

STATE TREASURER'S OFFICE
REPORT TO THE GOVERNOR AND GENERAL ASSEMBLY
FISCAL YEAR 2008

State Finance and Procurement § 15-111(a)

“(a) Within 90 days after the end of each fiscal year, each primary procurement [Maryland State Treasurer’s Office] unit shall submit to the Governor and to the General Assembly a report on each procurement contract that was awarded during the preceding fiscal year and:

(1) was exempt from the notice requirements of § 13-103 (c) of this article because the procurement officer reasonably expected that the procurement contract would be performed entirely outside the State and the District of Columbia;

(2) cost more than \$100,000 and was awarded for the procurement of services, construction related services, architectural services, or engineering services; or

(3) was awarded on the basis of:

(i) § 13-107 (“Sole source procurement”);

(ii) § 13-108(a) (“Emergency procurement”); or

(iii) § 13-108(b) (“Expedited procurement”).

(b) Same – Contents –

(1) A report required under subsection (a) (2) or (3) of this section shall include:

(i) the name of each contractor;

(ii) the type and cost of the procurement contract; and

(iii) a description of the procurement.”

(2) A report required under subsection (a) (3) of this section also shall describe the basis for the award.

The State Treasurer’s Office did not have any procurements in fiscal year 2008 that were exempt from State Finance and Procurement § 13-103(c).

The State Treasurer’s Office awarded one contract in fiscal year 2008 that was awarded on the basis of State Finance and Procurement § 13-107 (Sole source procurement) to Data Processing Solutions in the amount of \$1,521,000 to provide programming staff to perform network engineering and iSeries AS/400 RPG application project management analysis and programming. The basis for the award was the programmer’s skills and familiarity of intricate processing operations of the Office as these programmers have worked at the State over a 12 year period and have expert knowledge of the Office’s operations and workflows. A search of two vendors participating in the State CATS program quoted labor rates of \$129 - \$185 per hour for a Senior Computer Programmer. The Data Processing Solutions Senior Programmers labor rate would be \$75.00. Therefore, a sole source procurement method was used to retain the expertise that these programmers possess. To rebid at this time would place a great burden on the State with the loss of time that would be needed to train new people and the anticipated higher price.