

Contact: Jane Jankowski

GOV2

Phone: 317-232-1622

Email: jjankowski@gov.in.gov

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Governor introduces new Buy Indiana policy

INDIANAPOLIS (June 10) – Governor Mitch Daniels and Earl Goode, the commissioner of the Department of Administration, today announced a new “Buy Indiana” policy that will become effective on July 1. The policy outlines the five ways a company can qualify as an Indiana company. The governor signed Executive Order 05-05 in January, establishing a goal for state agencies to procure 90 cents of each dollar from Indiana businesses.

“We’ve been working the first few months on improving our procurement. Part of it involves a greater emphasis on quality and part involves a greater emphasis on getting the right price,” said the governor. “The largest single part involves our emphasis on buying Indiana wherever possible.”

The document below outlines the new policy and the formula that will be used by the Department of Administration in considering bids.

Buy Indiana Policy

5 ways to qualify as an Indiana Company:

1. A business whose principal place of business is located in Indiana.
2. A business that pays a majority of its payroll (in dollar volume) to residents of Indiana.
3. A business that employs Indiana residents as a majority of its employees.
4. A business that makes significant capital investments in Indiana.
 - Capital Investment of \$5 Million and higher or Annual Lease Payments of \$2.5 Million and higher
5. A business that has a substantial positive economic impact on Indiana.
 - Among the top 500 companies (does not include not for profits, colleges & universities or energy companies) for payment of State sales, corporate, withholding, or unemployment taxes or number of employees.

Companies will be notified of new policy and be asked to determine their eligibility as an Indiana company by selecting and self certifying the appropriate category for their

company. The State will reserve the right to verify this certification as any time.

New Scoring for RFPs

Old Scoring System

(Bid process is set forth in statute - I.C. 5-22-15-20.5)

| | | |
|----------------------------------|-------------------|----------------|
| Adherence to Requirements | Pass/Fail* | 20 pts |
| Management Assessment/Quality | 30 pts | 20 pts |
| Price | 25 pts | 20 pts |
| Buy Indiana | 25 pts | 20 pts |
| Indiana Company | 10 pts | |
| Indiana Economic Impact** pts | 15 | |
| MWBE Requirement | 20 pts | 20 pts |
| Minority Participation | 10 pts | 10 pts |
| Women Participation | 10 pts | 10 pts |
| Total | 100 pts*** | 100 pts |

*If a company fails the Adherence to Requirements, their proposal will not be scored.

**Work on this contract done in Indiana

***Agencies will not be allowed to make any changes to the scoring.

Professional Services will be awarded using the criteria above. All out of state contracts will be reviewed by the Commissioner of the Department of Administration. If a sole source to an out of state vendor is requested, the Agency Head will submit a written request/justification to the Commissioner of the Department of Administration for

approval/denial prior to entering into a contract.

IEI Scoring (No change from old policy dated 9/1/04)

All RFP respondents will be required to complete and sign **State Form 51778**

(Indiana Economic Impact) and each respondent must include the following information in order to be considered responsive to the RFP:

- a. Total proposed fee for providing the goods and services required by the RFP. If unit pricing is involved, the RFP must state the total unit basis for calculation of the total fee/cost;
- b. Dollar amount of the proposed total fee being allocated for gross payroll for employees that are **Indiana residents** (payroll taxes and fringe benefits are not to be included in the amount stated);
- c. Dollar amount of the proposed total fee (B1a above) allocated to subcontractors and suppliers **based in Indiana**, including subcontractors and/or suppliers that are State certified minority and/or women owned businesses (MBE and WBE's) **based in Indiana**. Each respondent must also include the names of all subcontractors/suppliers and the estimated dollar amount of each subcontract. Failure to provide the names and amounts of subcontractor information will result in the exclusion/deduction of such amount(s) from the total Indiana Economic Impact score.

IDOA will divide the total proposed fee (B1a above) by the sum of B1b plus B1c to derive the percentage of the proposal's impact upon Indiana's economy. This computed percentage will then be multiplied times 15 possible points and the result will be the point score awarded for Indiana Economic Impact (range of 0-15 points).

Vendors will soon receive a letter with information about the policy and will be directed to www.in.gov/idoa/opportunityIN to register. Questions regarding the policy may be directed to 1-877-77BUYIN (1-877-772-8946) or buyindianainvest@idoa.in.gov

jjankowski@gov.in.gov

Department of Administration media contact: Kevin Ober, 317/232-7636,
kober@idoa.in.gov