

Office of the Illinois State Treasurer

Michael W. Frerichs

Sole Source Procurement Notice

Management System and Technical Support for the Unclaimed Property Division

Kelmar Associates, LLC

May 6, 2020

**I. Introduction**

The Office of the Illinois State Treasurer (“Treasurer”) is issuing this Sole Source Procurement Notice pursuant to Section 2025(e) of the Office of the Treasurer Procurement Rules, 44 Ill. Admin. Code Part 1400.

The Treasurer entered into a contract on December 11, 2015 with Kelmar Associates, LLC (“Kelmar”) following a public request for proposals process for a Management System and Technical Support for the Division of Unclaimed Property. Now, the Treasurer seeks to amend that contract to increase the maximum amount of certain identification authentication services that are a part of Kelmar’s proprietary KAPS® system and provide additional technical support, which are changes that are desirable in the management and use of the unclaimed property system as explained herein.

**II. Chief Procurement Officer**

The Chief Procurement Officer who will perform this Sole Source Procurement is:

Ms. Maria Oldani  
Chief Procurement Officer  
Illinois State Treasurer’s Office  
1 East Old State Capitol Plaza  
Springfield, IL 62701  
[MOldani@illinoistreasurer.gov](mailto:MOldani@illinoistreasurer.gov)

**III. Name of Proposed Sole Source Vendor**

Kelmar Associates, LLC  
500 Edgewater Drive, Suite 525  
Wakefield, MA 01880  
888.953.5627  
[info@kelmarassoc.com](mailto:info@kelmarassoc.com)

**IV. Brief Description of What Vendor Will Do or Provide**

This amendment will allow continued use of LexisNexis® identification authentication services for which Kelmar has granted restricted licensing to the Treasurer. Pursuant to this amendment, Kelmar will also provide additional technical support to allow verification of automated FastTrack, e-claims through the Treasurer's existing unclaimed property system, as well as to assist in minimizing fraudulent claims.

These services are expected to continue to decrease paperwork for both the claimants and the Treasurer's Unclaimed Property Division, thus easing the claims process via the I-Cash website.

**V. Contract Price**

The total amount for all LexisNexis® transaction costs billed by Kelmar to the Treasurer will increase from \$500,000.00 to \$860,000.00.

**VI. Reason Why Kelmar Associates, LLC is Determined to be the Sole Economically Feasible Source**

This is appropriate under 44 Ill. Adm. Code 1400.2025(b)(1), (b)(12) & (c). Compatibility of service is a paramount consideration because Kelmar owns and operates the intellectual property rights to the Treasurer's existing unclaimed property system. In addition, this is a change to an existing contract germane to the original contract (allowing for additional costs incurred for an existing service and adding necessary technical support). This change is also necessary and desirable to ensure the KAPS® system continues to allow fast track approval of claims for properties valued at \$2,000.00 or less (with a total claim value of \$9,999.99 and less) and streamline the process of establishing apparent ownership pursuant to 74 Ill. Adm. Code 760.620 and 760.630(c). As such, this change can best be accomplished by the contract holder, Kelmar, which is currently offering related services through KAPS®.