

AWARD RECOMMENDATION

Notice of Intent to Award Number (NAI1): 230000000103

The Unemployment Insurance Agency office has completed the evaluation of RFP # 2200000001760, Unemployment Insurance Solution and has recommended an award to Deloitte LLP in the amount of \$56,329,605.00, pending State Administrative Board approval, if applicable. More information on the State Administrative Board can be found at: [State Administrative Board](#).

Bidders who were not recommended for the award are encouraged to schedule a debriefing session with the Solicitation Manager. The debriefing session will provide the bidder with the State’s rationale on why the bidder was not recommended for the award. The Solicitation Manager may be contacted as follows:

Sarah Platte, Solicitation Manager.
 PlatteS3@Michigan.gov
 517-219-2406

Background Information:

This Request for Proposal (RFP) was to solicit responses for selection of a Contractor to provide an Unemployment Insurance Solution. The term of this contract is five years, with up to five one-year renewal options.

Bidders:

The RFP was posted on SIGMA VSS on 3/23/2022. The following bidders submitted proposals by the published due date of 5/4/2022.

Bidder	Address, City, State, Zip Code	SDVOB*
Deloitte LLP	106 W. Allegan Street, Lansing, MI 48933	
Fast Enterprises, LLC	7229 S. Alton Way, Centennial, CO 80112	
Geographic Solutions Inc.	1001 Omaha Circle, Palm Harbor, FL 34683	
Sagitec Solutions LLC	422 County Road D East, St. Paul, Minnesota 55117	
Tata Consultancy Services Ltd.	379 Thornall Street, Edison, New Jersey 08837	

*SDVOB: Service-Disabled Veteran Owned Business

EVALUATION SYNOPSIS

I. Evaluation Process

A Responsible Vendor is a vendor that demonstrates it has the ability to successfully perform the duties identified by the solicitation. A Responsive proposal is one that is submitted in accordance with the solicitation instructions and meets all mandatory requirements identified in the solicitation.

Proposal Instructions: Mandatory Minimum Requirements

1. Five (5) years of experience with configuration/ development, implementation, and integration of a solution(s) with at least three (3) departments in the U.S. of similar in business capabilities, size, complexity to scope of this RFP.

- Years of experience must be for a total elapsed five years (e.g., 3 concurrent 2-year projects in the last 2 years would not meet this minimum requirement).
- Similar business capabilities, complexities and scope include

2. Bidder’s solution must include, but is not limited to, the following functionalities: claims and/or benefit application, case management, fraud detection, finance, and reporting functionality.

Proposal Instructions: Evaluation Process

Evaluation Criteria Name	Evaluation Weight
<ul style="list-style-type: none"> • Schedule A – Statement of Work (not including the Business Specification Worksheet) 	30
<ul style="list-style-type: none"> • Schedule A – Table 1 – Business Specification Worksheet 	40
<ul style="list-style-type: none"> • Vendor Questions Worksheet 	20
<ul style="list-style-type: none"> • Attachment 1, Resumes 	10
Total Weight	100

The full evaluation process is stated in the RFP Proposal Instructions.

II. Evaluation Method

Responses to this solicitation were reviewed by Solicitation Manager in collaboration with a Joint Evaluation Committee, which consisted of the following individuals:

Voting	Advisory
Sarah Platte, Category Analyst, IT DTMB/Central Procurement Services	Jennifer Bronz, Category Manager, IT DTMB/Central Procurement Services

Voting	Advisory
Kristine Sparks, Agency Services Manager Agency Services/UIA	Simon Baldwin, IT Sourcing Director DTMB/Central Procurement Services
Britton Mailand, Agency Services Division Administrator Agency Services/UIA	Julia Dale, Director UIA
Teresa Burns, Division Administrator Internal Controls/UIA	Michael Mowers, Project Manager DTMB/EPMO
John Walker, Business Relationship Manager DTMB/Agency Services	Narayan Sivaraman, Business Relationship Manager DTMB/Agency Services
Scott Flagg, State Administrative Manager DTMB/Agency Services	Tiziana Galeazzi, General Manager DTMB/Agency Services
Ram Kumar Kantamneni, Solution Architect DTMB/Agency Services	Manoharan JA, State Administrative Manager DTMB/Agency Services
	Richard Markham, State Administrative Manager DTMB/Agency Services
	Michael Bartkowiak, Cyber Security Expert DTMB/Michigan Cyber Security
	Dave Archer, Enterprise Architect Manager DTMB/Enterprise Architecture
	Brian Cramer, Solution Architect DTMB/Agency Services
	Greg Rivet, Chief Administrative Officer & CFO LEO/Administrative Services
	Jenny Berglund, Consultant Gartner
	Ashwini Kalia, Consultant Gartner
	Diana Woronuk, Consultant Gartner
	Maydad Cohen, Consultant Gartner
	Abhilash Kuzhikat, Consultant Gartner

III. Evaluation Results – Please see attached evaluation document to see more detailed deficiencies.

A. Deloitte LLP

The Evaluation Team determined that Deloitte, based on a score of 90.864, did meet the requirements of this RFP. This determination was accomplished by evaluating their responses to the Technical Evaluation Criteria.

1. Schedule A – Statement of Work – 29/30

The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:

- a. The State would be taking on significant responsibilities.
- b. Responses did not always answer the requirement fully or lacked detail.

2. Schedule A – Table 1 – Business Specification Worksheet – 35.863/40

The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:

- a. The State would be taking on a significant amount of responsibilities.
- b. A minimal number of responses did not always answer the requirement fully or lacked detail.
- c. Some responses were not fully relevant to the requirement.

3. Vendor Questions Worksheet – 16/20

The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:

- a. The State's Terms and Conditions were not accepted as-is, reflecting minor modifications..

4. Attachment 1, Resumes – 10/10

The Evaluation Team determined that overall, the responses were satisfactory.

Total Score: 90.864/100

B. Fast Enterprises LLC.

The Evaluation Team determined that Fastbased on a score of 83.598, did meet the requirements of this RFP. This determination was accomplished by evaluating their responses to the Technical Evaluation Criteria.

1. Schedule A – Statement of Work – 28.18/30

The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:

- a. Unacceptable red lines.
- b. Responses did not explain how a requirement would be met.
- c. Responses did not always answer the requirement fully or lacked detail.
- d. Please see evaluation document for additional deficiencies.

2. Schedule A – Table 1 – Business Specification Worksheet – 37.418/40

The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:

- a. Responses did not meet the requirement.
 - b. Responses did not always answer the requirement fully or lacked detail.
 - c. Please see evaluation document for additional deficiencies.
3. Vendor Questions Worksheet – 8/20

The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:

- a. The State's Terms and Conditions were not accepted as-is, containing significant modifications.
4. Attachment 1, Resumes – 10/10

The Evaluation Team determined that overall, the responses were satisfactory.

Total Score: 83.598/100

C. Geographic Solutions

The Evaluation Team determined that Geographic Solutions, based on a score of 82.764, did meet the requirements of this RFP. This determination was accomplished by evaluating their responses to the Technical Evaluation Criteria.

1. Schedule A – Statement of Work – 28.181/30
The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:
- a. Unacceptable red lines.
 - b. Responses did not explain how a requirement would be met.
 - c. Responses did not always answer the requirement fully or lacked detail.
 - d. Please see evaluation document for additional deficiencies.
2. Schedule A – Table 1 – Business Specification Worksheet – 36.582/40
The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:
- a. Responses were vague.
 - b. Responses did not always answer the requirement fully or lacked detail.
 - c. Responses did not meet the requirement.
 - d. Responses addressed aspects unrelated to meeting the requirements.
 - e. Please see evaluation document for additional deficiencies.
3. Vendor Questions Worksheet – 8/20

The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:

- a. The State's Terms and Conditions were not accepted as-is.
4. Attachment 1, Resumes – 10/10

The Evaluation Team determined that overall, the responses were satisfactory.

Total Score: 82.764/100

D. Sagitec Solutions

The Evaluation Team determined that Sagitec Solutions based on a score of 94.022, did meet the requirements of this RFP. This determination was accomplished by evaluating their responses to the Technical Evaluation Criteria.

1. Schedule A – Statement of Work – 29.861/30

The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:

- a. Response did not always answer the requirement fully or lacked detail.
 - b. Response had out-of-date information.
2. Schedule A – Table 1 – Business Specification Worksheet – 38.161/40
- The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:
- a. Responses did not always answer the requirement fully or lacked detail.
 - b. Responses were vague.
 - c. Responses did not explain how a requirement would be met.
 - d. Please see evaluation document for additional deficiencies.

3. Vendor Questions Worksheet – 16/20

The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:

- a. The State's Terms and Conditions were not accepted as-is, containing some modifications.
4. Attachment 1, Resumes – 10/10
- The Evaluation Team determined that overall, the responses were satisfactory.

Total Score: 94.022/100

E. Tata Consultancy Services

The Evaluation Team determined that Tata Consultancy Services, based on a score of 81.482, did meet the requirements of this RFP. This determination was accomplished by evaluating their responses to the Technical Evaluation Criteria.

1. Schedule A – Statement of Work – 26.421/30
 The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:
 - a. Responses did not always answer the requirement fully or lacked detail.
 - b. Responses did not explain how a requirement would be met.
 - c. Please see evaluation document for additional deficiencies.
2. Schedule A – Table 1 – Business Specification Worksheet – 37.060/40
 The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:
 - a. Responses did not meet the requirement.
 - b. Responses did not always answer the requirement fully or lacked detail.
 - c. Solution did not currently offer requirements that were identified as necessary within the RFP.
 - d. Solution was unable to meet requirements in the way that met the agencies needs.
 - e. Please see evaluation document for additional deficiencies.
3. Vendor Questions Worksheet – 8/20
 Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:
 - a. The State’s Terms and Conditions were not accepted as-is, containing some modifications.
4. Attachment 1, Resumes – 10/10
 The Evaluation Team determined that overall, the responses were satisfactory.

Total Score: 81.482/100

IV. Technical Evaluation Summary

	Selection Criteria	Deloitte LLP	Fast Enterprises, LLC	Geographic Solutions	Sagitec Solutions	Tata Consultancy Services
1	Schedule A – Statement of Work	29.00	28.180	28.18	29.861	26.421

2	Business Specification Worksheet	35.863	37.418	36.582	38.161	37.060
3	Vendor Questions Worksheet	16.00	8.00	8.00	16.00	8.00
4	Attachment 1, Resumes	10.00	10.00	10.00	10.00	10.00
	Total	90.864	83.598	82.764	94.022	81.482

V. Oral Presentations/Demonstrations

The State held two rounds of demos to confirm details provided within the formal written responses.

VI. Pricing Summary – Please see attached vendor pricing document to see a more detailed cost breakdown.

Pricing was evaluated for the bidders who passed technical. The following is a summary of their price proposals:

	Deloitte LLP	Fast Enterprises, LLC	Geographic Solutions	Sagitec	Tata
Total	\$56,329,605.00	\$30,220,999.00	\$41,624,842.00	\$70,146,262.00	\$38,728,493.00

VII. Negotiations

Negotiations were held for pricing and terms. The final pricing is stated above.

VIII. Award Recommendation

The Award Recommendation is made to the responsive and responsible Bidder who offers the best value to the State of Michigan. Best value is based on the proposal meeting the minimum point threshold and offering the best combination of the factors stated in the *Proposal Instructions Evaluation Process* section, and price.

Deloitte’s proposed solution demonstrates the best value to the State of Michigan, which includes but is not limited to: favorable Terms and Conditions, scalability, ease of the ability to be inter-operable (API’s, connecting to other software, etc.), program integrity and fraud prevention, system control for the UIA, reports and dashboards, microservices, and user-friendliness.

The recommended bidder’s proposal offers superior program integrity and fraud prevention beneficial to both the State of Michigan and its citizens. Adjudicator staff time spent identifying improper payments will likely decrease based on uFACTS utilization of

predictive algorithms, wage cross match hits, employer fact finding responses, etc. that will more accurately identify more fraudulent claims. The number of fraudulent claims being paid is also likely to decrease due to uFACTS use of application scoring rules and predictive models, as well as crossmatches with NASWA SAR Alerts, Department of Corrections matches, death records, and Michigan Department of Treasury records.

In addition, the proposed solution will improve the user experience by connecting with other State systems and new dashboards containing features not found in the existing system. This will be highly beneficial to UIA staff and claimants. Furthermore, the bidder's proposed functionality will allow the State to have control of the system and easily adapt to meet fluctuating unemployment rates. Finally, the level of acceptance of the States' Terms and Conditions mitigates risk and protect the states interests.

Award Recommendation is made to Deloitte in the amount of \$56,329,605.00 for a 5-year contract with 5, 1-year options.