



REQUEST FOR INFORMATION (RFI)

by
Ohio Department of Administrative Services (DAS)

for an
IT Asset Disposal (ITAD) Program

DAS002 -2011 – IT ASSET DISPOSAL PROGRAM

Release Date: 11/04/2011
Inquiries End Date: 11/21/2011 @ 11:59 AM Eastern Standard Time
Response Due Date: 12/01/2011 @ 11:59 AM Eastern Standard Time

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**REQUEST FOR INFORMATION
BY THE
STATE OF OHIO
DEPARTMENT OF ADMINISTRATIVE SERVICES**

IT Asset Disposal Program

November 4, 2011

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1.0 ADMINISTRATIVE INFORMATION

1.1 Purpose

The Ohio Department of Administrative Services (DAS) is issuing this Request for Information (RFI) to obtain information relative to the implementation of an IT Asset Disposal Program including, but not limited to refurbished computers, third-party auction sales and green recycling services. Ohio Revised Code (ORC) 125.13 grants the director at DAS the authority to oversee the State's disposal of excess and surplus supplies. (See Attachment One.)

Since the State has undergone some budget restrictions, DAS is interested in determining if the State can maximize its revenue by engaging in a comprehensive IT Asset Disposal Program.

THIS RFI IS NOT A SOLICITATION FOR SUCH PRODUCTS OR SERVICES

Information that any interested party wishes to submit will be done so voluntarily and with the understanding that this RFI is for information gathering purposes only and is not a formal solicitation. A formal procurement, such as a Request for Proposals (RFP) or Request for Quote (RFQ) may be issued as a result of, and subsequent to, this RFI. The Department of Administrative Services is interested in receiving information from interested vendors or any other source of information.

Similarly, cost information will be used solely for the purposes of performing a market analysis for the acquisition of the necessary products and services.

The information that follows is intended to provide background information and to help set agency expectations for services to implement an IT Asset Disposal Program.

1.2 Inquiries

Vendors may make inquiries regarding this RFI. To make an inquiry, vendors must use the following process:

- Access the State's Procurement Website at <http://procure.ohio.gov/>;
- From the Navigation Bar on the left, select "**Find It Fast**";
- Select "Doc/Bid/Schedule #" as the Type;
- Enter the RFI number found on the first page of this RFI (DAS002");
- Click the "Find It Fast" button;
- On the document information page, click the "Submit Inquiry" button;
- On the document inquiry page, complete the required "Personal Information" section by providing:

- First and last name of the prospective vendor's representative who is responsible for the inquiry,
 - Name of the prospective vendor,
 - Representative's business phone number, and
 - Representative's email address;
- Type the inquiry in the space provided including:
 - A reference to the relevant part of this RFI,
 - The heading for the provision under question, and
 - The page number of the RFI where the provision can be found; and
- Click the "Submit" button.

A vendor submitting an inquiry will receive an immediate acknowledgement that the State has received the inquiry as well as an email acknowledging receipt. The vendor will not receive a personalized response to the question nor notification when the State has answered the question.

Vendors may view inquiries and responses on the State's Procurement Website by using the "Find It Fast" feature described above and by clicking the "View Q & A" button on the document information page.

The State usually responds to all inquiries within three business days of receipt, excluding weekends and State holidays. The deadline for written inquiries is November 21, 2011 at 11:59 AM Eastern Standard Time. Inquiries submitted past the deadline will not be considered.

1.3 Responses

The agency does not intend to award a contract on the basis of responses, nor otherwise pay for the preparation of any information submitted or for the agency's use of such information. Acknowledgment of receipt of responses will be made, but respondents will not be notified of the agency's evaluation of the information received.

Please send e-mail responses to:

Valerie Piccininni or Bruce Reichenbach

Ohio Department of Administrative Services

E-mail: val.piccininni@das.state.oh.us or bruce.reichenbach@das.state.oh.us

Please submit one (1) electronic original Microsoft Word (unprotected) copy and one (1) electronic original Adobe PDF (unprotected) copy of your submission.

E-mail format for responses are the only acceptable format. Include "DAS002 IT Asset Disposal Program" as the subject line of your e-mail response. Include the company name, address, contact name, contact telephone and e-mail in the body of the e-mail. The deadline for written responses is December 1, 2011 at 11:59 AM Eastern Standard Time.

1.4 Disclosure of Responses

Materials submitted in response to this RFI can be publicly disclosed.

1.5 Confidential and Proprietary Information

Materials submitted in response to this RFI will be publicly disclosed upon receipt of a public records request. Please do not submit any proprietary or confidential information with your response.

1.6 Key Action Calendar Dates

Release Date: 11/04/2011

Inquiries End Date: 11/21/2011 @ 11:59 AM Eastern Standard Time

Response Due Date: 12/01/2011 @ 11:59 AM Eastern Time

1.7 Response Questions

Section 3.0 Submittal Requirements contains the suggested response questions to this RFI. These questions are intended to minimize the effort of the respondent and structure the responses for ease of analysis by the agency and its stakeholders.

It is specifically understood that any costs or information provided as part of the RFI process are not to be construed as binding upon either the agency or the vendor at such time as the competitive procurement may occur. Information obtained as a result of this RFI will be used for planning purposes only.

The respondent should complete the questions in **Section 3.0 Submittal Requirements**.

Please provide any other materials, suggestions, and discussion deemed appropriate.

1.8 Clarifications and Additional Information

The agency may request clarifications or additional information from any respondent that provides a response to this RFI.

INTRODUCTION

2.1 Background

The Ohio Department of Administrative Services (DAS) maintains the responsibility for managing the State and Federal Surplus Program located at 4200 Surface Road, Columbus, Ohio 43228-1395.

State and Federal Surplus Services disburses property declared as surplus or excess by State agencies. When State agencies declare property as excess or surplus because it no longer has any use to the State, no longer needed by the agency that possesses the property or the property is at the end of its life cycle for government use, the property is made available to other state agencies, state institutions of higher education, tax-supported agencies, municipal corporations and other political subdivisions of the state, including public schools. Remaining property is sold at public auction hosted by State and Federal Surplus Services.

State and Federal Surplus Services also acquires surplus federal property that it transfers to eligible customers for a service fee.

Once the assets are relinquished by state agencies, DAS State and Federal Surplus Services governs the salvage, sale by public auction, or transfer of IT surplus and excess supplies covered under the Contract.

ORC 125.13 requires the surplus items to be disposed of in the following order of priority:

- State agencies;
- State-supported or state-assisted institutions of higher education;
- Tax-supported agencies, municipal corporations, or other political subdivisions of this state, private fire companies, or private, non-profit emergency medical service organizations;
- Non-public elementary and secondary schools chartered by the state board of education under section 3301.16 of the Revised Code; and
- General public by auction, sealed bid, or negotiation.

State and Federal Surplus Services currently has a contract (ACQ1009) in place for Information Technology (IT) Equipment Pickup, Disposal and Delivery Services that can be utilized by all state agencies and properly registered members of the Ohio DAS Cooperative Purchasing (CO-OP). CO-OPs are Ohio political subdivisions including any county, township, municipal corporation, school district, conservancy district, township park district, and park district created under Chapter 1545 of the Revised Code.

All State agencies and CO-OPs may utilize this contract for the following services:

- Pickup of excess equipment,
- Preparation of equipment,
- Diagnosis of equipment to determine if equipment is in working condition,
- Disk drive wiping (sanitizing)
- Delivery of equipment, and
- Documentation.

It should be noted that Ohio DAS CO-OP members do not send property to State and Federal Surplus Services for public auction.

In addition to the IT equipment services listed above, the Ohio Department of Job and Family Services (ODJFS), may request the following related services:

- Redeployment of ODJFS IT equipment, which can either be sent to the ODJFS warehouse at 2000 Toronado Blvd, Suite C, Columbus, Ohio 43207, or exchanged at a designated agency's location as requested by ODJFS. This determination will be made by the agency during the initial contact (request for service) with the Contractor. An exchange means that the Contractor picks up the identified IT equipment and replaces it with another previously sanitized unit. To accomplish this, the Contractor must keep a perpetual inventory of 250 to 300 functioning, sanitized units in stock at a Contractor warehouse facility.

The contract also allows DAS to mitigate risk with regard to State data, licensed software and intellectual property, rechargeable batteries and other hazardous materials in the disposal, servicing or transfer of State IT equipment.

3.0 SUBMITTAL REQUIREMENTS

The agency is seeking responses to the following questions related to vendors' products and service offerings. The agency has attempted to limit the number of questions in an effort to reduce the burden on vendors responding to the RFI. Vendors' responses should provide information about their capability for performing the agency's objectives and elaborate on any requirements. The agency realizes there may be other pertinent information that has not been solicited and encourages vendors to provide additional information as deemed appropriate. As all information received by the State will be considered public information, vendors are advised to not submit any proprietary or confidential information as part of their RFI response.

Detailed Questions by Category

1. General questions:

- a. What tasks or services would a comprehensive IT Asset Disposal Program encompass? Describe each task or service in detail.
- b. The current contract allows for redeployment of computers. Describe your company's capabilities for performing this task.
- c. Do you believe that it is more efficient for a contractor to perform tasks and activities related to providing a comprehensive IT Asset Disposal Program as opposed to State staff? If so, please describe the efficiencies your company believes that it can provide.
- d. Would an IT Asset Disposal Program maximize the State's revenue? If so, describe in detail how this program would maximize revenue received by the State for surplus IT equipment.
- e. Is there potential for fraud? If so, how does your company eliminate or mitigate the potential for fraud within the program?
- f. What type of inventory tracking system would be enlisted for this program?
- g. How is the State's sensitive data safeguarded (e.g. hard drive data, tape media, etc.)?
- h. How complex would it be to transition this contract to another vendor as the contract expires?

2. Third-party sales of IT equipment:

- a. Many auction attendees primarily attending the event to purchase IT equipment frequently purchase other non-IT items that they see at DAS auctions. If implementation of this program would eliminate the IT equipment segment of the DAS auctions, how do you believe it would affect the State's non-IT auction sales? Does your organization also have the capability and capacity handle non-IT surplus items as well?
- b. Should the State get money back from the contractor for recycled parts?
- c. Can your organization effectively follow the order of priority in the applicable surplus statute (ORC 125.13 - offer items to state agencies, institutions of higher education, etc...) in a transparent manner?

3. Refurbishing State IT equipment:

- a. Would the State or your organization be responsible for providing all parts and services necessary to refurbish surplus computers?
- b. Would we create more overhead if DAS refurbished the computers?
- c. Where would the refurbished computers be stored?
- d. How long is it recommended that DAS or your organization keep refurbished computers in a warehouse if no agency expressed an interest in purchasing them? What would happen to refurbished equipment that was unable to be sold?
- e. Who would be responsible for covering losses when the cost of refurbishing exceeds the final sales price?
- f. What items or services are included in the sales price when selling refurbished computers to agencies?
- g. What happens to other IT equipment (e.g. printers, scanners, monitors, cameras, PDAs)? Does your company only refurbish PC/laptops? If not, what other IT equipment is your company capable of refurbishing for resale? Please identify any IT equipment that your company believes is not cost effective to refurbish for resale.

- h. Based on your understanding and experience in the refurbished equipment marketplace, are agencies/school districts etc. interested in obtaining refurbished equipment?
- i. Are warranties or maintenance programs available for refurbished equipment? If so, describe any available warranties and maintenance programs. Indicate whether the cost on these services is typically included in the cost of the refurbished equipment or available as an additional cost to the buyer.
- j. As part of a comprehensive IT Asset Disposal Program, who would decide if a computer should be refurbished for sale, destroyed or recycled? DAS or your company? Describe the primary factors to be considered when determining whether a PC/laptop or other IT equipment should be refurbished for sale, destroyed or recycled.

4. Company Size / Characteristics

- a. What is the size of your company, including number of employee and annual revenue?
- b. How many customers utilize your IT Asset Disposal services?
- c. Who are your government customers, if any?
- d. How many years has your company been in existence?
- e. Do you provide any services offshore? A recent Ohio Executive Order bans the expenditure of public funds for offshore services.
 - i. Do you use subcontractors? If so, do they perform work offshore?
 - ii. Do you or any of your subcontractors have the ability to perform ALL services within the United States? If not, please describe the services that your company cannot perform within the United States.
 - iii. Indicate whether a subcontractor or another third party could provide the necessary service within the United States.
- f. Are you willing to give us customer references that we may call to ask questions about your product (refurbished equipment), services and support? May we call them directly and speak to them candidly?
- g. How long have you offered an IT Asset Disposal services?
- h. Who do you view as your major competitors?

Attachment One

ORC 125.13

Disposing of excess and surplus supplies

125.13 Disposing of excess and surplus supplies.

(A) As used in this section:

(1) "Emergency medical service organization" has the same meaning as in section 4765.01 of the Revised Code.

(2) "Private fire company" has the same meaning as in section 9.60 of the Revised Code

(B) Except as otherwise provided in section 5139.03 of the Revised Code, whenever a state agency determines that it has excess or surplus supplies, it shall notify the director of administrative services. Upon request by the director and on forms provided by the director, the state agency shall furnish to the director a list of all those excess and surplus supplies and an appraisal of their value.

(C) The director of administrative services shall take immediate control of a state agency's excess and surplus supplies, except for the following excess and surplus supplies:

(1) Excess or surplus supplies that have a value below the minimum value that the director establishes for excess and surplus supplies under division (F) of this section;

(2) Excess or surplus supplies that the director has authorized an agency to donate to a public entity, including, but not limited to, public schools and surplus computers and computer equipment transferred to a public school under division (H) of this section;

(3) Excess or surplus supplies that an agency trades in as full or partial payment when purchasing a replacement item;

(4) Hazardous property.

(D) The director shall inventory excess and surplus supplies in the director's control and may have the supplies repaired.

(E) The director may do either of the following:

(1) Dispose of declared surplus or excess supplies in the director's control by sale, lease, donation, or transfer. If the director does so, the director shall dispose of those supplies in the following order of priority:

(a) To state agencies;

(b) To state-supported or state-assisted institutions of higher education;

(c) To tax-supported agencies, municipal corporations, or other political subdivisions of this state, private fire companies, or private, nonprofit emergency medical service organizations;

(d) To nonpublic elementary and secondary schools chartered by the state board of education under section 3301.16 of the Revised Code;

(e) To the general public by auction, sealed bid, or negotiation.

(2) If the director has attempted to dispose of any declared surplus or excess motor vehicle that does not exceed four thousand five hundred dollars in value pursuant to divisions (E)(1)(a) to (c) of this section, donate the motor vehicle to a nonprofit organization exempt from federal income taxation pursuant to 26 U.S.C. 501(a) and (c)(3) for the purpose of meeting the transportation needs of participants in the Ohio works first program established under Chapter 5107. of the Revised Code and participants in the prevention, retention, and contingency program established under Chapter 5108. of the Revised Code. The director may not donate a motor vehicle furnished to the state highway patrol to a nonprofit organization pursuant to this division.

(F) The director may adopt rules governing the sale, lease, or transfer of surplus and excess supplies in the director's control by public auction, sealed bid, or negotiation, except that no employee of the disposing agency shall be allowed to

purchase, lease, or receive any such supplies. The director may dispose of declared surplus or excess supplies, including motor vehicles, in the director's control as the director determines proper if such supplies cannot be disposed of pursuant to division (E) of this section. The director shall by rule establish a minimum value for excess and surplus supplies and prescribe procedures for a state agency to follow in disposing of excess and surplus supplies in its control that have a value below the minimum value established by the director.

(G) No state-supported or state-assisted institution of higher education, tax-supported agency, municipal corporation, or other political subdivision of this state, private fire company, or private, nonprofit emergency medical service organization shall sell, lease, or transfer excess or surplus supplies acquired under this section to private entities or the general public at a price greater than the price it originally paid for those supplies.

(H) The director of administrative services may authorize any state agency to transfer surplus computers and computer equipment that are not needed by other state agencies directly to an accredited public school within the state. The computers and computer equipment may be repaired or refurbished prior to transfer. The state agency may charge a service fee to the public schools for the property not to exceed the direct cost of repairing or refurbishing it. The state agency shall deposit such funds into the account used for repair or refurbishment.

Effective Date: 11-03-2000