

Report on Contracts

Department: Department of Corrections

Secretary: Wendy Kelley

The purpose of this report is to prompt an analysis of contracts and contract expenditures within each Department and assist in the formulation of a report to the Governor on how to achieve greater efficiency (cost savings) and effectiveness as it relates to this topic. An analysis of *contract management* should consider all relevant factors including the number of vendors, staffing, contract management process, approach to negotiation, and other barriers/challenges associated with the contracting. This analysis should take a holistic approach to developing plans to deliver efficiency and effectiveness improvements. **The report template includes sections for three projects for your convenience. This number is not a goal or target. You may add or delete boxes for as many projects as you submit.**

ACTION PLAN FOR PROJECT 1:

1. Project Title **Renegotiate the Department Offender Management Information System Contract**
 - 1.1. Brief description of project, goal, and action plan. **The Division of Correction, the Division of Community Correction, and the Parole Board have a joint contract with Marquis Software Development to maintain the Department's Offender Management Information System (eOMIS). The Maintenance and Support Agreement provides for further development of the system. The contract currently has an annual value of \$1.3 million dollars and is scheduled to expire June 30, 2019.**
 - 1.2. Identify any additional resources required for the implementation and success of this plan. **None. The Department's Chief of Staff is chairing a committee comprised of staff from Shared Services, the Division of Correction, and the Division of Community Correction to negotiate a new Maintenance and Support Agreement (a professional services contract) with Marquis.**
 - 1.3. Are there any anticipated costs associated with the plan? Does your current budget have sufficient funds to cover all anticipated costs? **The next agreement is expected to contain increases in the annual maintenance fee in addition to the hourly development charge. Those increases will be negotiated to a level that can be assumed within our current funding level.**
 - 1.4. How will you measure the success and results of your plan? Include forecasts of cost savings, efficiencies achieved, etc. **Success will be determined through the execution of an agreement which maximizes vendor accountability, controls cost, and provides for a shared services project delivery model.**
 - 1.5. What is the implementation timeline and key action steps for this plan? How will you track progress? **A new contract must be in place by July 1, 2020. The Committee will meet monthly through the first Quarter of 2020 in order to complete its work.**
 - 1.6. Identify any obstacles to the implementation and success of this plan. **If the vendor is unwilling to keep proposed cost increases in line with Department expectations, other option will need to be explored.**
 - 1.7. How could Department of Transformation and Shared Services provide support to the Department? **The Office of State Procurement will need to approve the procurement process for the new agreement.**

ACTION PLAN FOR PROJECT 2:

2. Project Title Combine Grocery Contracts within the Division of Correction

- 2.1. Brief description of project, goal, and action plan. The Division of Correction has six (6) different contracts providing grocery (food) services to Division of Correction units not serviced by the Division's Central Office. These contracts have a maximum value exceeding \$1,000,000 annually. Expanding the capacity of the Central Warehouse will allow the Department to reduce these contracts.**
- 2.2. Identify any additional resources required for the implementation and success of this plan. The plan will require the Division to clear out space across from the current warehouse being used by Centralized Records for expansion of the Division of Correction's Central Warehouse. Once cleared out, this space will allow additional space for Central Warehouse to store goods. The current warehouse space is in need of a new roof. During the construction phase existing warehouse inventory will be shifted to the space being vacated by Central Records. Following the construction, an expansion to combine contracts and service the Division of Community Correction facilities' needs will be explored further.**
- 2.3. Are there any anticipated costs associated with the plan? Does your current budget have sufficient funds to cover all anticipated costs? There is no cost associated with relocating the files being stored by Centralized Records. There is space in the building where the staff are currently located which will be repurposed for Record's storage (until existing records are digitized). The renovations to the Central Warehouse roof will cost approximately \$300,000. Existing funding from the Prison Construction Trust Fund is being used to pay for the new roof.**
- 2.4. How will you measure the success and results of your plan? Include forecasts of cost savings, efficiencies achieved, etc. Success will be determined by the Department's ability to consolidate existing grocery (food contracts) through the utilization of additional space in the Central Warehouse. Upon completion of this project, the Department will explore the feasibility of transitioning the grocery operations for the Division of Community Correction to the Division of Correction's Central Warehouse.**
- 2.5. What is the implementation timeline and key action steps for this plan? How will you track progress? Centralized Records has begun the process of moving their records out. Their move will be complete by the end of November 2019. A Request for Qualifications is being prepared for the roof repairs. Work will begin once the procurement process is completed. The desired completion date is June 30, 2020.**
- 2.6. Identify any obstacles to the implementation and success of this plan. The needed repairs to the Central Warehouse roof may be delayed based on weather or procurements requirements. Several of the grocery contract run through October 2020.**
- 2.7. How could Department of Transformation and Shared Services provide support to the Department? The Office of State Procurement will need to approve the procurement for the roof and the Division of Building Authority will need to approve the plans for the roof once finalized.**

Additional thoughts/comments:

None.