statewide IT Procurement Office for approval.

To facilitate this process, a flowchart and an agency checklist follow:
This Checklist is a tool to be used by the agencies to facilitate the process of making changes to Scope Statement Contracts issued under the Technical Services Contract. Follow the steps as listed below to ensure timely processing of changes. Templates and tools available to facilitate certain activities are also provided.

Checklist
<table>
<thead>
<tr>
<th>#</th>
<th>Activity Description</th>
<th>Done</th>
<th>Supporting Template or Tool</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Identify changes needed to the Scope Statement Contract.</td>
<td>✔✔✔✔</td>
<td>See Section 3.3 in the Agency Manual</td>
</tr>
<tr>
<td>3.</td>
<td>Submit the contract change request to the Statewide IT Procurement Office.</td>
<td></td>
<td>Required</td>
</tr>
<tr>
<td>4.</td>
<td>If returned by the Statewide IT Procurement Office for modification, or issuance of a new scope statement to cover the change, modify accordingly and resubmit.</td>
<td></td>
<td>Required</td>
</tr>
<tr>
<td>5.</td>
<td>Upon notification of change approval by the Statewide IT Procurement Office issue a change order to the vendor.</td>
<td></td>
<td>Purchase Order form appropriate to specific agency.</td>
</tr>
<tr>
<td>6.</td>
<td>Forward a copy of the change order to the Statewide IT Procurement Office.</td>
<td></td>
<td>Required</td>
</tr>
</tbody>
</table>
4. Process Requirements and Suggested Tools and Forms

This section includes various tools and methods that are provided to facilitate the use of the Technical Services Contract. Suggestions and examples are found in sections 4.1.2, 4.2.2, 4.3.2, 4.4.2, and 4.5.2, and their use is strongly recommended. They are intended to facilitate the process and ensure the agencies achieve the highest value from the contract.

4.1 Request to Add New Technology Service Area(s) to Contract

4.1.1 Overview

The “Request to Add New Technology Service Areas to Contract” is used if an agency has a technology problem/opportunity for which it would like to solicit vendors but there are no general categories in the attachments to the umbrella contract that apply to the need. New categories should be added with caution and familiarity with the RFP is essential to prevent repetition and unnecessary work. It is unlikely that agencies will need to make frequent use of this feature of the contract.

The request is submitted to the Statewide IT Procurement Office, which creates an attachment to the master RFP based on the information provided by the agency and posts it on the web where it is open to participation from all vendors. The website is http://www.ips.state.nc.us/ips/pubmain.asp It is important that all the required information be provided. An outline for the preparation of the "Request to Add New Technology Service Area(s) to Contract" follows.

4.1.2 Suggested Form Outline (Next Page)
Request to Add New Technology Service Area(s) to Contract

(All components of this document are required.)

Department / Agency:
Requested Technology Service Area:
Approximate date new services are needed:
Agency contact:
Contact phone:
Contact e-mail:

Technology Area Description and Justification:

In the Technology Area Description section, describe the technology service area you are requesting as an addition to the contract. Be sure to indicate what distinguishes it from other service areas already covered in the contract. Include a justification statement regarding the need for the new service area.

Eligibility Requirements:

Provide as much information as possible regarding the characteristics and attributes that a vendor must have to become eligible to provide the service. This will be more general than a scope statement, as vendors are applying only to be eligible to receive scope statements for this service area. Current attachments to the RFP may be used as a model. Some important things to include are:

- Type and amount of experience needed,
- Required knowledge/skills,
- Necessary certifications,
- Methodologies, etc.

Signatures:

Include the signatures of the agency IT director and Purchasing Officer.
4.2 The Scope Statement

4.2.1 Overview

The scope statement is developed by the agency to be provided to the eligible vendors. Before being issued (via the Web), it must be approved by the Statewide IT Procurement Office. The scope statement is essentially the "who," "what," "when," and "why" of the project. It conveys the vision, purpose, and specific requirements of the project, as well as the criteria that will be used in evaluating the vendors' responses. The scope statement also must describe precisely the content and format of the Scope Statement Response expected from the prospective vendors.

It is important that the person writing the scope statement be very familiar with the master RFP contract. The scope statement is an extension of this original solicitation. Familiarity with the master RFP contract and all of its terms and conditions will eliminate repetition and ensure that the scope statement complies with the contract to which the eligible vendors have already agreed. The master RFP is located on the Web at: [http://www.its.state.nc.us/ITProcurement/ConvenienceContracts/CBids/Bids/Bid2/Contract/Contract.pdf](http://www.its.state.nc.us/ITProcurement/ConvenienceContracts/CBids/Bids/Bid2/Contract/Contract.pdf)

One significant area that may require time and attention is the evaluation criteria category. The Statewide IT Procurement Office has provided more information about this component of the scope statement in section 4.2.3 of this manual.

Scope statements will naturally vary from project to project, but there are general headings that will be appropriate to almost any situation as well as some required fields to include. A sample outline of a scope statement follows. Headings can be created or omitted as appropriate. However, be sure to complete the required fields.

Please note that the agencies issuing Scope Statements for specific technology needs are responsible for the evaluation and selection processes for their solicitations based on the scope statement responses they receive.
4.2.2 Suggested Scope Statement Outline

**Scope Statement**

Issuing Department / Agency:

Project Name:

Issue Date:

Due Date for Responses:

Deadline for Questions:

Contact Person(email/telephone):

Attachment Referenced:

Send questions to the E-Mail address listed above. All questions will be addressed and responses E-Mailed to each eligible vendor.

**General Information**

*Information that should be listed in this section:*
- bidder’s conference information(if applicable),
- instructions on submitting questions,
- mailing instructions for responses,
- how many copies and originals are being requested
- and any other general information pertinent to your scope statement

**Project Description**

*Briefly describe the background and history leading up to the project and this scope statement.*
Outline the major business and program functions and features to be supported or accomplished. This description can be general, specific, or both.

**Purpose and Objectives:**
*Describe the purpose and define what is expected from the project in terms of results and deliverables*

**Project Description:**

In the *Project Description* section, give a functional description of the business/program problem, challenge, or opportunity. Also indicate whom the project is intended to serve. DO NOT tell the vendors how to solve the problem. (This allows the vendors to propose their own solutions and explain why the proposed solutions are the most cost-effective and risk-justified for satisfying the objectives under the given criteria.)
Timetable/Schedule:

Include any dates that will be significant to project, i.e. estimated start date, projected timeframe for entire project, deadlines. Also, advise the term of the contract and whether or not any extensions are allowed.

Political or Business Environment:

Sometimes it is necessary to indicate the environment of the project if it will affect the vendor’s strategy. Examples of these types of unique environments are business, relations with other government entities, etc.

Additional Vendor Qualifications:

In this category, list any qualifications vendors will need in addition to the qualifications for eligibility. This is the appropriate category under which to list any special staffing needs you anticipate.

Additional Contractual Terms:

If necessary, list any contractual terms or conditions not covered in the mandatory section of the master contract. The “Optional Considerations” of the master RFP may be very useful in the category. They can be found in Section IX B of the RFP. (This field is only required when applicable.)

Evaluation Criteria:

This is an extremely important part of the scope statement because it will be referenced in following documents. List evaluation criteria IN ORDER OF RELATIVE IMPORTANCE and indicate the percentage weight each carries. Include any assigned weight for each criterion in %. Give any formulas to be used in calculating vendor scores. These will vary according to each project. See Section 4.2.3 of this manual for further explanation and examples of evaluation criteria. Include the following paragraph in this section:

The evaluation and vendor selection process will be based on “best value”. The particular procurement methods used are selected so as to result in the best buy for the State in terms of the function to be performed. Competitive Best Value Procurement allows for the use of alternate competitive purchasing techniques in addition to low price analysis in the selection of supply sources determined to represent best value. In this particular procurement, (a trade-off method, lowest price technically acceptable, etc.) of source selection will be utilized. Proposals will be evaluated based on the criteria listed below. Evaluation methodology shall be in accordance with Title 9 of the NCAC Subchapter 06B, Section .0302, or corresponding section of any future NC Administrative Code. The State may elect to conduct negotiations with one or more vendors and make requests of vendors as may be necessary or proper for best and final offers.

Administrative Items

Examples of administrative items would be differences in proposal procedure, such as a project description conference, a certain format for submitting proposals, etc. Important:

At least two (2) hardcopy originals of the scope statement response, and one copy, signed by an authorized officer of the corporation shall be submitted.
Note to agencies: One copy of each response must be returned with the Selection Justification to the Statewide IT Procurement Office

Execution of Scope Statement: *
Each scope statement must include an authorized signature from the vendor that can bind the firm to a contract to be a valid offer. Following is an example of the Scope Statement Execution document.
Execution of Scope Statement

By signing below, the Offeror certifies that:

- this Scope Statement Response was signed by an authorized representative of the Offeror;
- this Scope Statement Response was not derived through any acts of collusion as stated in NCGS 147-33.100
- the Offeror agrees to all the mandatory terms and conditions and agrees to pay the 2% administrative fee to ITS per Section I, Paragraph B of the ITS Technical Services Contract,
- the Offeror agrees to abide by all IRMC Policies, Standards and Procedures and in addition, adhere to the Statewide Technical Architecture.

Therefore in compliance with the foregoing Scope Statement and subject to all terms and conditions of the ITS Technical Services Contract, including all exhibits, the undersigned offers and agrees to furnish the services set forth in the Scope Statement if the Scope Statement Response is accepted by the State.

Failure to execute/sign scope statement response prior to submittal shall render it invalid.

<table>
<thead>
<tr>
<th>BIDDER:</th>
<th>FEDERAL ID OR SOCIAL SECURITY NO.</th>
</tr>
</thead>
<tbody>
<tr>
<td>STREET ADDRESS:</td>
<td>P.O. BOX: ZIP:</td>
</tr>
<tr>
<td>CITY &amp; STATE &amp; ZIP:</td>
<td>TELEPHONE NO TOLL FREE NO</td>
</tr>
<tr>
<td>TYPE OR PRINT NAME &amp; TITLE OF PERSON SIGNING:</td>
<td>FAX NUMBER:</td>
</tr>
<tr>
<td>AUTHORIZED SIGNATURE:</td>
<td>DATE: E-MAIL:</td>
</tr>
</tbody>
</table>

Acceptance by Agency is contingent upon ITS approval of the Agency’s recommendation of award. This contract was approved for award by ITS on ______________, 20__, as indicated by attached certification letter from ITS.

ACCEPTANCE OF SCOPE STATEMENT RESPONSE

If any or all parts of this scope are accepted, an authorized representative of Using Agency shall affix their signature hereto and this document along with the provisions of the Master Contract shall then constitute the written agreement between the parties. A copy of this acceptance will be forwarded to the successful offeror(s).

FOR CONTRACTING AGENCY USE ONLY

Offer accepted this ____ day of ______________, 20____, as indicated on attached certification or purchase order, by ____________________________ (Authorized representative of Contracting Agency)
4.2.3 Evaluation Criteria

The development of evaluation criteria is important to several aspects of the contract. Evaluation criteria should be carefully thought through and well developed for each project. They will be used in the evaluation and selection of a winning vendor, as well as referenced in the "Selection Justification" memo. They are also listed in the scope statement and the vendors will rely on them heavily for guidance in developing their Scope Statement Responses. 

*Evaluation criteria must be listed in the scope statement in order of importance with the percentage weight each criterion carries.*

Evaluation criteria will vary by project. Some suggestions to consider have been categorized and listed below:

**Risk Related**
- Methodology and logic of proposed approach
- Risk analysis of approach and risk management plan offered
- Probability analysis of success of proposed approach and project (including deliverables)
- Project management plan and approach
- Quality assurance plan and approach
- Vendor performance history, including performance history of the combination of proposed team (also subcontractors), tools, methodologies, etc. for similar engagements
- Solution performance history
- Performance metrics offered by vendor to measure project status and success

**Benefits Related**
- Technical and business capability of proposed solution
- Appropriateness of deliverables to solving the business/program challenge or opportunity
- Timetable for deliverables

**Cost Related**
- Cost/benefit analysis or business case for proposed solution (including total life cycle cost/benefits)

When choosing a winning vendor from the many that may submit proposals, it is critical that the agencies establish and use a process that can be justified to the vendors and the public. To ensure this, the Statewide IT Procurement Office requires each agency to develop a "Selection Justification"
document (See sections 4.3.2 and 4.4). A process for evaluating vendor responses must be developed before they are received. The process can vary greatly from agency to agency and project to project. The evaluation process must always be done in a completely objective manner by the evaluation team established by the agency. (This team must consist of at least two evaluators) Also, the process must always reflect the priority of the evaluation criteria as given on the scope statement.

4.3 Vendor Selection Process

Agencies should perform the vendor selection process with care. The process used to select the winning vendor must comply with NCGS § 143B-472. This section of the manual describes the “Best Value” approach to vendor selection and suggests several evaluation methods that may be used to facilitate a “Best Value” vendor award.

4.3.1 Best Value

The scope statement requires a statement on behalf of the agency indicating that a vendor will be selected using a “best value” approach. This is a result of legislation passed regarding IT purchases for the state. According to 9NCAC6B, “Best Value” Procurement is defined as a procurement process that has the reduction of total cost of ownership as a fundamental objective. The particular methods used are selected so as to result in the best value for the state for the function to be performed. Competitive “Best Value Procurement” allows for the use of alternate competitive purchasing techniques, in addition to low price analysis in the selection of supply sources determined to represent best value.

A best value approach is an established process that provides a systematic and logical method for forming a decision.

Note: The agency must specify which “best value” approach they are going to use in the evaluation criteria section. (Ex., trade-off method, lowest price technically acceptable, etc.) The methods for source selection are found in 9NCAC 6B .0302, which is accessible at web site

4.3.2 Steps for Developing a Best Value Approach

The Statewide IT Procurement Office has developed seven basic steps for developing a vendor evaluation process that reflects the ideals of "best value" procurement.
Step 1. Develop the selection criteria to be used. Categorize them both generally and specifically. Cost must be used as one of the evaluation criteria.

Step 2. Determine the relative importance for each evaluation category. (The agency may wish to quantify or assign a numerical weight to this. For example, risk is 50%, costs 30%, and benefits 20%).

Step 3. Within each category, determine the relative importance for each specific criterion. (This may also be quantified.)

Step 4. Determine a “scoring” scheme for each criterion. (This can be quantitative (formula, point system) or qualitative (good, very good, etc.) The performance level for each score should be determined by the agency prior to the evaluation. For example, each agency should decide and set standards for what will constitute a “10” or a “high” score, etc. for each criterion before reviewing the scope statement responses and evaluating them, or before issuing the scope statement.

Step 5. Judge each scope statement response against the criteria and assign a score that may be qualitative or quantitative.

Step 6. Determine (mathematically or relatively) the total score for each proposal.

Step 7. Compare the scores and select the scope statement response that has the best score and is, therefore, the “best value”.

As indicated by these steps, methods for evaluating the scope statement responses can be quantitative or qualitative. The type of evaluation used will depend upon the project and the standards set by the agency. Some criteria may be easier to evaluate by assigning numbered scores, whereas others might be more appropriately scored with relative terms such as “low,” “satisfactory,” or “high.” Regardless, the agency should have set standards in place that will determine what levels of performance and quality will constitute certain scores.

The following examples use a “risk-weighted cost-benefit analysis” to evaluate three hypothetical vendors’ proposals. In each example the most important criteria are risk,
costs, and benefits. These examples are provided as an attempt to assist the agencies with their development of their own selection process for each project.

4.3.2 Example 1: Risk-Weighted Cost-Benefit Analysis – Quantitative Method

The following example uses the quantitative method for deriving “best value.” The seven basic steps can easily be applied specifically to this model:

Step 1. *Develop the selection criteria to be used. Categorize them generally and specifically.*

Note A. The general categories for this model are Risk, Benefit and Cost.

Note B. The specific criteria are listed under each general category heading.

Step 2. *Determine the relative importance (or weight) for each category.*

Note C. In this model, the Benefits category is most important and therefore has a weight of 50% followed by Cost and Risk, weighing 25% each.

Step 3. *Within each category, determine the relative importance for each specific criterion.*

Note D. In this model, the individual criteria are assigned weights based on their importance within the general category.

Step 4. *Determine a scoring scheme for each criterion. The performance level for each score should be determined by the agency prior to the evaluation. (I.e., the agency should already have decided and set standards for what will constitute a “10” or a “high” score, etc. for each criterion before reviewing the proposals and evaluating them.)*

Note E. In this quantitative model, each criterion has a possible score of 1-10, with 10 being the best possible score.
Step 5. *Judge each proposal and assign it a score.*

**Note F.** In this model, the scores range from 1-10, based on the quality of the hypothetical proposals submitted by the vendors.

Step 6. *Determine the total score for each proposal.*

**Note G.** FIND WEIGHTED CRITERION SCORE. The scores of each specific criterion were weighted according to the percentage assigned to them in Step 3. (Example: Vendor C’s score of 3 for the first criterion was multiplied by its weight, 20%, receiving a weighted score of 0.6, 3 x 0.2)

**Note H.** FIND GENERAL CATEGORY SUBTOTAL. Each vendor’s weighted individual criterion scores were added to form the general category subtotal. (Example: Vendor C’s general category subtotal for weighted criteria in the Risk category is 2.9, .25 x 2.9)

**Note I.** FIND WEIGHTED TOTAL FOR EACH CATEGORY. The general category subtotal is weighed according to the percentage assigned to the general category in Step 2, which forms the weighted totals for each general category. (Example: Vendor C’s general category subtotal of 2.9 is multiplied by the relative weight for the Risk category, yielding a weighted total of 0.7.)

**Note J.** FIND TOTAL EVALUATION SCORE. The weighted total scores for each category are added together to form the vendor’s total evaluation score.

Step 7. *Compare the scores and select the proposal that has the best score, and is therefore the best value.*

**Note J.** In this quantitative model, it is easy to see that Vendor B has the highest score and therefore has the proposal that is the best value according to the agency’s needs.
### Example 1: Risk-Weighted Cost-Benefit Analysis - Quantitative Method

#### Vendors' Proposals

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Weight for Each General Category</th>
<th>Weight for Each Criteria (w/in Category)</th>
<th>Scores for Each Criterion (1-10)</th>
<th>Weighted Scores for Each Criterion</th>
<th>Weighted Total for Each Category</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Risk Related</strong></td>
<td>25%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Methodology and logic of proposed approach</td>
<td>20%</td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>5</td>
</tr>
<tr>
<td>Risk analysis of approach and risk management plan offered by vendor</td>
<td>10%</td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>6</td>
</tr>
<tr>
<td>Probability analysis of success of proposed approach and project (including deliverables) presented by vendor</td>
<td>20%</td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>8</td>
</tr>
<tr>
<td>Project management plan and approach</td>
<td>20%</td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>6</td>
</tr>
<tr>
<td>Quality assurance plan and approach</td>
<td>10%</td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>7</td>
</tr>
<tr>
<td>Vendor performance history, including performance history of the combination of proposed team, tools, methodologies, etc. for similar engagements</td>
<td>5%</td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>2</td>
</tr>
<tr>
<td>Solution performance history</td>
<td>10%</td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>8</td>
</tr>
<tr>
<td>Performance metrics offered by vendor to measure project status and success</td>
<td>5%</td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>2</td>
</tr>
<tr>
<td><strong>General Category Subtotal</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6.1</td>
<td>7</td>
<td>2.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Benefit Related</strong></td>
<td>50%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technical and business capability of proposed solution</td>
<td>50%</td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>5</td>
</tr>
<tr>
<td>Appropriateness of deliverables to solving the business/program challenge or opportunity</td>
<td>40%</td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>8</td>
</tr>
<tr>
<td>Time table for deliverable</td>
<td>10%</td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>6</td>
</tr>
<tr>
<td><strong>General Category Subtotal</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6.3</td>
<td>7.5</td>
<td>3.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cost Related</strong></td>
<td>25%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost/benefit analysis or business case for proposed solution (including total life cycle cost/benefits)</td>
<td>100%</td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>5</td>
</tr>
<tr>
<td><strong>General Category Subtotal</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>8</td>
<td>4</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Vendor's Total Evaluation Score**: 5.9 | 7.5 | 3.3

**Winning Vendor**
4.3.2 Example 2: Risk-Weighted Cost-Benefit Analysis – Qualitative Method

The following example uses the qualitative method for deriving “best value.” The seven basic steps can easily be applied specifically to this model:

**Step 1.** Develop the selection criteria to be used. Categorize them generally and specifically.

- **Note A.** The general categories for this model are Risk, Benefits, and Cost.
- **Note B.** The specific criteria are listed under each general category heading.

**Step 2.** Determine the relative importance (or weight) for each category.

- **Note C.** In this model, the Benefits category is most important and therefore has a “high” rating of importance. Risk is of “medium” importance, and Cost of “low” importance.

**Step 3.** Within each category, determine the relative importance for each specific criterion.

- **Note D.** In this model, the individual criterions are assigned importance rankings based on their importance within the general category.

**Step 4.** Determine a scoring scheme for each criterion. The performance level for each score should be determined by the agency prior to the evaluation. (I.e., the agency should already have decided and set standards for what will constitute a “10” or a “high” score, etc. for each criterion before reviewing the proposals and evaluating them.)
Note E. In this qualitative model, each criterion has a possible score of Outstanding, Satisfactory, or Unsatisfactory. (Because this is a qualitative model, the term “judgement” instead of “score” is used in the matrix to avoid confusion.)

Step 5. Judge each proposal and assign it a score.

Note F. In this model, the scores are S, O, or U, based on the quality of the hypothetical proposals submitted by the vendors.

Step 6. Determine the total score for each proposal.

Note G. FIND GENERAL CATEGORY SUBTOTAL. Based on the importance of the criterion (as assigned in Step 3), determine what the vendor’s score should be for the category in general. (Example: in the Risk category Vendor C has U’s for the criterions of high importance, S’s and U’s for the areas of medium importance, and U’s for the areas of low importance. Therefore the general category subtotal is a U.)

Note H. FIND TOTAL EVALUATION SCORE. Based on the importance of the general criteria (as assigned in Step 2), determine what the vendor’s score should be for the overall proposal. (Example: Vendor C has a U in the category of high importance, a U in the category of medium importance, and an S in the category of low importance. Therefore, the overall evaluation score is a U.)

Step 7. Compare the scores and select the proposal that has the best score, and is therefore the best value.
Note J. In this qualitative model, it is easy to see that Vendor B has the highest score, and therefore has the proposal that is the best value according to the agency’s needs.
## Example 2: Risk-Weighted Cost-Benefit Analysis - Qualitative Method

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Importance of Each General Category</th>
<th>Importance of Each Criteria (w/individual Category)</th>
<th>Vendors Proposals</th>
<th>Adjusted Judgements for Each Category</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Risk Related</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Methodology and logic of proposed approach</td>
<td>Medium</td>
<td>High</td>
<td>S O U</td>
<td></td>
</tr>
<tr>
<td>Risk analysis of approach and risk management plan offered by vendor</td>
<td>Medium</td>
<td>Medium</td>
<td>O S U</td>
<td></td>
</tr>
<tr>
<td>Probability analysis of success of proposed approach and project (including deliverables) presented by vendor</td>
<td>High</td>
<td>High</td>
<td>S O U</td>
<td></td>
</tr>
<tr>
<td>Project management plan and approach</td>
<td>High</td>
<td>High</td>
<td>S O U</td>
<td></td>
</tr>
<tr>
<td>Quality assurance plan and approach</td>
<td>Medium</td>
<td>Medium</td>
<td>O O U</td>
<td></td>
</tr>
<tr>
<td>Vendor performance history, including performance history of the combination of proposed team, tools, methodologies, etc. for similar engagements</td>
<td>Low</td>
<td>Low</td>
<td>U S U</td>
<td></td>
</tr>
<tr>
<td>Solution performance history</td>
<td>Medium</td>
<td>Medium</td>
<td>O S S</td>
<td></td>
</tr>
<tr>
<td>Performance metrics offered by vendor to measure project status and success</td>
<td>Low</td>
<td>Low</td>
<td>U S U</td>
<td></td>
</tr>
<tr>
<td><strong>Benefit Related</strong></td>
<td>High</td>
<td>High</td>
<td>S O S</td>
<td></td>
</tr>
<tr>
<td>Technical and business capability of proposed solution</td>
<td>High</td>
<td>High</td>
<td>S O S</td>
<td></td>
</tr>
<tr>
<td>Appropriateness of deliverables to solving the business/program challenge or opportunity</td>
<td>Medium</td>
<td>Medium</td>
<td>O O U</td>
<td></td>
</tr>
<tr>
<td>Time table for deliverable</td>
<td>Low</td>
<td>Low</td>
<td>S O U</td>
<td></td>
</tr>
<tr>
<td><strong>Cost Related</strong></td>
<td>Low</td>
<td>High</td>
<td>S O S</td>
<td></td>
</tr>
<tr>
<td>Cost/benefit analysis or business case for proposed solution (including total life cycle cost/benefits)</td>
<td>High</td>
<td>High</td>
<td>S O S</td>
<td></td>
</tr>
</tbody>
</table>

### Vendor's Evaluation Judgement

- **S** (Strong) - High Importance
- **O** (Okay) - Medium Importance
- **U** (Unsatisfactory) - Low Importance

### Winning Vendor

- **S** (Strong) - High Value
- **O** (Okay) - Medium Value
- **U** (Unsatisfactory) - Low Value
4.3.3 Negotiating with Vendors

Another important consideration in the vendor evaluation process is negotiation. If the agency anticipates performing negotiation, it is required to establish a provision for this evaluation method in each individual scope statement. Additionally, the agencies must send a request to negotiate in writing to ITS before negotiations can begin. If that provision is established, the following items should be considered during the negotiation process:

1. If there are two classes of vendors, where one class contains vendors that are competitively superior to the vendors in the other class, clearly differentiate the two classes. Negotiations may be made with the vendors in the competitively superior class while the vendors in the other class may be rejected without including them in the negotiation process. (For example, if after completing the evaluation process, two vendors have a final score of “Outstanding”; they may be negotiated with while the other vendors submitting lower ranked proposals may be rejected.)

2. The agency must inform the vendors with whom they are negotiating that they have the opportunity to revise their proposed costs, if they choose to do so. This is normally best accomplished with a request for Best and Final Offer.

4.4 Selection Justification Memo

4.4.1 Overview

The Selection Justification document is significant because it explains the agency’s choice of the winning vendor to all the vendors who applied, as well as to all other interested parties. Before the award authorization is sent to the agency, the Statewide IT Procurement Office must approve the Selection Justification.

The purpose of the Selection Justification is to convey who the winning vendor is and why, giving a review of the project and the evaluation criteria. It is important that the agency explain how the winning vendor met the evaluation criteria and surpassed its competitors to be chosen.
The Selection Justification is done in memo format and has specified headings, which are demonstrated in the following outline.

4.4.2 Suggested Memorandum (Next Page)
MEMORANDUM

TO: ITS Statewide IT Procurement Office
FROM: Agency MIS Director or Project Manager and Purchasing Officer
DATE: Date Memo Sent

SUBJECT: Project Name - Winning Vendor and Selection Justification

Overview
In the Overview section, provide a general review of the scope statement and project description.

Selection Process
In the Selection Process section, provide a detailed description of the process used in selecting the project’s winning vendor. Attach documentation that supports the decision. This may include spreadsheets, graphs, and other supporting data.

Winning Vendor
Provide the name of the winning vendor that was chosen.

Selection Justification
In this section, provide a detailed explanation demonstrating the reasons why the winning vendor was selected and showing how the vendor met the evaluation criteria and surpassed others in the selection process. (You must attach your evaluation process and analysis, such as an evaluation matrix, to this memorandum.)
4.5 Scope Statement Change Orders

4.5.1 Overview

In the event that an awarded scope statement needs to be changed or amended, the requesting agency must issue a justification letter to the Statewide IT Procurement Office for those changes. This justification letter must explain the reasons and specific requirements for the change and any monetary impact the change would have to the state.

It is important that the employee preparing the change request have a full understanding of the requirements of the Technical Services Contract, Section IX.A. Per the process set forth in Section 3.3 of this manual, all change requests must be forwarded to the Statewide IT Procurement Office, Technical Services Contract Manager for review and approval prior to processing a change order.
4.5.2 Suggested Contract Change Request

**Contract Change Request**

<table>
<thead>
<tr>
<th><strong>Department/Agency:</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Contract/Purchase Order Number:</strong></td>
</tr>
<tr>
<td><strong>Change Request Number:</strong></td>
</tr>
<tr>
<td><strong>Project Sponsor:</strong></td>
</tr>
<tr>
<td><strong>Project Manager Name:</strong></td>
</tr>
<tr>
<td><strong>Project Manager Phone:</strong></td>
</tr>
<tr>
<td><strong>Project Manager E-Mail:</strong></td>
</tr>
<tr>
<td><strong>Dollar Impact of the Change:</strong></td>
</tr>
<tr>
<td><strong>Percentage Increase/(Decrease) from the Original Project Cost:</strong></td>
</tr>
</tbody>
</table>

**Change Request Purpose:**
Describe the purpose of the change.

**Detailed Description of the Change:**
Give a functional description of the change, including expected results and deliverables.

**Reasons for the Change:**
Explain in detail why the change is necessary, delineating each reason for the change.

**Potential Impacts of the Change:**
Describe the potential impacts of the change on the business, including impacted areas (Ex., resources, political, technical, cost, benefits, etc.).

**Risk Assessment:** List any potential risks associated with the change and include mitigating strategies.
5. Agency Responsibilities

5.1 Establishment of Policies and Procedures

Each agency is required to establish its own set of policies and procedures that allow it to comply with the Technical Services Contract. These policies and procedures must be documented and available for review, as well as approved by the agency head or a designee.

5.2 Maintenance and Retention of Records

Each agency is responsible for managing public records, correspondence, etc. involved in the purchasing process conducted under the Technical Services Contract. The agency, as well as the Statewide IT Procurement Office, is responsible for maintaining all files for public viewing. The preservation of the records is extremely important to the agency given its new position of responsibility in the purchasing process.

5.3 Establishment of Purchasing Review Committee

The Statewide IT Procurement Office encourages each agency to develop a Purchasing Review Committee. The committee would have three main responsibilities:

- Review the policies and procedures established by the agency as described in section 5.1 of this manual.
- Review steps taken by the agency in the IT purchasing process and ensure that these comply with the agency's responsibilities as indicated in the master contract and this manual, particularly the scope statement, the vendor selection process, the selection justification memo, and the retention of records.
- Address and resolve purchasing issues that are now the responsibility of the agency, such as an extension to a Scope Statement Response, etc.
6. References

6.1 Glossary of Terms

**Amendment**
The alteration of a contract

**Architecture**
Generally defined as an intermediate step between initial requirements and business functional specifications during which the entire complex of hardware, software, and design considerations are viewed as a whole.

**Attachment**
Defines the technology specialty category. Attachments are issued as additional solicitations to the Technical Services Master Contract RFP. Vendors can select those attachments for which they are qualified and apply for eligibility for those categories.

**Best Value**
As set forth in NCGS§ 143-135.9, and further described as a procurement process that has as a fundamental objective reduced total cost of ownership. The particular procurement methods used are selected so as to result in the best buy for the State in terms of the function to be performed. Competitive best value procurement allows for the use of alternate competitive purchasing techniques in addition to low price analysis in the selection of supply sources determined to represent best value.

**Cost / Benefit Analysis**
A formal study in which the life cycle costs (development, execution, maintenance and
operating costs) for a project are matched against the anticipated value of the product over its life.

**Deliverable**
A tangible result that is the output of a project.

**Eligible Vendors**
Vendors that submit a completed execution page in which they agree to the terms and conditions of the contract in addition to all information required under Section IV.B, Mandatory Proposal Requirements in the Technical Services Master Contract RFP and individual requirements of each attachment. Vendors are referred to as “Offerors” in the contract.

**IRMC**
Information Resource Management Commission

**ITS**
Office of Information Technology Services

**Methodology**
A set of formal protocols followed when performing a task.

**Open Enrollment**
The time period when a vendor can be added to the list of eligible vendors for a specified attachment or attachments.

**Process**
Step by step sequences of activities (systematic approach) that must be carried out to complete a project.

**Project Manager**
The senior person responsible for the entire project.
<table>
<thead>
<tr>
<th><strong>Project Sponsor</strong></th>
<th>The department “customer” who will authorize project initiation, and who will receive, accept, and use the software product or service</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Proposal</strong></td>
<td>The vendor’s response to an attachment request under the Technical Services Master Contract RFP by which vendors may be added to the eligibility list for attachment.</td>
</tr>
<tr>
<td><strong>RFP</strong></td>
<td>Solicits eligible vendors for the Technical Services Master Contract and stands as the document that sets forth contractual requirements, terms and conditions, and vendor proposal requirements</td>
</tr>
<tr>
<td><strong>Requirements</strong></td>
<td>Statement of needs by a user that triggers the development of a program, system, or project. May be called business functional requirements or requirement specifications.</td>
</tr>
<tr>
<td><strong>Risk</strong></td>
<td>The probability that a project will experience undesirable events, which may create cost overruns, schedule delays, or project cancellation. The identification, mitigation, tracking, and management of those elements creating the risk situation are an important part of the overall management of the project.</td>
</tr>
<tr>
<td><strong>Scope Statement</strong></td>
<td>A solicitation document that describes a specific business or technological need for an agency. It will include technical or functional specifications that generally describe the service requirement(s)</td>
</tr>
</tbody>
</table>
or a definition of the problem to be solved and a general description of the requirements to be addressed. It also defines the format and structure of the response document as well as evaluation criteria that will be used.

**Scope Statement**  
Response  
The vendor’s response to a Scope Statement solicitation document

**Specifications**  
A general term for the wide variety of paper-based descriptions of a program system

**System**  
A collection of programs, or components, that perform a generic business or technical function

**Technical Services**  
**Master Contract**  
The main document (RFP) that contains terms and conditions and all associated attachments

### 6.2 Reference to the Request for Proposals and Attachments

For Information pertaining to the Request for Proposals, Technical Services Contract and for Information pertaining to the Attachments that deal with the Request for Proposals, Technical Services Contract, please refer to the following website: http://www.its.state.nc.us/ITProcurement/ConvenienceContracts/CBids/Contracts.asp?CId=2.