## DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814



March 12, 1998

	IREASON FOR THIS TRANSMITTAL
ALL-COUNTY INFORMATION NOTICE: I-18-98	1
	I( ) State Law Change
	I( ) Federal Law or Regulation
E #	I Change
TO: ALL COUNTY WELFARE DIRECTORS	I( ) Court Order or Settlement
ALL COUNTY SFIS CONTACTS	Agreement
	I() Clarification Requested
	I by One or More Counties
4	I(X) Initiated by CDSS

SUBJECT: THE PROCUREMENT STATUS OF THE STATEWIDE FINGERPRINT IMAGING SYSTEM (SFIS)

This Jetter provides a status update regarding the procurement and implementation of the Statewide Fingerprint Imaging System (SFIS). The last update was sent on September 5, 1997, and since that time there have been significant accomplishments and changes to the implementation of the project as detailed below.

The Implementation Advance Planning Document (IAPD) for the SFIS was submitted for federal and state approval in August 1997. Project approvals were received during October and November 1997. The State Department of General Services issued an Intent to Award the SFIS contract to North American MORPHO Systems, Inc. (MORPHO) on December 17, 1997. The other bidder, Electronic Data Systems, Inc. (EDS), filed a timely protest to the award with the State Board of Control. This stayed execution of the contract by the State pending a hearing on the protest by the State Board of Control, which has also been stayed, as described below.

On February 11, 1998, MORPHO filed a writ petition in Sacramento Superior Court requesting that the court determine whether this procurement violates the constitutional requirements of Proposition 209. The procurement included Minority Business Enterprise and Women Business Enterprise requirements pursuant to Public Contract Code 10115.

The writ is claiming that this requirement makes the contract unconstitutional in light of Proposition 209, which, in part, prohibits preferential treatment based on gender or race in the operation of public contracting. As a result of the petition, the Superior Court issued a temporary stay of the protest proceedings at the Board of Control and will hear a portion of the writ petition on March 27, 1998.

The new SFIS implementation schedule is dependent upon the outcome of the March 27, 1998 Superior Court hearing. Additional information and a new schedule will be distributed after this date.

If you have any questions, please call Valerie Maule! of the Fraud Bureau, at (916) 445-2423.

Sincerely,

'RUCE WAGSTA Deputy Director

Welfare to Work Division