

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

BEFORE THE PROCUREMENT REVIEW PANEL

RFP No. 07-S7279; CPO Decision No. 2006-161

In re: Protest of Protech Solutions, Inc. and
ACS State and Local Solutions, Inc.

Solicitation No. 07-S7279
Acquisition of CSES and FCCMS Services

Case No. 2007-219

**USING GOVERNMENTAL UNITS'
MOTION TO DISMISS**

The Using Governmental Units, namely the Department of Social Services, the Judicial Department, the County Clerks of Court, and the State Chief Information Officer ("Agencies"), submit this Motion to Dismiss the Request for Administrative Review by Protech Solutions, Inc. ("Protech") and Affiliated Computer Services, Inc. ("ACS").

BACKGROUND OF PROCUREMENT

On May 24, 2006, the Information Technology Management Office ("ITMO") issued Solicitation No. 07-S7279 ("RFP") on behalf of the Using Governmental Units. The Solicitation was pursuant to the South Carolina Consolidated Procurement Code S.C. Code Ann. § 11-35-10 (Supp. 2006) ("Code"). The RFP was amended on August 15, 2006 and again on September 1, 2006. The deadline to submit proposals was September 27, 2006 at 2:30 p.m. Both ACS and Saber submitted proposals prior to the published deadline.

The goal of the Solicitation, as stated in Section 1.1 of the RFP, is to "develop, implement, maintain, and obtain federal certification of a CSES that will provide comprehensive support to the operation of South Carolina's Child Support Enforcement ("CSE") program" as required by the Family Support Act ("FSA-88") enacted by Congress in 1988. The purpose of

FSA-88 is to require states receiving federal funds for child-support programs to develop and implement a statewide, automated child-support enforcement system. In addition to development of the CSES required by federal law, the RFP seeks “to develop, implement, maintain, and provide comprehensive support to the operation of the Family Court Case Management System.” (Record, p. 183, RFP Sections 1.1 and 1.2).

The ITMO Procurement Officer, Tammy Blackwell, determined that the ACS and Saber proposals were responsive and submitted them to the Evaluation Committee. After the proposals were evaluated and scored it was determined that ACS was the apparent highest-ranked Offeror. Ms. Blackwell proceeded, pursuant to S.C. Code Ann. § 11-35-1530(8)(a), to negotiate with ACS. (Record, pp. 507-508, Written Determination).

Ms. Blackwell commenced negotiations with ACS by sending an email to address certain questions prior to face-to-face negotiations. In that email, Ms. Blackwell notified ACS that its proposal was "substantially higher than the other proposals" and asked ACS to "please tell us how and or where you can reduce your cost." (Record, p. 634, December 6, 2006 e-mail from Blackwell to Amy Kearney). ACS responded to Ms. Blackwell's email on December 10, advising her that ACS would not reduce its price at this time. (Record, p. 635, December 10, 2006 email from Kearney to Blackwell). Face-to-face negotiations with ACS were conducted on December 12 and 13, 2006. (Record, p. 143, Chronology of Solicitation). At the close of negotiations on December 13, ACS advised the State that it had "scrubbed its numbers three times" and could not reduce the price further.

Pursuant to the provisions of Section 11-35-1530(8) the State commenced negotiations with Saber, the next highest-ranked offeror, on December 21, 2006. Face-to-face negotiations were held on January 8 and 9, 2007. (Record, p. 143, Chronology of Solicitation). The Notice of

Intent to Award the contract to Saber was posted on February 23, 2007. (Record, p. 585, Intent to Award).

ACS and Protech filed their Initial Protest on March 5, 2007 and their Final Protest on March 9, 2007. The CPO ordered the Protestants to submit a protest bond in the amount of \$892,307 or 1% of the project cost. Protech submitted the Protest Bond on March 26, 2007. The Using Governmental Units and Saber filed Motions to Dismiss prior to the CPO hearing. The hearing was commenced before the CPO on March 29, 2007, at which time the CPO dismissed several of the protest grounds. The CPO issued his Decision denying the protest on April 9, 2007. ACS and Protech filed this Appeal on April 18, 2007.

DISCUSSION

The Agencies will address the grounds for appeal as they are lettered in the Grounds for Appeal section of Protech's and ACS's request for further administrative review.

A. Improper Negotiations, Obligation of Good Faith.

Protech and ACS protest the State's method of closing of negotiations with ACS and then moving to negotiations with the second highest-scoring vendor. Further they complain that representatives of the Agencies were involved in the decision-making process regarding negotiations and award. Protech and ACS further protest that the award criteria were improperly applied. None of these grounds survives under the plain language of the Consolidated Procurement Code as amended effective July 1, 2006. Protech and ACS also cursorily suggest that the State violated the good-faith obligations of Sections 11-35-20(f) and -30, but do not argue or specify the violations. Finally, Protech and ACS argue that the Consolidated Procurement Code fails to contemplate ad hoc committees, but this is a point first raised on appeal and is, therefore, waived.

Section 11-35-1530(8) provides that the decision to use negotiation is not subject to review under the protest provisions of Article 17, including Section 11-35-4210. Thus, the discretion used by the procurement officer is not subject to protest.

The Consolidated Procurement Code does not require notice to an offeror that the State will move on to negotiate with next highest-scoring vendor. All it requires is that the procurement officer, in consultation with the Agencies, determined an acceptable contract could not be reached at that time with the highest-scoring offeror. S.C. Code Ann. § 11-35-1530(8)(a). The subsection does not require “exhaustion” as determined by the offerors. Instead, it requires the procurement officer’s determination, in his sole discretion, that an acceptable contract cannot be reached. Id. By the terms of the code section itself, those decisions cannot be protested. Id.

The policy reasons for this are clear. You do not want to tell one offeror that negotiations are closed, because the State can reopen under Section 11-35-1530(8)(b). Knowledge that negotiations failed with a lower-ranked offeror (particularly when, as here, only two exist) would give the higher-scoring offeror a distinct advantage.

The language of Section 11-35-1530(8) is also clear, unambiguous, and not subject to interpretation. The Section provides: “the procurement officer, in his sole discretion and not subject to review under Article 17, may proceed in any of the matters indicated below.” S.C. Code Ann. § 11-35-1530(8). The procurement officer has the sole discretion whether to move to the next highest-ranked offeror.

Further, the Consolidated Procurement Code was enacted as a whole. Section 11-35-3220 provides for formal terminations of negotiations only with architectural, engineering, and land-surveying services. The formal termination language is absent under Section 11-35-

1530(8), meaning the General Assembly intended formal terminations to apply only to a small class of offerors.

Thus, Protech and ACS ask the Panel to read into the Code a provision that does not exist. As the Supreme Court of South Carolina has held, the Panel is prohibited from imposing procedural requirements not found in the statutes or regulations. Tall Tower v. S.C. Procurement Review Panel, 294 S.C. 225, 234, 363 S.E.2d 683, 687-88 (1987) (finding Panel erred by requiring a state agency awarding a lease to notify a prospective lessor of the evaluation criteria it will use).

Protech's and ACS's novel argument—that the “sole discretion” of the procurement officer means that the procurement officer will not consult with the Using Governmental Units—is absurd. Procurement officers bring their expertise in selecting vendors and the process to a procurement. The Agencies, on the other hand, bring their needs and their analysis of how the solution will fit their needs. The representatives of the Agencies must work with the procurement officer so the procurement officer can make informed decisions that further the goals of the procurement. The procurement officer then makes a decision in “his sole discretion” based on information he has received. The Agencies do not make his decision; instead, they assist the procurement officer by providing information relevant to how the solution fits their needs. To suggest that contact between the Agencies and the procurement officer taints the process makes no sense and is contradicted by the Consolidated Procurement Code itself.

Section 11-35-1010 requires the procurement officers to maintain close and cooperative relationships with using agencies. It further mandates that the procurement officer give each using agency a reasonable opportunity “to participate in and make recommendations with respect to procurement matters affecting the using agency.” S.C. Code Ann. § 11-35-1010. Here, the

systems being procured will affect all aspects of family court and child-support operations across the state impacting many agencies. The Project Executive Committee, representing the Agencies (and including a representative of the Governor's office), has every right to participate in and make recommendations regarding negotiations with vendors.

The Consolidated Procurement Code makes clear that, after negotiation under Section 11-35-1530(8), the original-award criteria stated in the Request for Proposal need not be the sole basis for a decision. The award criteria create a ranking of offerors, and the State (if it decides to negotiate), must negotiate in order of ranking. In the absence of negotiation, the highest-scoring offeror would receive the award. The General Assembly, however, made clear that the award should go to the highest-scoring vendor, taking into account the price and evaluation criteria set forth in the Request for Proposals, "unless the procurement officer determines to utilize one of the options provided in Section 11-35-1530(8)." S.C. Code Ann. § 11-35-1530(9) (emphasis added).

The written determination of award makes clear that the procurement officer proceeded under Section 11-35-1530(8)(a) to negotiate first with the highest-scoring offeror and then with the second highest-scoring offeror. By using this method, the award need no longer be based solely on the award criteria stated in the RFP, but may also include the advantages gained by the State in negotiations in determining which offer is most advantageous. The ranking of offerors under the award criteria dictates the order of negotiation but are then considered again in light of the negotiated changes to determine which offer is most advantageous to the State. Thus, Protech and ACS cannot, as a matter of law, protest that the award was not made according to the evaluation of the original criteria in the RFP.

Protech and ACS mention the general good-faith obligations of the Consolidated Procurement Code in the opening paragraph of Grounds for Appeal A. After that, the appeal fails to mention those code sections and fails to specify what actions of the State violated the duty of good faith. Such allegations are too vague to meet the requirements of Section 11-35-4210 and should be dismissed as a matter of law.

A case on point is the Protest of Andersen Consulting, Case No. 1994-1 (S.C. Proc. Rev'w Panel, March 9, 1994), frequently cited by Protech and ACS in their amended protest letter. In that case the Panel held:

HHSFC argues in the alternative, if Andersen is found to have standing, that Andersen has not stated its grievance in its original protest letter with enough particularity to now invoke Code Section 11-35-30 and 11-35-20(f). Andersen's protest letter states one of its grievance as "the State has not negotiated in compliance with the Code." (Record p. 23). The protest letter further states "...Sec. 11-35-1530 authorizing the State to negotiate proposals require that the State negotiate equally with each offeror..." and "the proposed contract therefore was negotiated in violation of Sec. 11-35-1530 and cannot be awarded." (Record p. 26). The protest letter discusses failure to comply with Code Section 11-35-1530. No mention is made of Code Section 11-35-30 or 11-35-20(f). Neither does the letter mention key terms from those Code Sections, such as good faith or fair dealing. The Panel finds Andersen's protest letter is too vague to give rise to claims concerning Code Section 11-35-20 and 11-35-30.

The Panel, in the interest of urgency of the procurement, went on to address the good-faith arguments, but clearly held that a letter of protest, such as the one filed by Protech and ACS in this case, does not state a claim for violation of the statutory duties of good faith and fair dealing.

Further, Protech and ACS complain for the first time on appeal that, "[w]hile the Code contemplates participation by using agencies in a procurement matter, it does not contemplate ad hoc committees." This issue was never raised before the Chief Procurement Officer. Under Section 11-35-4410, this Panel may not review any matter "which could have been brought

before the chief procurement officers in a timely and appropriate manner . . . but was not[.]”]; see also In re: Protest of Steen Enterprises, Inc., Case No. 2000-9, 2000 WL 33956148 (S.C. Proc. Rev’w Panel, Sept. 14, 2000) (dismissing two issues that did not appear in an initial protest letter). All offerors should have known of the existence and composition of the Project Executive Committee as its charter was part of the procurement library provided to prospective offerors. The Project Charter was included on the CD titled *CFS Project Draft Project Plans and Processes* (Record, p. 399, Appendix J to RFP - Procurement Library Inventory). An excerpt from the Project Charter which was included on the CD maintained in the procurement library is attached hereto as **Exhibit A**. ACS and Protech must raise this issue in the initial protest letter.

As the Consolidated Procurement Code exempts the decision to negotiate from protest, allows the award to be based on factors other than the evaluated criteria set forth in the RFP when negotiation is used, and the participation of the Agencies in the decision is authorized by statute, there is no legal basis for Legal Ground A of this request and it should be dismissed.

B. Limitation on Ability to Negotiate.

Protech and ACS argue that an offeror cannot propose a change in terms and conditions as part of negotiations which, if it had been in the original offer, would have violated Regulation 19-445.2070 (incorporated into the competitive sealed proposal process by Regulation 19-445.2095(G)(3)). There is no legal support for this proposition. Regulation 19-445.2070 acts as a gatekeeper—an offeror cannot unilaterally change the terms of the proposal and then benefit from the change. That is not what happened here.

Each Offeror had the opportunity in negotiation to tell the State about any changes in terms and conditions that could save money or time for the project. Indeed, the RFP itself

invited offerors to propose alternate terms and conditions while articulating the advantage the State would receive from such a change:

6.3.2.2 Offerors may identify and indicate in their Business Proposal any alternatives for any numbered paragraph(s) in Sections 2, 3 and 4, including alternative Terms and Conditions. Any proposed alternative must clearly explain how that alternative is in the best interest of the Department (e.g. reducing risk to the Department, reducing cost, improving schedule, improving quality, or providing additional functionality). Each paragraph, or range of paragraphs on a related topic, for which an alternative is proposed must be explained and cost implications must be included. If the cost to the Department is zero, note that the cost is zero. Any proposed alternatives provided must be grouped together in a separate section of the Business Proposal. (Record, p. 323).

6.3.2.3 Section 2 represents the baseline Terms and Conditions of the Department. The Offeror may propose alternate Terms and Conditions where they can clearly explain that their proposed alternative is in the best interest of the Department. Please note that the Department will not accept a proposal which completely replaces the Department's Terms and Conditions, in its entirety. (Record, p. 323).

The State made clear that, while the offeror must agree to the baseline terms and conditions to be responsive, nothing was wrong with suggesting an alternative that provided cost or time savings to the State. Each offeror had this opportunity in the RFP. Thus, discussing such changes in negotiations cannot, as a matter of law, go beyond the general scope of the original RFP, the standard established by Section 11-35-1520(8). If Protech and ACS believed that the ability to offer alternate terms and conditions in return for price concessions or other changes that the State might believe was in its best interest, they should have protested within ten days of the solicitation issuing in July 2006.

Under prior law, the question to be litigated was whether or not the negotiated term expanded or went beyond the scope of the contract. See Protest of Travelsigns, Case No. 1995-8 (S.C. Proc. Rev'w Panel, August 14, 1995). The General Assembly made clear in amending subsection 1530(8) that broader changes including price and scope could be negotiated, so long

as the changes fell within the general scope of the original RFP. Protech and ACS do not even attempt to apply this broader standard, instead relying on the pre-amendment case of Protest of Andersen Consulting, Case No. 1994-1 (S.C. Proc. Rev'w Panel, March 9, 1994).

Further, Regulation 19-445.2070 does not contain mandatory language prohibiting the State from accepting bids that contain limits on liability. The Regulation, instead, has permissive language—"may" and "should"—giving the procurement officer wide discretion to accept "ordinarily offensive" terms if the State receives substantial concessions in return. Thus, Protech's and ACS's argument that "there are certain non-negotiable terms" is contradicted by the plain language of Regulation 19-445.2070.

The Procurement Review Panel decision in Protest of Andersen Consulting does not establish a limit on negotiations. Instead, the Panel simply affirmed that the State did not err when it insisted on not changing a particular term at the suggestion of the offeror and, if it had, that such conduct might have violated the regulation. The facts, statute and terms of the RFP in that case were different than those presented here.

This ground should also be dismissed for vagueness. Protech and ACS generally claim that the State's negotiations and resulting contract terms are *ultra vires* and unenforceable. However, the Final Protest contains no supporting basis for this contention. The claim is insufficiently stated and lacks the specificity required by Section 11-35-4210(2).

Further, Protech's and ACS's argument that the negotiations were outside the scope of the RFP is now raised for the first time on appeal. Under Section 11-35-4410, this Panel may not review any matter "which could have been brought before the chief procurement officers in a timely and appropriate manner . . . but was not[.]" ; see also In re: Protest of Steen Enterprises, Inc., Case No. 2000-9, 2000 WL 33956148 (S.C. Proc. Rev'w Panel, Sept. 14, 2000).

As the changes to the contract are within the general scope of the original RFP, including the specific section that allowed vendors to propose alternate terms and conditions, there is no legal basis for the appeal and it should be dismissed.

C. Material Misrepresentation and Improper Scoring.

Protech and ACS argue that Saber's proposal should have been rejected because it materially misrepresented its ability to achieve the requirements of the RFP. Protech and ACS further argue that the evaluation panel's scoring was arbitrary and capricious because it failed to consider the risks of an "unrealistic and impossible schedule." These conclusory grounds should be dismissed.

The Consolidated Procurement Code requires that a protest letter state the "... grievance with enough specificity to put all parties on notice of the issues to be decided." Protest by J&T Technology, Case No. 1987-3 (S.C. Proc. Rev's Panel, July 13, 1987). In a complex procurement of significant size, such as this one, the protestant must include the specifics of its grievance. Protest of NBS Imaging Sys., Inc., Case No. 1993-16 (S.C. Proc. Rev's Panel, Sept. 1, 1993). In order to meet this standard, the protestant must specify how the winning bidder/offeror's proposal either does not comply with the RFP or with the applicable law. Protest of Blue Cross and Blue Shield of South, Case No. 1996-9 (S. C. Proc. Rev'w Panel, July 5, 1996). Allegations of misrepresentation must establish what part of the proposal contained a misrepresentation, how it was false, and how it was material. See, e.g., Protest of PS Energy, Case No. 2002-9 (S.C. Proc. Rev'w Panel, July 3, 2002).

Protech and ACS fail to meet the required standard of specificity. As to material misrepresentation, the only ground mentioned is that the project schedule is impossible. ACS proposed practically the same schedule in terms of overall time. As to scoring, the only support

mentioned for arbitrary and capricious scoring is that the project timeline was too short, thereby inducing evaluators to give higher scores.

Protech and ACS do not specify what is wrong with the project schedule or how that affected the evaluation. General claims that it cannot be done in that amount of time fail to provide the specifics needed for a misrepresentation claim. Further, ACS's own project schedule provides only 31 days longer than Saber. (Record, pp. 687-690, Project Schedules from each proposal).

Federal procurement law can provide a guide as to what must be alleged in a misrepresentation case. The false statement must be made with intent to deceive; it must deceive the awarding entity; and it must be material to the award. Synetics, Inc. v. U.S., 45 Fed.Cl. 1, 15-16 (Ct. Fed.Cl. 1999). None of these specifics is alleged by the protesting parties here.

The project schedule submitted by an offeror is a forward-looking statement of future performance. It cannot support a claim of misrepresentation where, as here, the party receiving the statement has a full opportunity and the ability to evaluate its reasonableness and make an independent decision. To be actionable, a misrepresentation must relate to existing facts. Statements regarding the future will not support a misrepresentation claim. Sauner v. Public Service Authority of South Carolina, 354 S.C. 397, 408, 581 S.E.2d 161, 167 (Ct. App. 2003); Koontz v. Thomas, 333 S.C. 702, 713, 511 S.E.2d 407, 413 (Ct. App. 1999); Protest of PS Energy, Case No. 2002-9 (S.C. Proc. Rev'w Panel, July 3, 2002) ("No present or pre-existing fact was presented at the hearing before the Panel that supported this allegation of misrepresentation. The Panel found that this issue was predicated on unfulfilled promises or statements as to future events and in the absence of any evidence that [an offeror] intentionally made false statements of fact this argument must fail."). As the only specific misrepresentation

claimed by Protech and ACS relates to a promise of future performance, it cannot support a claim as a matter of law and this protest ground should be dismissed.

The grounds of material misrepresentation and improper scoring should be dismissed.

D. Comparing the Proposals.

In Section D of the grounds for review, Protech and ACS raise the oft-rejected complaint that the ACS proposal is actually more advantageous to the state than the Saber proposal as negotiated. The Panel rejects protests that invite the CPO or the Panel to compare proposals and evaluate which one is better for the procuring agency. The parties protesting bear the burden of showing to the panel specific errors in the procurement process that make the award arbitrary, capricious, or contrary to law. The Panel will not take up the mantle of evaluating one proposal against another and substituting its judgment for the procurement officer and Agencies. Protest of PS Energy, Inc., Case No. 2002-9 (S.C. Proc. Rev'w Panel, July 3, 2002). The Panel will not substitute its judgment for those of State officials to whom the Consolidated Procurement Code grants discretion—rather it must be pointed to a specific error. Coastal Rapid Public Transit Authority, Case No. 1992-6 (S.C. Proc. Rev'w Panel, Aug. 10, 1992). The Panel does not re-evaluate and compare proposals. Protest of Transportation Management Services, Case No. 2000-3 (S.C. Proc. Rev'w Panel, May 16, 2000). Thus, presenting proof that the protesting party's offer is better than the selected offer in one or more areas or terms, even if valid, has no effect on the outcome. Protest of First Sun EAP Alliance, Inc., Case No. 1994-11 (S.C. Proc. Rev'w Panel, Oct. 31, 1994).

All that Protech and ACS ask for under this ground of protest is a re-evaluation by the Panel. Couching such a request in terms of “arbitrary, capricious, and clearly erroneous” does not make it actionable. This ground should be dismissed.

CONCLUSION

The Panel should dismiss the grounds of Protech and ACS for the following reasons:

- First, the grounds relating to improper negotiations and obligations of good faith are not subject to review; no provision of the Consolidated Procurement Code requires formal termination of negotiations; the allegations of good faith are vague; and Protech and ACS have waived the right to challenge whether the Consolidated Procurement Code contemplates ad hoc committees.
- Second, limitations on liability are terms that may be negotiated so long as the changes fall within the general scope of the RFP; the plain language of Regulation 19-445.2070 contains no mandatory prohibition on damages-limitations provisions; the claim is unspecific in violation of Section 11-35-4210(2); and any argument that the negotiations were beyond the scope of the RFP is waived.
- Third, the allegations of material misrepresentations and improper scoring are vague, conclusory, and go to future events; this is not actionable fraud.
- Fourth, Protech and ACS cannot now, on review, claim their offer was better; the Panel will not substitute its judgment for the procurement officer and Agencies.

Respectfully submitted,



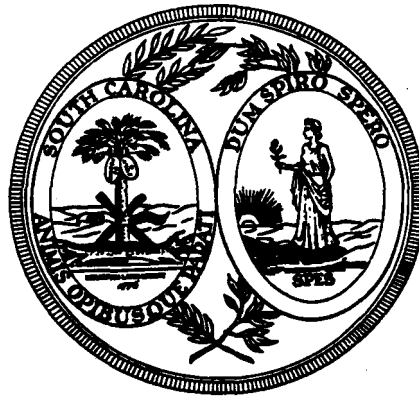
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June 4, 2007
Columbia, South Carolina

Exhibit A

State of South Carolina Department of Social Services



Child Support Enforcement System Family Court Case Management System State Disbursement Unit

CFS Project Charter

Document number:
Revision:

CFS.CHTR.0002
2.0

CFS Project Executive Committee Approvals

We the undersigned members of the CFS Project Executive Committee have reviewed and approve the South Carolina CFS Project Charter as the guiding document for the CFS Project as mandated by the federal Family Support Act of 1988 and Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996.

Kim Aydlette, Director, S.C. Department of Social Services Date of signing

Honorable Jean Toal, Chief Justice, S.C. Supreme Court Date of signing

Henry White, Chief of Staff, S.C. Governor's Office Date of signing

Steve Osborne, Chief of Staff to the Executive Director, Date of signing
S.C. Budget and Control Board

Honorable Beulah Roberts, Clerk of Court of Clarendon County Date of signing
Clerks of Court Representative

Preface

The purpose of this document is to outline the CFS (Child Support Enforcement System / Family Court Case Management System / State Disbursement Unit) Project, identify stakeholders, establish authorities and governance, and identify the assumptions, constraints and risks involved in the project.

Contributors

CFS Project Team

CFS Stakeholders

Owner

This document is owned by the CFS Project Executive Committee. All modifications must be approved by this committee.

Document Control Information

TITLE	CFS Project Charter
DOCUMENT CONTROL NO.	CFS.CHTR.0002
REVISION	2.0
REPOSITORY LOCATION	Project Management/
SUBMITTER	Roger Bryant

Revision History

Rev.	Approval Date	Author	Section	Description of change
1.0		Ralph Jenks	New	Original release of rework
2.0	31 May 2006	Roger Bryant	All	Changes implemented based on CFS Project Executive Committee recommendations. Approval granted through the CFS Project Executive Committee meeting minutes.

- Planning and execution of the statewide implementation of the system in a phased regional implementation by Child Support Enforcement Region
- Development of the Federal Certification Plan and Products consisting of a detailed plan for all steps, resources, procedures, documentation, and schedules necessary to conduct and support the CSES Federal Certification activity
- Development of the Hardware and LAN Acquisition and Installation Plan and Products that details the acquisition of all hardware for CSES/FCCMS
- Development, execution, and management of a CSES Conversion Plan to convert legacy data into CSES data and the physical loading of converted data into the CSES
- Development, execution, and management of a Family Court Conversion plan to convert legacy data into FCCMS data and the physical loading of converted data into the FCCMS
- Development, execution, and management of all technical and end user training
- Development, execution, and management of the warranty and follow-on support of the CSES and FCCMS
- Development, execution, and management of vendor provided training
- Any and all requirements as outlined in the CSES/FCCMS System Development Contract

6.14. State Disbursement Unit (SDU) Contractor

The State Disbursement Unit deployment activities are performed by a contracted team that will be selected by the RFP process. This team is responsible for the development of all aspects of the SDU solution as outlined in the RFP. The contractor's management positions report operationally to the SDU Manager.

The responsibilities of the SDU Contractor include, but are not limited to:

- Planning, management, direction, and control of all the SDU contracted work performed by its personnel or its subcontracted personnel throughout the term of the SDU contract
- Coordination with DSS and CoC to ensure child support collections are processed in accordance with federal regulations and state law and to ensure customer service is provided in an efficient and effective manner
- Coordination with the System Development Contractor (CSES/FCCMS) to complete testing of system functions which require input to and from the SDU operation and coordinate on conversion to the SDU
- Any and all requirements as outlined in the SDU RFP

7. Other Stakeholders

Other individuals and groups that will be affected by the CFS Project as stakeholders are listed below. The information listed under each group reflects their relationships to the CFS Project and/or impacts of the CFS Project that make them stakeholders.

7.1. SC Department of Social Services

7.1.1. DSS Management

DSS Management includes the State Director, the Deputy State Directors, and the DSS General Counsel.

- Provides administrative support to the CFS Project in such areas as state budget preparation and compliance with state rules and regulations in areas such as human resource management, allocation of funding, and purchasing of supplies
- Monitors and provides contractual oversight of child support system operations pursuant to federal requirements
- Provides Resources - DSS personnel must assist with implementation management, requirements definition, testing, and data conversion activities as well as attend training on the CFS at the same time they are providing services to their clients using their current systems. The objective will be to minimize the impacts on staffing to prevent reduced service levels

7.1.2. DSS IT

- Manages the DSS Child Support Case Tracking System - DSS currently is responsible for managing the system that performs IV-D activities including facilitating tax intercepts, administering the Financial Institutions Data Match (FIDM) program, federal reporting, processing TANF collections, conducting locate activities, and performing other federal and state mandated activities. These functions will be incorporated into CSES and will require careful coordination and integration during the conversion. When the CSES has been fully implemented statewide, the current DSS system will be phased out
- Responsible for any Federal APDs for TANF and IV-E System Changes - CSES will meet federal and state interface requirements between the programs

7.2. Clerks of Court (CoC)

In transitioning counties from one automated child support system to another there will be significant personnel and resource impacts.

- Handles Business Process Changes - Implementation of CFS Project components may alter some county business practices. Uniformity of best practices across CoCs will be facilitated by the implementation of the single, statewide system. This change will require reengineering business processes and procedures consistent with federal and state requirements to maximize the benefits of statewide automation. These changes will also require retraining local personnel and developing new procedures to ensure the system is used efficiently and effectively
- Manages Local Infrastructure Changes - CoCs, working with DSS and the CIO, must ensure that the local information technology infrastructure conforms to CFS infrastructure requirements. This may require changes to local infrastructure. If the county opts to use current infrastructure equipment, they must ensure that such equipment does not degrade CFS Project component performance. CFS infrastructure changes must not degrade CoC system performance

- Deals with Customer Service Impacts - The objective will be to minimize the service-level impacts to customers resulting from the implementation of CFS Project components
- Provides Resources - CoC personnel must assist with requirements definition, testing, data conversion, and implementation management activities as well as attend training on the CFS Project components at the same time they are providing services to their clients using their current systems. The objective will be to minimize the impacts on staffing to prevent reduced service levels
- Oversee Standardization of Activities and Forms- County courts should be positively affected by the increased standardization of child support activities. Standardization of forms and form sets may also cause business process changes within county courts
- Optimize Benefits from Automation - The CFS Project will include functionality for the management of Family Court cases. This functionality will automate the scheduling and tracking of cases electronically with the courts, and will provide a major business process improvement for both DSS and the Clerks of Court. The new CFS Project components will also automate many of the court child support functions that are currently manual processes, thereby improving the efficiency of the courts

7.3. S.C. Judicial Department

- Acts as a CFS Project sponsor
- Provides state level leadership direction in the implementation of the CSES, FCCMS, and SDU components
- Identifies personnel resources that can be utilized as full-time subject matter experts on the CFS Project in the areas concerning the Family Courts

7.4. S.C. Budget and Control Board

- Acts as a CFS Project sponsor
- Oversees the State CIO Office

7.5. S. C. General Assembly

- Appropriates state funding for the CFS Project
- Passes legislation that determines child support law in the state

7.6. State Treasurer's Office

- Coordinates banking operations with DSS in relation to the SDU
- Assists with the testing of the CSES system

7.7. S. C. Governor's Office

- Acts as a CFS Project sponsor
- Has administrative responsibility for DSS as a cabinet level department

7.8. S.C. Office of the Chief Information Officer (CIO)

- Provides the network infrastructure for all state agencies through the state data network. This office will work with the CFS Project Team to design, implement, and manage changes necessary for the network to support the new CFS Project communications and network infrastructure requirements. The magnitude of these changes is unknown at this time
- Serves as contracting entity that provides Quality Assurance and some project management support through a cooperative agreement with DSS

7.9. Other Governmental Entities

7.9.1. Agencies with Inter-agency Agreements

- As a result of the implementation of CFS, agencies that have current agreements with DSS to provide or receive data will have to modify these agreements, as appropriate

7.9.2. Agencies with DSS CSES Interfaces

- Outside agencies that interface with DSS will be affected by the need to test new interfaces or interfaces that have been modified

7.10. Non-Custodial Parents (NCP)

- Receive services and benefits from the products of the CFS Project

7.11. Custodial Parents (CP)

- Receive services and benefits from the products of the CFS Project

7.12. Citizens of South Carolina

- Receive efficient and cost-effective systems of high quality that serve the state's needs in return for their tax dollars

8. Governance & Authorities

Governance is the organization of responsibilities and decision-making capabilities that apply to the CFS Project. It covers the line of authority from strategic direction down to the day-to-day CFS Project decisions.

All CFS Project team members should view their roles as being an active part of a team and a partner in the CFS Project. The proper attitude toward sharing of responsibilities and authorities is necessary to ensure proper project communications and that the business needs of the program and CoC are effectively met throughout the CFS Project life cycle.

The CFS Project Executive Committee shall serve as principal overall governance for the CFS Project, and shall provide the policy and strategic guidance to the CFS Project. This committee is the highest approval authority for the state concerning CFS Project scope, schedule, and deliverables. This committee is ultimately responsible for the success of the CFS Project.

The federal OCSE agency is responsible for federal oversight of the CFS Project and for ensuring that all federal requirements are met. This agency also controls the federal funding for the CFS Project.

Appendix A Functional Project Organization Chart

