

**MANAGED SERVICES PROVIDER (MSP)
VIRTUAL TOWN HALL MEETING**

DECEMBER 16, 2021

**ERIN KELLAM
DEPUTY COMMISSIONER OF PROCUREMENT**





Today's Agenda



- RFP 21-64147 and Award Summary
- New Contract Details
- Purchase Orders and Work Orders
- Transition Plan
- Questions

RFP 21-64147 and Award Summary

- In early 2021, in collaboration with Governor's Office, OMB, and IOT, IDOA began working on a new RFP for the MSP contract.
- The RFP was issued April 23rd with a proposal due date of June 10th.
- The proposal evaluation and advisor team was comprised of cabinet member and executive-level subject matter experts across state government.
- Computer Aid, Inc. (CAI) was awarded the new contract.



New Contract Details

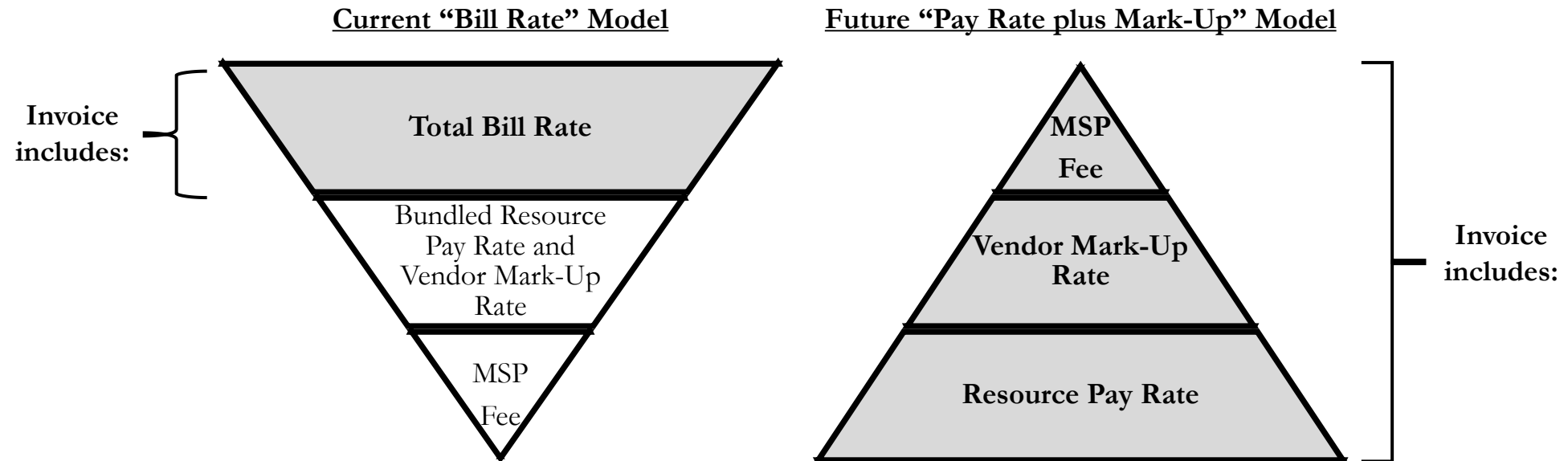
- The current contract with Knowledge Services expires December 31st. The new contract with CAI will be effective January 1, 2022. There will be *no* gap in service between contracts.
- The new contract term is four years with opportunity for two, one-year extensions.
- The difference in MSP fees between the current Knowledge Services contract and the new CAI contract are below:

Contract Scope	KS	CAI
Staff Augmentation	1.59%	0.45%
Selected Resource Program (SRP)	10.8%	10.0%
IT Project Work	1.59%	0.45%
IV&V	1.59%	0.45%



New Contract Details

- The two contracts have different invoice and payment models. The current contract is a “bill rate” model whereas the new contract is a “pay rate plus mark-up” model.



New Contract Details

Below is an example rate scenario:

- John Q. Public is working for IDOA as a Business Systems Consultant Manager with an hourly **bill** rate of \$79.81.
 - John is submitted by the network provider (ABC company) with an hourly **pay** rate of \$58.92. This is what John is paid by ABC Company, his employer of record.
 - ABC Company is paid a 35% **vendor mark-up (percentage of the resource pay rate)** to cover the cost of John's employment and their profit. ABC Company's share of the bill rate is \$20.62.
 - CAI is paid a 0.45% **MSP fee (percentage of the resource pay rate)** for their services. CAI's share of the bill rate is \$0.27.
- Upon receiving payment (with an hourly bill rate of \$79.81):
 - CAI deducts \$0.27/hour and pays ABC Company \$79.54/hour.
 - ABC Company deducts \$20.62/hour and pays John \$58.92/hour.



Purchase Orders and Work Orders

- In accordance with standard policy, purchase orders may extend past a contract expiration date as long as the purchase order is dispatched before the contract expiration date. For the purposes of this contract, this policy will apply to existing work orders with Knowledge Services.
- Therefore, at the agency's discretion, all existing purchase orders and work orders with Knowledge Services (and associated services provided by Knowledge Services, including dotStaff) may remain unchanged and may continue through the life of the purchase order.
- Agencies may continue to create new requisitions, issue new purchase orders, and modify existing purchase orders (to add funds) with Knowledge Services until the State's contract with Knowledge Services expires on December 31st.
- Once the Knowledge Services contract expires purchase orders may be cancelled but may not be modified to increase hours or amount without IDOA review and approval.
- Any requisitions created after the expiration of the Knowledge Services contract on December 31st must be made with CAI.



Transition Plan

- Current IT Projects and IV&V of IT Projects in the network may finish under the Knowledge Services contract and associated work order and purchase order. If your agency would like to develop a transition plan to the new CAI contract, please contact IDOA.
- IDOA is currently collecting up to date and detailed agency spend activity. This data will be analyzed against PeopleSoft data to develop an enterprise spend report. This enterprise report will be used to inform agency transition plans to the new CAI contract.
- IDOA will begin meeting with agencies immediately to discuss and develop a transition plan for active SRP and staff augmentation resources.
- Ahead of your meeting with IDOA, please begin to aggregate information for each temporary resource engagement (staff augmentation and SRP):
 - *How long do you need a temporary resource (end date) to do this work?*
 - *Do you need the current resource or will another resource with equivalent knowledge, skill, and ability suffice?*
 - *What is the purchase order number and how much money is available on the purchase order?*
- It will be the agencies' responsibility to execute and manage the transition plan with CAI support. Planning ahead is key! An ideal resource transition plan from current contract to new contract is four to six weeks.
- CAI is available immediately to answer transition questions for existing resources, including resource pay and mark up rates, under the new contract. Please email Indiana.help@cai.io.



Questions

- IDOA invites all questions and concerns to be heard.
- This is a transition with multiple stakeholders that requires collaboration and coordination.
- While we encourage resources to ask questions of their employer, questions may also be emailed to msp@idoa.in.gov.
- Please visit <https://www.in.gov/iot/procurement/managed-service-provider/> for a list of frequently asked questions and answers. Information on this website will be updated regularly.



Thank You

