

Action Item

California Student Aid Commission

Consideration of up to \$404,000 for contracts with multiple vendors for consulting services for to maintain the Grant Delivery System during the development of the Dream Act application for Cal Grants

We are seeking authority for the Executive Director to enter into one or more contracts totaling no more than \$404,000 as we implement the Dream Act application for Cal Grants.

Implementing the Dream Act application involves a significant change to our Grant Delivery System. To obtain authorization to undertake a significant information technology project, we had to prepare a Feasibility Study Report (FSR). An FSR provides a complete summary of the results of the feasibility study and establishes the business case for investment of state resources in a project by setting out the reasons for undertaking the project and analyzing its costs and benefits. If the Department of Finance (DOF) and the California Technology Agency (CTA) approve the FSR, we can submit a Budget Change Proposal (BCP) for approval by the Department of Finance. The BCP sets out the funding and personnel requirements for the project, as well as the justification for including those requirements in the budget.

We submitted and received approval of an FSR and a BCP for the development of the Dream Act Application. To provide coverage for maintaining and enhancing the Grant Delivery System for operational purposes during the development period, the FSR and BCP proposed that we contract with firms that could provide experienced programmers to temporarily backfill for our information technology staff working on the project. The 2012-13 budget includes \$404,000 for this purpose.

We are using the state's leveraged procurement agreement process to solicit programmer services from information technology companies. The contract amount of \$404,000 will provide the Commission with approximately 4,000 hours of consultant services at an average of \$100 per hour over a twelve-month period.

The Executive Director must obtain approval from the Commission prior to entering into a new contract or executing a contract amendment of over \$100,000.

Normally we would be able to provide you with the specific vendor(s) when seeking authorization to enter contracts over \$100,000. However,

the contract(s) need to be in place as soon as possible in order to meet the project scheduled specified in the approved FSR. Delay in release of the project resources means slippage of the schedule. If the 12-month schedule slips, a Special Project Report (SPR) must be submitted to DOF and CTA requesting approval of the schedule slip. An SPR is a staff-intensive three-to-six-month process, during which (according to the state administrative manual) the project will be suspended until approval of the SPR. This could cause the project to be canceled.

We sent out requests for offers September 4, 2012 with a response due date of September 14, 2012. We plan to evaluate the offers and interview prospective consultants beginning the week of September 17, 2012. The final contract(s) will then be submitted to the Department of General Services for approval. We expect this process will be completed by the end of September.

Recommended Action: The Commission authorizes the Executive Director to enter into contracts up to \$404,000 in 2012-13 with selected vendors to obtain temporary information technology programming services during the development of the Dream Act Application.

Responsible Person(s): Janet McDuffie, Chief
Administration and External Affairs Division