



SOLE SOURCE FILING JUSTIFICATION

TO: Kris Gorgas
CONTRACT # 25-1028
TODAY'S DATE: 5/20/2024
CONTRACT SUB OBJECT CODE: CZ - Other Pro Serv

CONTRACTOR'S LEGAL NAME	
The Imagine Institute	

TIN/UBI NUMBER

ADDRESS	16000 Christensen Rd, Suite 201 Tukwila, WA
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CONTRACT PURPOSE
This contract is for the administration of the statewide Early Care and Education Substitute Pool.

FUNDING	
FEDERAL FUNDING \$	STATE FUNDING \$2,873,918.93

CONTRACT TOTAL \$2,873,918.93

CONTRACT DATES	
START DATE: 7/1/2024	END DATE: 6/30/2025

<p>SOLE SOURCE CRITERIA</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 is required by the Early Start Act and the Collective Bargaining Agreement with SEIU 925 to establish and implement a state-wide substitute pool as a benefit for early learning providers. The Imagine Institute has been contracted by the State since 2016 to implement the substitute pool. Approving this sole source justification allows the state to continue to provide this service by the only vendor contractor offering a statewide substitute pool for the early learning community in Washington.

This contract includes the implementation of the substitute pool, which includes payment of substitutes, substitute training, implementing and monitoring the program, and technical support for early learning providers and substitutes.

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.

The Imagine Institute has been involved in the design and implementation of the substitute pool since 2016. Because of this, they are familiar with the program model and implementation, statewide partners, and demographics of both providers accessing substitutes and the pool of substitutes making them uniquely qualified to continue to offer this service.

3. What kind of market research did the agency conduct to conclude that alternative sources were inappropriate or unavailable?

An internet search was conducted, and it was determined that the substitute pool that is currently operated by The Imagine Institute is the only statewide substitute pool for child care providers in Washington.

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

The 2023-2025 Collective Bargaining Agreement with SEIU 925 requires the State to administer a substitute pool for family home providers at a greater capacity than previously covered by the Early Start Act. If DCYF put the work out for bid at this time, it would delay the implementation of the state's substitute pool at the magnitude needed to serve all family home providers, putting DCYF at risk of being out of compliance with our legal obligation to provide this benefit to family homes covered by the CBA.

Imagine Institute has been overseeing the administration of the program for the last 8 years and can continue to offer this statewide service. If the state were to procure for this work, the ramp up time and learning curve would be tremendous. Additionally, licensed providers who have used the substitute pool are familiar with the Imagine Institute's program model.

5. 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

6. 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

7. **Is the agency proposing this sole source contract because of a geographic limitation? If the proposed contractor is the only source available in the geographical area, state the basis for this conclusion and the rationale for limiting the size of the geographical area selected.**

NOT APPLICABLE

8. **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.**

The Imagine Institute is currently contracted to implement the statewide substitute pool program, and the substitute pool continues to be required by the 2023-2025 Collective Bargaining Agreement between the State and SEIU 925. If this contract were to not be approved, there would be a stop in services that are currently provided to licensed child care providers across the state, and DCYF would not be adhering to the agreement in the Collective Bargaining Agreement with SEIU 925.

Imagine Institute has the appropriate data sharing permissions for state data, and access and training on the state's substitute pool software. This amendment not being approved would result in an abrupt interruption of substitute pool services for providers.

9. **What considerations were given to providing opportunities in this contract for small business, including but not limited to unbundling the goods and/or services acquired.**

The Imagine Institute is the only entity that currently offers a statewide substitute pool for child care providers – because of this, no other opportunities were given to small businesses.

REASONABLENESS OF COST

10. 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 of a market survey, or employ other appropriate means calculated to make such a determination.

At the onset of implementing a statewide substitute pool, DCYF conducted research to learn about other states who are currently or who have previously implemented substitute pools in early learning. Using this information and the current costs for program administration at DCYF and training delivery to support the substitutes, DCYF made an informed estimate on what the implementation of the substitute pool will cost.