Kim Reynolds, Governor

Adam Gregg, Lt. Governor

Beth Townsend, Director



April 4, 2019

Janet Phipps, DAS Director Hoover State Office Building 1305 East Walnut Street Des Moines, IA 50319

## Director Phipps:

In accordance with DAS Administrative Rule 11-118.16 (8A), Iowa Workforce Development (IWD) requests a waiver of DAS Administrative Rule 11-118.11(3) which provides "A service contract, including all optional renewals, shall not exceed a term of six years unless the state agency obtains a waiver of this provision pursuant to rule 11-118.16(8A)."

We are requesting the waiver for the current contract with Pondera Solutions that was effective June 1, 2013, in order to be able to continue unemployment insurance fraud prevention and investigation services currently supported by this contract. A waiver is requested for the period of one year extending the contract from June 1, 2019 through May 31, 2020. The temporary extension of this contract will insure continued provision of support for our UI fraud prevention efforts while IWD pursues a new modernization vendor.

Pondera Solutions provides critical capabilities of fraud investigation and alerts of fraud rings and activity to IWD. We had contracted with the previous UI modernization vendor to replace this critical service as part of the overall modernization efforts. Now that the contract for modernization of our UI system has been terminated, IWD needs to continue to have access to the type of service Pondera Solutions provides to insure no disruption in our fraud detection efforts as we move forward with selecting a new vendor for modernization. The additional year requested under this waiver will allow IWD to reissue the RFP for this type of product while insuring there is no disruption to our current and ongoing fraud detection efforts as that RFP is processed. If we are unable to extend the current contract, we will be without this support for the foreseeable future as it will be difficult to obtain a new vender for these services between now and the end of the remaining contract period.

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Should you have any questions, please do not hesitate to contact me. Thank you in advance for your support.

Respectfully,

Beth Townsend

Director

Waiver Approved:

/s/ Janet E. Phipps Janet Phipps

Date: 04/09/2019