

**State of Indiana, Department  
of Administration (IDOA), On  
Behalf of All State Agencies**

**COST PROPOSAL - Narrative & Assumptions**

*Response to:*

Solicitation for Fingerprinting Services

RFP Number: #ASA-21-66603



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## Our Mission

**To simplify, protect, and secure people's lives.**

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# Cost Proposal Narrative and Assumptions

## The Cost Proposal Template is Attachment D

The Cost Proposal must be submitted in the original format. Any attempt to manipulate the format of the Cost Proposal document, attach caveats to pricing, or submit pricing that deviates from the current format will put your proposal at risk.

IDEMIA USA is providing the Cost Proposal, Attachment D, as a separate attachment to our response package.

## Cost Proposal Narrative

The Respondent should provide a brief narrative (**not longer than two pages**) in support of each Cost Proposal item. The narrative should be focused on clarifying how the proposed prices correspond directly to the Respondent's Technical Proposal. For example, evaluators will expect detailed explanation of *Maintenance and Support* to correspond to *Maintenance and Support items* if described in the Technical Proposal. **Please compose and return this document in a PDF format, labeled as "Cost Proposal Narrative".**

Please refer to our "Cost Proposal Narrative," which we are attaching to the Cost Proposal, Attachment D.

As the current provider of IDOA Fingerprint Services program, IDEMIA USA is pleased to offer a proposal for this follow-on contract.

IDEMIA USA has more than 25 years of experience deploying enrollment networks and operating the largest U.S. enrollment center footprint with 1,600 centers nationwide. We have implemented dozens of state and federal programs under Firm Fixed Price (FFP) contracts like this one. Our pricing for *Fingerprinting Services*, as detailed in Attachment D, corresponds to all of the requirements in RFP Section 1.4.

We have extensive experience in establishing enrollment FFP contracts that facilitate a high level of customer service at sustainable, fair, and reasonable prices. We have participated in and analyzed more than 75 competitive government enrollment bids, which gives us insight into the spectrum of competitive market enrollment prices.

Enrollment pricing varies due to a number of factors including anticipated applicant volume, volume risk, volume surges, geographical requirements, program management performance requirements, technical specifications, security standards, and period of performance.

IDEMIA USA allocates our costs across the expected customer volume, while taking these factors into account to drive our fixed price per applicant. Through our broad experience in similar programs, we have developed a solid track record of accounting for all contingencies to ensure long-term program success while maintaining fair and reasonable pricing.

Since 2009, IDEMIA USA has been the prime contractor for the IDOA Fingerprinting Services contract. As such, we are uniquely qualified to understand the variable and fixed costs required to run this program, which facilitates our ability to offer fair and reasonable pricing while delivering superior performance. We base this pricing model and assumptions on our IDOA experience and our 25 years of experience in operating critical government enrollment programs.

As a government contractor, IDEMIA USA thoroughly documents our cost-estimating procedures and requires each person involved in pricing to follow these procedures to ensure compliance with all applicable government regulations.

We understand that simply meeting the minimum requirements of this RFP will not be enough to provide the convenience and ease of use desired by applicants. We know that this program cannot be operated

effectively and to the standards IDOA and other stakeholders expect on a shoestring budget. A low FFP bid price likely involves risks to IDOA that may not be apparent in an RFP response.

***Our experience and customer-friendly pricing is based on projects of similar scope, size, and complexity. Our cost proposal takes into account the need to provide enhanced capabilities, such as:***

- An increase in the number of our Enrollment Center locations to provide more convenience to applicants
- An upgrade to Universal Enrollment Platform (UEP), our next-generation enrollment technology, which offers many features over and above the core requirements of this RFP
- New enrollment technologies to make in-person enrollments more mobile, such as the Identigo® tablet
- IDEMIA USA pays a premium price to an Enrollment Center partner, Staples, Inc., to gain access to their nationwide network of locations
- Support for Indiana State Police's Gun Permit program, which includes processing fingerprints for Gun Permit applicants as well as our Application Programming Interface (API) solution
- In-state Enrollment Center management
- We believe these program enhancements are absolutely necessary to deliver the level of applicant service required by this program.

## Cost Assumptions, Conditions, and Constraints

The respondent should list and describe as part of its Cost Proposal any special cost assumptions, conditions, and/or constraints relative to, or which impact, the prices presented on the Cost Schedules. It is of particular importance to describe any assumptions made by the respondent in the development of the respondent's Technical Proposal that have a material impact on price. It is in the best interest of the respondent to make explicit the assumptions, conditions, and/or constraints that underlie the values presented on the Cost Schedules. Assumptions, conditions or constraints that conflict with the RFP requirements are not acceptable. **Please compose and return this document in a PDF format, labeled as "Cost Assumptions, Conditions and Constraints".**

Please refer to our "Cost Assumptions, Conditions, and Constraints," which we are attaching to the Cost Proposal, Attachment D.

IDEMIA USA has made numerous assumptions in the development of its proposed prices. There are no assumptions, conditions, and/or constraints that conflict with the RFP requirements.

IDEMIA USA's Cost Proposal is contingent on a single vendor award. Cost is exclusive of any sales tax that IDEMIA USA may be required to collect and remit.

We understand that all management, supervision, labor, facilities, and materials necessary to support services on this contract need to be included in our price bid. Our price bid includes inflation, operating labor and non-labor costs, fringe costs, and General and Administrative (G&A) costs and profit margin. We have used the volume data provided in the RFP as the basis for future volume estimates.

Costs elements and basis of estimates are as follows:

***Physical Fingerprinting Center Network Facilities, including Fixed and Mobile Sites and Associated Overhead (e.g., Utilities, Office Supplies, Office Equipment)***

IDEMIA USA includes all physical fingerprinting center network facilities, including fixed and mobile sites, as well as associated overhead such as utilities, office supplies, office equipment, and other overhead items in our FFP offer.

Basis of Estimate and Assumptions:

- In addition to our current Indiana Enrollment Center footprint, we anticipate deploying new centers to accommodate the baseline RFP requirements and to offer more convenience to applicants. We include build-out and furniture/fixture costs for these centers.
- We expect to invest in additional fixtures and other required equipment when we refresh certain Enrollment Centers. This investment includes the following:
  - Site finishing, such as carpet, paint, and electrical
    - New waiting room seating
  - Other office fixtures
- All office supplies and equipment costs are based on historical cost data

***Customer Service Center, Technical Help Desk, and Associated Overhead (e.g., Rent, Utilities, Office Supplies, Office Equipment)***

We include all labor as well as associated overhead, including rent, telecom expense, utilities, office supplies, office equipment, and other overhead items in our FFP offer.

Basis of Estimate and Assumptions:

- Our estimates are based on actual cost for the work we perform on the current IDOA contract.

***Procurement/Leasing (e.g., of Fixed Sites or Mobile Vehicles)***

IDEMIA USA includes all procurement/leasing costs in our FFP offer.

We have IDEMIA-rented sites and partner-rented sites, and we understand these costs with great clarity. Our estimates are based on the actual cost for Enrollment Centers currently in operation.

Basis of Estimate and Assumptions:

- We estimate increases in our leasing costs over the course of the contract.

***Travel Costs Associated with Site Stand-Up and Operation***

IDEMIA USA includes all travel costs associated with site stand-up in our FFP offer.

Basis of Estimate and Assumptions:

- We estimate additional travel costs for site selection and build-out of new Enrollment Centers and have included this in our FFP offer.
- We include travel for Operations Managers to travel to individual Enrollment Centers to ensure high quality service delivery.
- We include travel for quality and audit staff to conduct assessments of Enrollment Centers and operations to ensure we comply with all contract requirements.

***Operational Labor Costs***

IDEMIA USA includes all operational labor costs in our FFP offer.

Our Enrollment Center model includes internal labor staffing at high-volume and low-volume sites, as well as external labor using partners and partner sites, in the execution of our responsibilities. We have allowed sufficient cost to ensure that we have additional Enrollment Agents available to minimize risks associated with emergency center closures, illness, vacations, and similar labor coverage issues. With our history on this program, we know how long enrollment activities take and how much staffing is required across the network. We know the number of Enrollment Agents required at high-, medium-, and low-volume sites and how to optimally staff mobile routes. Our labor rate structure is adapted for the different economic realities around the state, recognizing that costs are very different from one city to another. Fixed labor includes Program Management personnel and other important overhead roles identified in the RFP response.

Basis of Estimate and Assumptions:

- Enrollment Agents:
  - We have Enrollment Agents already on staff to support our current enrollment network. We have also included additional staff needed to support new Enrollment Centers we plan to deploy.
  - We have regionally-based Enrollment Agent II (ACP), Customer Service Supervisors, a District Manager, and Operations Director to manage our Enrollment Agent workforce.

### ***Operational Labor Personnel Security and Onboarding Costs***

IDEMIA USA includes all operational labor personnel security and onboarding costs in our FFP offer.

Basis of Estimate and Assumptions:

- Onboarding Costs: We include the costs of recruiting and vetting new staff members. These costs include the following:
  - Cost incurred to complete the IDEMIA screening process, which includes background-check fees
  - Cost of a dedicated credentialing team to support this program and ensure that all personnel move through the IDEMIA and Indiana credentialing processes as quickly as possible

### ***Enrollment Workstations***

IDEMIA USA includes the net cost of all current and future enrollment workstation costs.

Basis of Estimate and Assumptions:

- We have numerous desktop enrollment workstations fielded for the program and will be adding additional workstations to support our Enrollment Center expansion. We used our current detailed Bill of Materials to calculate this cost.
- We also plan to deploy our new tablet technology. We developed a new detailed Bill of Materials to calculate the cost of this equipment.
- We include the cost of replacing all equipment when it reaches the end of its useful life.

### ***Fingerprinting Information Management System (e.g., Appointment Scheduling System, Fingerprinting System Record)***

IDEMIA USA includes all costs for our fingerprinting information management system in our FFP offer.

Basis of Estimate and Assumptions:

- We include our information management system.

- We include all telecommunications and Data Center costs in our FFP offer.
- We currently use Peak10® for our Data Center and host a Virtual Private Network (VPN) to connect our enrollment workstations with our Universal Enrollment Platform fingerprinting information management system.
- We include software licensing costs to support our technical infrastructure.

### ***Reporting Technology***

IDEMIA USA includes all costs for reporting technology in our FFP offer.

Basis of Estimate and Assumptions:

- The current enrollment platform and the UEP platform already provides reporting capabilities consistent with the RFP requirements.
- We include new reporting software licensing in our FFP offer.

### ***Technology Infrastructure/Hosting Costs***

IDEMIA USA includes all technology infrastructure/hosting costs in our FFP offer.

Basis of Estimate and Assumptions:

- We use our current Peak10® costs for technology infrastructure/hosting adjusted to scale for future anticipated volume.

### ***Bank Charges and Merchant Fees***

In our experience, there will be a high percentage of applicants paying by credit card. Based on our history, approximately 65% of Indiana applicants pay by credit card, and we expect this percentage to increase with UEP. These merchant fees have a material impact on program cost.

Basis of Estimate and Assumptions:

- Our estimates are based on actual cost for the work we perform on the current IDOA contract.