



# State of New Jersey

DEPARTMENT OF THE TREASURY  
DIVISION OF PURCHASE AND PROPERTY  
OFFICE OF THE DIRECTOR  
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September 5, 2014

**Via Electronic Mail (Dominic.Magnolo@xerox.com) and USPS Regular Mail**

Dominic J. Magnolo, Vice President  
Xerox State Healthcare, LLC  
100 American Metro Boulevard  
Suite 105  
Hamilton, NJ 08619

**Re: *Specification Challenge*  
*RFP # 15-X-23219: Fiscal Intermediary and Counseling Services - DHS***

Dear Mr. Magnolo:

This is in response to your letter dated July 30, 2014 on behalf of Xerox State Healthcare, LLC ("Xerox") by which you express concern that the structure of the above-referenced RFP does not provide a level playing field for non-incumbent bidders. Xerox asserts that the RFP prescribed tight response timeframes for question and proposal submission. Xerox also states that the implementation timeframes required in the RFP scope of work would be impossible for non-incumbent vendors to meet successfully. Additionally, the RFP requires that the cost to copy existing records be borne by the new vendor, which Xerox indicates would favor the current vendor, particularly since no scoring credits are given to non-incumbent bidders. As a result, Xerox is requesting the cancellation and redrafting of this RFP to provide a level playing field for all interested bidders.

I have reviewed the record of this procurement, including the RFP, submitted bidder questions, relevant statutes, regulations, and case law. This review of the record has provided me with the information necessary to render an informed final agency decision on the merits of Xerox's specification challenge. As a result, there is no need for an in-person meeting.

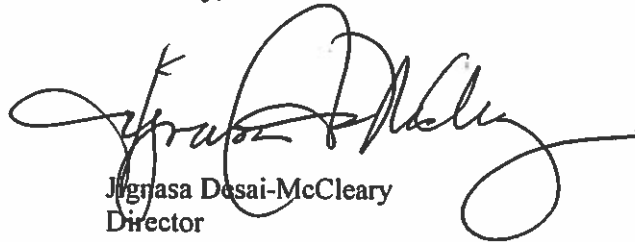
By way of background, RFP 15-X-23219 ("the RFP") was issued by the Procurement Bureau ("Bureau") within the Division of Purchase and Property ("Division") on behalf of the Department of Human Services ("DHS"). This was a reprocurement of the T-2240 Third Party Services: Fiscal and Support Services, Cash and Counseling Program and T-1876 Third Party Services: DHSS, Senior Initiatives term contracts. This RFP sought a vendor to provide statewide fiscal management and counseling services for participants in numerous participant-directed programs of care offered through DHS as a result of this newly consolidated contract. The RFP was issued by the Bureau on June 25, 2014. The RFP was publicly advertised in the Star-Ledger pursuant to State law and has been advertised on the Bureau's website since that date. Bidders were provided with an opportunity to submit questions with a due date of July 8, 2014 and over 500 questions were received. The original proposal due date was August 12, 2014; however, due to the volume of bidder questions, the Bureau issued Addendum #1 on August 8, 2014, extending the proposal due date until September 2, 2014. A second addendum was issued on Friday, August 29, 2014, extending the proposal due date until October 2, 2014. The bidder community also received advance

notification of this addendum through a Special Notice posted to the Division website on August 27, 2014.

As you may now know, the Bureau has cancelled RFP #15-X-23219 to address both recently required programmatic changes and issues presented by the bidder community during the Question and Answer period. Please monitor the Division's website for further updates.

Thank you for your interest in doing business with the State of New Jersey. To prepare for future procurement opportunities, I encourage you to visit [www.njstart.gov](http://www.njstart.gov) to register your business with **NJSTART**, the Division's new eProcurement system which is scheduled to go live this fall. It will provide a "one-stop shop" for vendors to submit proposals, maintain required forms and certifications, and present purchase orders and invoices for payment.

Sincerely,



Jignasa Desai-McCleary  
Director

JD-M:KW

c: K. Anderson-Thomas  
M. Quinn