



## SOLE SOURCE FILING JUSTIFICATION

<b>TO:</b> Choose or Type a Name.
<b>CONTRACT #</b> 25-1143
<b>TODAY'S DATE:</b> 10/14/2024
<b>CONTRACT SUB OBJECT CODE:</b> CZ - Other Pro Serv

CONTRACTOR'S LEGAL NAME	
The Washington STEM Center (aka "WA STEM")	

ADDRESS	210 S. Hudson Street – Seattle, WA 98134
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CONTRACT PURPOSE
Benefitting from proviso funding, this contract is intended to continue development of public-facing regionalized data dashboards and reports to support the goals of the department and the early learning advisory council, pursuant to Engrossed Second Substitute Senate Bill No. 5237 (child care & early learning). Additionally, this contract will provide services to consider and plan out the transition of an existing estimator software to DCYF's possession for continued, unfettered use in early learning.

FUNDING	
FEDERAL FUNDING \$	STATE FUNDING \$ 150,000

<b>CONTRACT TOTAL \$ 150,000</b>
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CONTRACT DATES	
START DATE: 11/8/2024	END DATE: 6/30/2025

<p><b>SOLE SOURCE CRITERIA</b></p> <p><u>What is a sole source contract?</u></p> <p><i>“Sole source” means a contractor providing goods or services of such a unique nature or sole availability at the location required that the contractor is clearly and justifiably the only practicable source to provide the goods or services. (RCW 39.26.010)</i></p> <p><i>Unique qualifications or services are those which are highly specialized or one-of-a-kind. Other factors which may be considered include past performance, cost-effectiveness (learning curve), and/or follow-up nature of the required goods and/or services. Past performance alone does not provide adequate justification however will not be on its own a sufficient justification.</i></p> <p><u>Why is a sole source justification required?</u></p> <p><i>The State of Washington, by policy and law, believes competition is the best strategy to obtain the best value for the goods and services it purchases, and to ensure that all interested vendors have a fair and transparent opportunity to sell goods and services to the state.</i></p> <p><i>A sole source contract does not benefit from competition. Thus the state, through RCW 39.26.010, has determined it is important to evaluate whether the conditions, costs and risks related to the proposal of a sole source contract truly outweigh for going the benefits of a competitive contract.</i></p>
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## SPECIFIC PROBLEM OR NEED

### 1. What is the business need or problem that requires this contract?

DCYF has received a proviso in the enacted operating budget that extends this critical work to develop public-facing regionalized data dashboards and reports to support the goals of the department and the early learning advisory council, pursuant to Engrossed Second Substitute Senate Bill No. 5237 (2021, child care & early learning).

This proviso will fund work contracted in the previous biennium, with WA STEM as the provider. In part, this proviso states the following: "... general fund-state appropriation ... are provided solely for the department to contract with statewide nonprofit with demonstrated capability of partnering with agencies and community organizations to develop public-facing regionalized data dashboards and reports to measure change in equitable early learning access as a result of programs and grants administered by the department. The nonprofit must provide the data in a consumer-friendly format and include updates on program supply and demand for subsidized child care and preschool programs. The data must be disaggregated by program and facility type, geography, family demographics, copayments, and outcomes of grants and rate enhancements disaggregated by staff role, program and facility type, and geography."

**PROVIDING COMPELLING ANSWERS TO THE FOLLOWING QUESTIONS WILL FACILITATE THE EVALUATION**

**2. Describe the unique features, qualifications, abilities or expertise of the contractor proposed for this sole source contract.**

Washington STEM is a statewide, independent nonprofit organization founded on the principles of equity, partnership, and sustainability.

Washington STEM is the appropriate choice to develop this specific dashboard of Early Start Act Supplemental Metrics, and is the vendor who was contemplated in the legislative intent of SB 5187 Sec. 230 (21). The ultimate goals and intentions of DCYF are singularly facilitated by Washington STEM in continuing the completion of specific, time-sensitive requirements. Washington STEM has already been developing the above goals under a no payment Memorandum of Understanding executed December 2020. DCYF has already invested substantial time and resources onboarding WA STEM to use of DCYF data, establishing appropriate data share agreements, and establishing processes that work for developing, reviewing, and publishing shared work.

**3. What kind of market research did the agency conduct to conclude that alternative sources were inappropriate or unavailable? Provide a narrative description of the agency's due diligence in determining the basis for the sole source contract, including methods used by the agency to conduct a review of available sources. Use DES' Market Research Template if assistance is needed.**

This work must be awarded only to a statewide nonprofit with demonstrated capability of partnering with agencies and community organizations to develop public-facing regionalized data dashboards and reports to measure changes in equitable early learning access as a result of programs and grants administered by the department.

We performed a targeted online search for "Washington statewide non-profit agencies providing vendor services in early learning and child care dashboard development" provided results, which included WA Stem as the first result. The only other viable option (WA State) is WA Portal. Their purpose is "to accelerate collaboration and resource-sharing between Washington State public health, public health professionals, and community-based organizations as an online health and wellness learning community." (which does not meet the scope of this work)

**4. As part of the market research requirements, include a list of statewide contracts reviewed and/or businesses contacted, date of contact, method of contact (telephone, mail, e-mail, other), and documentation demonstrating an explanation of why those businesses could not or would not, under any circumstances, perform the contract; or an explanation of why the agency has determined that no businesses other than the prospective contractor can perform the contract.**

In addition to searching the DES Contract Search database, this work has been previously performed as a sole source (#22-1184 and #22-1184.01. The Master Contracts were searched on 9/23/2024 for “WA STEM” or “dashboard” with no results.

DCYF also reviewed 16322 IT Development - Web Developer Contractors and was unable to find any non-profit organizations.

This work was approved by Legislature, via SB5092. Per Sec 230(6): \$150,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a statewide nonprofit with demonstrated capability of partnering with state agencies and community organizations to develop public-facing regionalized data dashboards and reports to support the goals of the department and the early learning advisory council, pursuant to Engrossed Second Substitute Senate Bill No. 5237 (child care & early learning dev. exp.).

**5. Per the Supplier Diversity Policy, DES-090-06: was this purchase included in the agency’s forecasted needs report?**

No.

**6. Provide a detailed and compelling description of the costs and risks mitigated by contracting with this contractor (i.e. learning curve, follow-up nature).**

**Costs:** This \$150,000 contract is the result of the opportunity provided by proviso funding – which can only be contracted by meeting proviso requirements, which focuses on statewide non-profits. By not meeting this requirement, the funding opportunity is lost, and the work cannot be performed unless alternative funding can be secured.

**Risks mitigating by contacting with WA Stem:** Additionally, as WA Stem has been onboard since the initiation of the work, incoming vendors would not be able to begin work immediately (which is needed due to this contract only being 9 months in duration) – and hence significantly reduce effectiveness and project schedule management.

**7. Describe what targeted industry outreach was completed to locate small and/or veteran-owned businesses to meet the agency’s need?**

WA STEM is a Washington small business.

**8. What considerations were given to unbundling the goods and/or services in this contract, which would provide opportunities for Washington small, diverse, and/or veteran-owned businesses. Provide a summary of your agency’s unbundling analysis for this contract.**

This work cannot be unbundled or subcontracted due to the nature of the work, and the restrictions of the funding.

**9. Provide a detailed and compelling description that includes quantification of the costs and risks mitigated by contracting with this contractor (i.e. learning curve, follow-up nature).**

WA Stem has been onboard since the initiation of the work, incoming vendors would not be able to begin work immediately (which is needed due to this contract only being 9 months in duration) – and hence significantly reduce effectiveness and project schedule management.

**10. Is the agency proposing this sole source contract because of special circumstances such as confidential investigations, copyright restrictions, etc.? If so, please describe.**

NOT APPLICABLE

**11. Is the agency proposing this sole source contract because of unavoidable, critical time delays or issues that prevented the agency from completing this acquisition using a competitive process? If so, please describe. For example, if time constraints are applicable, identify when the agency was on notice of the need for the goods and/or service, the entity that imposed the constraints, explain the authority of that entity to impose them, and provide the timelines which work must be accomplished.**

NOT APPLICABLE

**12. What are the consequences of not having this sole source filing approved? Describe in detail the impact to the agency and to services it provides if this sole source filing is not approved.**

If this sole source is not approved, DCYF would need to procure competitively for this work, and expend substantial additional (unanticipated) staff time in helping a new provider learn DCYF data, developing new data sharing agreements, and developing new processes for developing, reviewing, and publishing shared work. This would unnecessarily delay implementation of data dashboards used by external partners and communities in planning for early learning services around the state. Additionally, there are time limitations on the funding, as well as very specific requirements for what type of business can perform this work and be compensated using this money.

## REASONABLENESS OF COST

**13. Since competition was not used as the means for procurement, how did the agency conclude that the costs, fees, or rates negotiated are fair and reasonable. Please make comparison with comparable contracts, use the results or a market survey, or employ other appropriate means calculated to make such a determination.**

The costs have remained consistent, and sole based on availability of funding. Similar contracts (not constrained by the proviso's contractor requirements) have been considerably more. An example of this is Contract #24-1211 with 3Si.