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Subject: SC WorkReady Communities-ACT Contract

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All,

Just wanted to give you a very quick and brief update on the contract.

We had a call scheduled with ACT this afternoon and unfortunately, one of the state procurement officers was stuck in another meeting and a lot of ACT's issues are with standard procurement language. We had to keep deferring the conversation until ACT said we should just reschedule the call since they had 11 people tied up on the call. We are shooting for another call Tuesday and our state procurement folks are working diligently to try and find compromises where we can. ACT understands that we need to have a signed contract by the end of our fiscal year, which is fast approaching. Otherwise, we lose some of our funding earmarked for this initiative that has to be "obligated" by the end of June or we lose it.

The other big issue is that the Budget and Control state procurement folks attempted to add language that would allow us to renew the initial two-year contract with ACT for an additional three years. This would a help us not to go through sole-sourcing the project and renegotiating from scratch. This would also be a win-win for ACT because it would allow a renewal but also allow for the price to be renegotiated in years 3, 4, and 5. ACT doesn't seem to see how it is in their benefit and wants to make sure that we don't have much room to negotiate below their "standard pricing" in years 3, 4, and 5.

All that to say, as a group, the Leadership Team wants to see this initiative sustained after the initial two-year period, especially as we "re-certify" counties. My question to the Leadership Team is should we tell ACT we want to go back to just the 2 year contract and deal with this in the future or should we push to have the contract renewable after the initial two-year term? Please let me know your thoughts by Monday COB so we can be prepared for the call with ACT on Tuesday.

I will keep you posted. Have a great weekend.

EK