

**DETERMINATION AND FINDINGS
FOR A
SOLE SOURCE PROCUREMENT**

AGENCY: Department of Human Services (DHS)
CONTRACT NO: CW55344
PROPOSED CONTRACTOR: TALX Corporation, a Provider of Equifax Workforce Solutions (The Work Number)
CAPTION: Employment Verification Services

FINDINGS

1. AUTHORIZATION:

D.C. Official Code §2-354.04, 27 DCMR 1304, 1700, 1701

2. MINIMUM NEED:

The Department of Human Services/Economic Security Administration (ESA) has a need for a web-based employment verification system to provide immediate verification of employment for customers receiving public benefits. The system must allow instant web accessibility with up to date payroll information from both national and local employers.

The period of performance for **Option Year Two (2) is November 8, 2019 to November 7, 2020.**

3. ESTIMATED REASONABLE PRICE:

The estimated fair and reasonable price to provide the required services for the option period one is \$456,500.00. The prices have been determined fair and reasonable based on current rates paid by the District.

4. FACTS WHICH JUSTIFY SOLE SOURCE PROCUREMENT:

- A. DHS has used The Work Number (TALX) to successfully reduce error rates and increase accuracy for both TANF as well as the Food Stamp program. The Work Number is the largest proprietary service of authentic, up-to-date employment and income data. The Work Number provides instant access to over 200 million employment records from more than 7,500 employers nationwide. The Work Number is the only sizeable provider

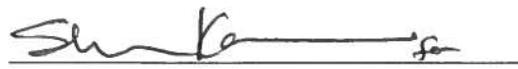
of third-party income verifications who is under contract with its participating employers to:

- a) Obtain updated employee wage data for each payroll period.
 - b) Release this data electronically to government entities for the purposes of fraud investigations, eligibility determinations and locating defaults.
- B. There are no other providers who offer automated, instant access to the specific employer payroll records available on The Work Number nor is there another third-party data supplier that hosts a sufficient amount of current, employer direct data to meet state agencies' program needs. Currently, the states of Illinois, Georgia and Nevada have all entered into contracts with TALX Corporation for these services and have used a Sole Source vehicle to procure this service. Further, in September 2017, the Food and Nutrition Service sent an inquiry to all states about their use of the Work Number as a means of employment verification. States who do not subscribe to the service were asked to provide a lengthy articulation of why the state is not procuring the service from The Work Number.
- C. There are no other methods for these agencies to instantly search and review as many payroll records at one time as they can with The Work Number. They are the only vendor who can provide the District's requirements.
- D. Program staff contacted both, Food and Nutrition Service (FNS) as well as the Administration on Children and Families (AFC). With national previews of services states use for employment verifications, neither federal agency was aware of any company other than the Work Number, which provided these specific services. Further a Google Search for "employment verification" turned up hits to the Work Number or site affiliated with the Work Number. In the first three pages of matches "infocheckusa.com" was the only company which offered some level of employment verification. This company was designed mainly for individual checks which offered a 24-72-hour turnaround time which is not the programs requirement. In the market research, there is no other company which offers the service provided by The Work Number.

5. **CERTIFICATION BY AGENCY HEAD:**

I hereby certify that the findings set forth above are true, correct, and complete to the best of my knowledge and that the proposed contract extension is in the best interest of the District of Columbia.

10/23/19
Date



Laura Green Zeilinger
Director, Department of Human Services

6. **CERTIFICATION BY CONTRACTING OFFICER:**

I have reviewed the above findings and certify that they are sufficient to justify the use of the sole source method of procurement under the cited authority. I certify that the notice of intent to award a sole source contract was published in accordance with 27 DCMR 1304 and that no response was received. I recommend that the Chief Procurement Officer approve the use of the sole source procurement method for this proposed contract.

Date

Marketa Nicholson
Contracting Officer

Date

Wil Giles
Chief Contracting Officer
Office of Contracting and
Procurement

DETERMINATION

Based on the above findings and in accordance with the cited authority, I hereby determine that it is not feasible or practical to invoke the competitive solicitation process under either Section 402 or 403 of the District of Columbia Procurement Practices Reform Act of 2010 (D.C. Law 18-371; D.C. Official Code § 2-354.02 or 2-354.03). Accordingly, I determine that the District is justified in using the sole source method of procurement.

Date

George A. Schutter III
Chief Procurement Officer
Office of Contracting and
Procurement