

## State of Maine Procurement Justification Form

This form must accompany all contract requests and sole source requisitions (RQS) over \$5,000 submitted to the Division of Procurement Services.

**INSTRUCTIONS:** Please provide the requested information in the white spaces below. All responses (except signatures) must be typed; no hand-written forms will be accepted. See the guidance document posted with this form on the Division of Procurement Services website (Forms page) for additional instructions.

### PART I: OVERVIEW

Department Office/Division/Program:		Office of the State Treasurer	
Department Contract Administrator or Grant Coordinator:		Amber Griffin	
(If applicable) Department Reference #:			
Amount: (Contract/Amendment/Grant)	<b>\$24,000.00</b>	Advantage CT / RQS #:	<b>20170119*2175</b>
CONTRACT	Proposed Start Date:		Proposed End Date:
AMENDMENT	Original Start Date:	<b>7/1/2017</b>	Effective Date:
	Previous End Date:	<b>6/30/2020</b>	New End Date:
GRANT	Project Start Date:		Grant Start Date:
	Project End Date:		Grant End Date:
Vendor/Provider/Grantee Name, City, State:		Kelmar Associates, LLC Wakefield MA	
Brief Description of Goods/Services/Grant:		Unclaimed Property Database Management System Application	

### PART II: JUSTIFICATION FOR VENDOR SELECTION

Mark an "X" before the justification(s) that applies to this request. (Check all that apply.)

	A. Competitive Process		G. Grant
<b>X</b>	B. Amendment		H. State Statute/Agency Directed
<b>X</b>	C. Single Source/Unique Vendor		I. Federal Agency Directed
	D. Proprietary/Copyright/Patents		J. Willing and Qualified
	E. Emergency		K. Client Choice
	F. University Cooperative Project		L. Other Authorization

### PART III: SUPPLEMENTAL INFORMATION

Please respond to ALL of the following:

**1. Provide a more detailed description and explain the need for the goods, services or grant to supplement the response in Part I.**

The Office of the State Treasurer requires Database Management Software for the administration of the State's Unclaimed Property program. M.R.S.A. Title 33, Chapter 41, stipulates that the State must retain custody of unclaimed financial assets of Mainers and hold them in perpetuity. Owners of this property may initiate claims on these assets by contacting the Treasurer staff via phone, mail or the web. An Unclaimed Property management software system is unique and highly specialized and must offer capabilities including, but not limited to, claims processing, claims payment, holder report processing, cash and securities receipt processing, owner notification and verification, audit capability, website search capacity and data security.

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### PART III: SUPPLEMENTAL INFORMATION

OST is moving to OnBase for the Unclaimed Property imaging due to limitations with FORTIS/Docuware. FORTIS/Docuware does not allow for integration by Kelmar for the UP KAPS system. This integration is available with OnBase. Claimants can upload documents directly through the State's website, which will automatically trigger a notification in KAPS informing staff that documents are available to review. This will eliminate the current multi-step process of opening mail, logging receipt in one program and scanning into another program.

#### 2. Provide a brief justification for the selected vendor to supplement the response in Part II.

KAPS is our current vendor as well as being the only vendor offering a "commercial off-the-shelf", full-scope, hosted operating system capable of managing Maine's Unclaimed Property program. The KAPS system is hosted in a secure, enterprise level data center which isolates the State's data from all other clients and offers components that are fault tolerant. KAPS provides a robust system offering every function required to manage the state's UP program, as well as additional functions that would enable the State's program to be more efficient, effective and prepared for new technologies. KAPS streamlined operating environment allows for timelier and higher capacity reporting of unclaimed property by holders, as well as the increased return of unclaimed property to the citizens of Maine. The KAPS environment requires no state resources for maintenance of the system. KAPS has demonstrated that they have in depth experience in all realms of Unclaimed Property operations and have exemplified that their commitment to these operations afford certainty that the necessary system support will be available going forward.

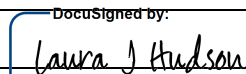

#### 3. Explain how the negotiated costs or rates are fair and reasonable; or how the funding was allocated to grantee.

The cost of the document conversion is based on up to 95 GB, the vendor estimates the process will take approximately 160 hours to complete for a total of \$24,000.00.

#### 4. Describe the plan for future competition for the goods or services.

The Treasurer's Office is aware of another vendor who could provide comparable software. However, the software is currently being utilized only in states that administer their Unclaimed Property programs in conjunction with their revenue departments, which is not the case in Maine. The Unclaimed Property database management system provided by this vendor has not been proven as a standalone system. OST has met with, and will continue to meet with, any interested party to communicate our business needs and remain open to fostering competition in this extremely specialized market. Once a second provider is operating successfully with a State program, we will transition this contract from sole source procurement to a competitive award.

### PART IV: APPROVALS

<b>Signature of requesting Department's Commissioner (or designee):</b>	<i>By signing below, I signify that I approve of this procurement request.</i>		
	DocuSigned by: 		
<b>Printed Name:</b>	Laura J. Hudson	<b>Date:</b>	6/19/2020
<b>Signature of DAFS Procurement Official:</b>	DocuSigned by: 		
<b>Printed Name:</b>	Justin Franzose	<b>Date:</b>	6/26/2020