



## State of New Jersey

DEPARTMENT OF THE TREASURY  
DIVISION OF PURCHASE AND PROPERTY  
OFFICE OF THE DIRECTOR

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September 5, 2025

*Via Electronic Mail* [ssubramanyam@empyra.com](mailto:ssubramanyam@empyra.com)

Shanthi Subramanyam  
Empyra.com, Inc.  
1901 Gateway Drive  
Suite 150  
Irving, TX 75038

Re: I/M/O Bid Solicitation #25DPP01053 Empyra.com, Inc.  
Protest of Notice of Cancellation  
T3151 – Workforce Development Case Management Solution

Dear Ms. Subramanyam:

This final agency decision is in response to your protest application dated August 15, 2025 (“Application”), and accompanying protest letter dated August 14, 2025 (“Letter”) on behalf of Empyra.com, Inc. (“Empyra”) which was received by the Division of Purchase and Property’s (“Division”) Hearing Unit via electronic protest portal (herein together referred to as “Protest”). In their correspondence, Empyra protests the Notice of Cancellation (“NOC”) letter, dated August 1, 2025, issued by the Division’s Procurement Bureau (“Bureau”) for Bid Solicitation No. 25DPP01053 – T3151 Workforce Development Case Management Solution (“Bid Solicitation”). Specifically, Empyra alleges that the State of New Jersey’s (“State”) reasoning for cancellation of the Bid Solicitation that “none of the proposals met the requirement for a Commercial Off-the-Shelf (COTS) Software as a Service (SaaS) solution capable of full implementation within 12 months – does not accurately reflect the capabilities and compliance of Empyra’s proposed solution.” Letter, page 1. Empyra further argues that their bid fit within the twelve (12) month timeline required in the Bid Solicitation. Finally, Empyra contends that their Quote “directly addressed and meets NJDOL’s stated objectives”. Letter, page 3. By way of remedy, Empyra requests that the Division “reconsider the cancellation rationale as it pertains to Empyra’s proposal”. Letter, page 3.

By way of background, on September 20, 2024, the Bureau issued the Bid Solicitation on behalf of the New Jersey Department of Labor and Workforce Development, Division of Workforce Development (“NJDOL”). Bid Solicitation Section 1, *Introduction and Summary of the Bid Solicitation*. The purpose of the Bid Solicitation was to “solicit Quotes for the New Jersey Department of Labor and Workforce Development (NJDOL) for a comprehensive web-enabled, Software as a Service (SaaS) Statewide Workforce Case Management Solution (the “Solution”) to replace the current Workforce Case Management System, known as America’s One-Stop Operating System (AOSOS) that meets the business objectives of the NJDOL established by state and federal requirements.” Bid Solicitation Section 1.1 *Purpose and Intent*.

In accordance with the Bid Solicitation instructions, potential Bidders were permitted to submit questions to the Bureau, through the Division’s **NJSTART** eProcurement system, by 2:00 pm eastern time

on October 18, 2024 pursuant to Bid Solicitation Section 2.1, *Electronic Question and Answer Period*. Through the posting of Bid Amendment #2 on January 24, 2025, the Bureau answered three hundred forty-two (342) questions received by Bidders. A second round of electronic Question and Answer Period was allowed pursuant to Bid Solicitation Section 2.1, *Electronic Question and Answer Period* in which questions resulting from answers provided by the Bureau in the first electronic Question and Answer period were allowed. Questions in this second round were due through the Division's **NJSTART** eProcurement system, by 2:00 pm eastern time on January 31, 2025. Through the posting of Bid Amendment #3 on February 12, 2025, the Bureau answered an additional thirty (30) questions raised by Bidders.

As stated in the Recommendation to Cancel Report dated July 28, 2025 ("Recommendation Report"), on February 28, 2025, the Division's Proposal Review Unit ("PRU") opened twelve (12) Quotes that were received by the submission deadline of 2:00 pm eastern time. After conducting an administrative review of the Quotes received, the Division's Proposal Review Unit rejected the Quote submitted by PlanStreet, Inc. for failure to submit their Ownership Disclosure as required by Bid Solicitation section 3.13.2, *Ownership Disclosure Form*. The PRU released the remaining eleven (11) Quotes to the Bureau on March 3, 2025 for further review and evaluation consistent with the requirements of Bid Solicitation Section 8.9, *Evaluation Criteria*. Recommendation Report, page 3.

The responsive Quotes were sent to the Procurement Specialist to review. Three (3) Quotes (including Empyra's) were found to be responsive in that they met all mandatory requirements of the Bid Solicitation. Recommendation Report, page 6. The remaining eight (8) Quotes were found to be non-responsive for the reasons outlined on pages 4-6 of the Recommendation Report.

Upon further evaluation by NJDOL, and as noted in the Bureau's Recommendation Report pages 1 and 7, and as further stated in NJDOL's Cancellation Letter dated June 30, 2025 ("NJDOL's Cancellation Letter"), it was determined during the review of responsive Quotes by the evaluation committee that the needs of the NJDOL would not be properly met by the Scope of Work in the Bid Solicitation as written. Namely, the Bid Solicitation invited bidders to provide Quotes for "a comprehensive web-enabled, Software as a Service (SaaS)" Bid Solicitation Section 1.1, *Purpose and Intent*, however in reviewing the Quotes received and the needs of the department, the NJDOL determined that the Bid Solicitation should have been written to request Quotes that provided "[a] Commercial Off-The-shelf (COTS) Software as a Service (SaaS)" and that "Pre-configured, cloud hosted platforms with successful implementations in similarly sized states" would be prioritized. Recommendation Report, page 1.

On June 30, 2025, NJDOL formally requested cancellation of the Bid Solicitation *via* a letter to the Bureau. On August 1, 2025, the Bureau issued the NOC advising that the Bid Solicitation would be cancelled.

In response to the NOC, on August 15, 2025, Empyra submitted a protest application and accompanying letter of protest dated August 14, 2025, to the Division's Hearing Unit challenging the Bid Solicitation cancellation by stating on page 1 of their Letter in part:

We appreciate the State's commitment to ensuring that its procurement processes are aligned with its strategic goals and technical requirements. However, we believe that the rationale provided for the cancellation—specifically the assertion that none of the proposals met the requirement for a Commercial Off-the-Shelf (COTS) Software as a Service (SaaS) solution capable of full implementation within 12 months—does not accurately reflect the capabilities and compliance of Empyra's proposed solution.

Empyra further states in its Protest that "**Empyra's myOneFlow platform is a fully developed, production-ready COTS solution** that has been successfully implemented in multiple state and regional workforce systems. It is not a custom-built system, but rather a configurable platform designed to meet the

diverse needs of workforce development agencies. Our proposed solution includes all core modules required by NJDOL – case management, labor exchange, reporting and compliance – and is delivered as a cloud-hosted SaaS solution.” Letter, page 1, emphasis in the original.

Empyra also stated on page 4 of their Letter that

Given the above, we respectfully request that NJDOL and the Division of Purchase and Property reconsider the cancellation rationale as it pertains to Empyra’s proposal. We believe our solution fully satisfies the clarified requirements for a COTS/SaaS platform with a 12-month implementation timeline and national recognition.

Although Empyra did not request an in-person presentation as permitted by N.J.A.C. 17:12-3.3(e), it should be noted that “[t]he Director has sole discretion to determine if an in-person presentation by the protester is necessary to reach an informed decision on the matter(s) of the protest. In-person presentations are fact-finding for the benefit of the Director.” Further, “[i]n cases where no in-person presentation is held, such review of the written record shall, in and of itself, constitute an informal hearing.” N.J.A.C. 17:12-3.3(d). I have reviewed the record of this procurement, including the Bid Solicitation, the Quotes received, the Bureau’s Recommendation Report, NJDOL’s Cancellation Letter, advisory communications, the relevant statutes, regulations, case law, and the protest submitted by Empyra. The issues raised in the protest were sufficiently clear such that a review of the record of this procurement has provided me with the information necessary to determine the facts of this matter and to render an informed final agency decision on the merits of the protest submitted by Empyra on the written record, as such an in-person hearing is not warranted. I set forth herein the Division’s Final Agency Decision.

The New Jersey Courts have long recognized that the purpose of the public bidding process is to “secure for the public the benefits of unfettered competition.” Meadowbrook Carting Co. v. Borough of Island Heights, 138 N.J. 307, 313 (1994). To that end, the “public bidding statutes exist for the benefit of the taxpayers, not bidders, and should be construed with sole reference to the public good.” Borough of Princeton v. Board of Chosen Freeholders, 169 N.J. 135, 159-60 (1997), emphasis added. The objective of New Jersey’s statutory procurement scheme is “to guard against favoritism, improvidence, extravagance and corruption; their aim is to secure for the public the benefits of unfettered competition.” Barrick v. State of New Jersey, 218 N.J. 247,258 (2014) (citing Keyes Martin & Co. v. Dir. of Div. of Purchase and Prop., 99 N.J. 244,256 (1985)). Consistent with this purpose, the New Jersey procurement law provides that “any or all bids may be rejected when the State Treasurer or the Director of the Division of Purchase and Property determines that it is in the public interest so to do.” N.J.S.A. 52:34-12(a).

The Appellate Division has held that “where the contracting authority has rejected all bids after opening and publicizing them... and each bidder’s competitive position has been exposed, rejection of all bids should only occur for cogent or compelling reasons.” In re Failure to Award to the Lowest Responsible Bidder RFP 09-X-20513 Contract T0002 for Provision of Bottled Water Servs., 2010 N.J. Super. Unpub. LEXIS 1641, \*7 (App. Div. July 2, 2010) (quoting Bodies by Lembo, Inc. v. County of Middlesex, 286 N.J. Super. 298, 309 (App. Div. 1996) (relying on the local public contracts law N.J.S.A. 40A:11-1 *et seq.*, which does not explicitly contain the authority to cancel an RFP); See also PENPAC, Inc. v. Morris Cty. Mun. Utilities Auth., 299 N.J. Super. 288, 296 (App. Div. 1997), *certif. denied*, 150 N.J. 28 (1997) (stating that “[t]he decision to reject all bids must not be ‘arbitrary or capricious and it must be free from fraud, collusion and bad faith.’”). Here, the Bureau recommended, and I concur, that it is in the public interest to cancel the Bid Solicitation. As discussed in the Recommendation Report, NOC, and below, this decision was based on both cogent and compelling reasons.

In this case, there will be material changes to the Scope of Work from the Bid Solicitation's requirement of Software as a Service (SaaS) implementation to a "**Commercial Off-The Shelf (COTS) Software as a Service (SaaS)** solution" NJDOL's Cancellation Letter, page 1 (emphasis in the original). Changing the Scope of Work in a Bid Solicitation after Quote opening necessitates the cancellation of that Bid Solicitation. In this case, bidders who may not have submitted a Quote for the Bid Solicitation's SaaS implementation requirement might submit a quote for the change to the Scope of Work requiring COTS SaaS in the new Bid Solicitation. Pursuant to N.J.S.A. 52:34-12(a), "[a]ny or all bids may be rejected when the State Treasurer or the Director of the Division of Purchase and Property determines that it is in the public interest so to do." In addition to the fairness reasons pointed out above, it would be a waste of public funds should NJDOL be forced to purchase something the Agency has realized does not meet their needs, and/or would require an immediate substantial amendment to be conforming to its needs.

Empyra argues that its Quote, which was found responsive for this Bid Solicitation, would satisfy the Scope of Work changes that are planned for the new bid solicitation, namely that "myOneFlow platform is a fully developed, production-ready COTS solution" Letter, page 1. Empyra's fifty nine (59) page Technical Quote mentions "COTS" only twice. In both instances, COTS is mentioned in response to Bid Solicitation Section 3.20, *Organizational Experience*, where Empyra details a contract with the State of Missouri and a contract with the State of Minnesota, both of which discuss the partnering or contracting with FutureWork Systems to implement a COTS "business intelligence solution". Empyra Technical Quote, page 31. Empyra's submitted Technical Quote focuses on their myOneFlow system which is not presented therein as a COTS system and therefore could not be evaluated as such. Nevertheless, it would be unfair to all other bidders to review Empyra's Quote in light of the anticipated Scope of Work change expected with the new bid solicitation and would violate the standards set forth in Meadowbrook Carting Co., *supra*, Borough of Princeton, *supra*, and Barrick, *supra*, all of which underscore that the public bidding process is to benefit the taxpayers, not bidders, and allow for unfettered competition in bidding on public contracts.

Based upon the foregoing, I find no reason to disturb the Bureau's recommendation that the subject Bid Solicitation be cancelled. Accordingly, I sustain the August 1, 2025, letter which cancelled the subject Bid Solicitation. As indicated in the Recommendation Report, the Division does intend to issue a new bid solicitation for these services with a revised Scope of Work.

This is the Division's final agency decision. Pursuant to N.J.A.C. 17:12-3.1, this determination is appealable to the Appellate Division of the Superior Court in accordance with the New Jersey Court Rules (R. 2:4-1) which provide a party 45 days to appeal this final agency decision.

Thank you for your company's continuing interest in doing business with the State of New Jersey and for registering your business with **NJSTART** at [www.njstart.gov](http://www.njstart.gov). I encourage you to log into **NJSTART** to select any and all commodity codes for procurements you may be interested in submitting a Quote for so that you may receive notification of future bidding opportunities. This is my final agency decision on this matter.

Sincerely,



Cory K. Kestner  
Acting Chief Hearing Officer

CKK/CMD

- c. M. Dunn
- B. Cegerenko
- G. Song