



STATE OF INDIANA

Michael R. Pence, Governor

DEPARTMENT OF ADMINISTRATION
Procurement Division
402 W Washington Street, Room W468
Indianapolis, Indiana 46204
317 / 232-3053

Award Recommendation Letter

Date: March 15, 2016

To: Stan Judson, Director of Account Management
Indiana Department of Administration

From: Leslie Jones, Account Manager
Indiana Department of Administration (IDOA)

Subject: Recommendation for Award of RFP 16-043,
Indirect Cost Rate Services for Indiana Department of Education

Total Estimated Value of Initial Two-Year Contract: \$169,630.00

Based on the State's evaluation of responses for RFP 16-043, **Crowe Horwath** is recommended to begin contract negotiations to provide Indirect Cost Rate Services for the Indiana Department of Education. Terms of the recommendation are outlined in this letter.

Crowe Horwath is committed to subcontracting 8.02% of the contract value to Thomas & Reed, LLC, a certified Minority-Owned Business (MBE) and 8.02% of the contract value to Moore Accounting, LLC, a certified Woman-Owned Business (WBE).

The evaluation team received two (2) proposals from the following companies:

- Crowe Horwath
- MAXIMUS

The proposals were evaluated by IDOA and a three (3) member evaluation team from IDOE according to the following criteria established in the RFP for each region:

- Adherence to Mandatory Requirements (Pass/Fail)
- Management Assessment/Quality (MAQ) (40 points)
- Cost Proposal (35 points)
- Indiana Economic Impact (5 points)
- Buy Indiana (5 points)
- Minority and Women Business Sub-Contractor Commitment (10 points + 2 available bonus points)
- Indiana Veteran Business Enterprise Sub-Contractor Commitment (5 points + 1 available bonus point)

The proposals were evaluated according to the process outlined in Section 3.2 ("Evaluation Criteria") of the RFP. Scoring was completed as follows:

A. Adherence to Requirements

Each proposal was reviewed for adherence to mandatory requirements and deemed responsive. Each proposal was then evaluated based on its Business Proposal, Technical Proposal, and Cost Proposal.

B. Management Assessment/Quality

Business Proposal (15 points)

For the business proposal evaluation, the team considered the information each respondent provided in the business proposal. These areas were reviewed to assess the respondent's ability to serve the State:

- Company Structure
- Company Financial Information
- Integrity of Company Structure and Financial Reporting
- Contract Terms/Clauses
- Registration to Do Business
- References
- Subcontractors' Experience
- Experience Serving State Governments and Similar Clients
- Indiana Preferences

Technical Proposal (25 Points)

For the technical proposal evaluation, the team considered the respondent's responses to the following:

RFP Section 2.4.2.1	1. Please describe in detail your company's proposed ICRP management team structure including names and contact information where possible, services each individual or group will perform, and years of experience performing ICRP for SEA and LEA methodology.
RFP Section 2.4.2.1	2. Please describe your management team's familiarity and working knowledge of the Uniform Grant Guidance (2 C.F.R Part 200), EDGAR, and the Cost Allocation Guide for State and Local Governments by the U. S. Department of Education (also referred to as "the Green Book").
RFP Section 2.4.2.2	1. What is the proposed timeline for gathering information, preparing and submitting the SEA required rates and documentation to the U.S. Department of Education no later than December 30, 2016?
RFP Section 2.4.2.2	2. What is the proposed timeline for gathering information, preparing and submitting the LEA required methodology and documentation to the U.S. Department of Education no later than December 31, 2018?
RFP Section 2.4.2.2	3. What is the proposed timeline for reviewing the annual calculation and certification of LEA indirect cost rate applications submitted to the Indiana Department of Education?
RFP Section 2.4.2.3	1. Please provide an overall project plan for preparing and submitting the SEA required rates and documentation to the U.S. Department of Education.
RFP Section 2.4.2.3	2. Please provide an overall project plan for preparing and submitting the LEA required methodology and documentation to the U.S. Department of Education.

RFP Section 2.4.2.3	3. Please provide an overall project plan for reviewing the annual calculation and certification of LEA indirect cost rate applications once they are submitted to the Indiana Department of Education.
RFP Section 2.4.2.4	1. What is your company's success in preparing and submitting the SEA required rates and documentation to the U.S. Department of Education?
RFP Section 2.4.2.4	2. What is your company's success in preparing and submitting the LEA required methodology and documentation to the U.S. Department of Education?
RFP Section 2.4.2.4	3. What is your company's standard process for responding to questions posed by the U.S. Department of Education on both SEA and LEA proposals, including standard response times?

The evaluation team's scores for the Management Assessment/Quality of proposals were based on a review of each Respondent's proposed approach to each section of the Business and Technical proposals, Section 2.3 and Section 2.4, as well as specific questions that each respondent was asked to respond to in the RFP.

C. Cost Proposal

Cost proposals were normalized to one another, based on the lowest cost proposal evaluated. The lowest cost proposal received a total of 35 points. The normalization formula is as follows:

$$\text{Respondent's Cost Score} = (\text{Lowest Cost Proposal} / \text{Total Cost of Proposal}) \times 35 \text{ Points}$$

D. First Round Total Scores

The Management Assessment and Quality (MAQ) Score was combined with the Initial Cost Score to generate total scores. The combined scores (out of a possible maximum of 75 points) are tabulated below.

TABLE 1: FIRST ROUND SCORES

Respondent	Management Assess. / Quality (40 points)	Price (35 points)	Total First Round Score
Crowe Horwath	30.58	35.00	65.58
Maximus	33.58	25.51	59.09

E. Post Clarification Evaluations

Respondents were asked to respond to clarification questions and were given an opportunity to reduce pricing through a Best and Final Offer (BAFO) round. The final scores for the respondents are reflected in the IDOA Scoring section.

F. IDOA Scoring

IDOA scored the Respondents in the following areas: Buy Indiana (5 points), Indiana Economic Impact (5 points), Minority and Women Business Participation (5 points + 1 available bonus point each) and Indiana Veteran Business Enterprise Participation (5 points + 1 available bonus point) using the criteria outlined in the RFP. When necessary, IDOA clarified certain Buy Indiana, Indiana Economic Impact, Minority and Women Business Participation and Indiana Veteran Business Enterprise Participation information with the Respondent. Once the final MWBE, IVBE and IEI forms were received from the Respondent, the total scores out of 103 possible points were tabulated and are as follows:

TABLE 2: TOTAL SCORES

Respondent	Management Assessment/Quality	Price	Buy Indiana	IEI	MBE	WBE	IVBE	Total Score
Crowe Horwath	30.58	35.00	5.00	5.00	5.00	5.00	-1.00	84.58
Maximus	33.58	25.51	0.00	0.45	-1.00	5.00	-1.00	62.55

Award Summary

During the course of the evaluation, the State scrutinized the proposals to determine the viability of the proposed business solutions and ability to meet the goals of the program and the needs of the State. The team evaluated the proposals based on the stipulated criteria outlined in the RFP document.

The term of each initial contract shall be for a period of two (2) years from the date of contract execution. There may be two (2) one-year renewals for a total of four (4) years at the State's option.