

Alaska, development of a solicitation for a [case management system](#) has officially begun.

The last major trend of December involved, unsurprisingly, increased interest in emergency notification systems. After the devastating weather phenomenon experienced in 2012, from July's derecho to Superstorm Sandy, localities are beginning to realize the importance of being able to contact citizens at a moment's notice. The increase in electronic communications has underscored the need for communities such as [Honolulu, Hawaii](#), and [Illinois State University](#) to branch out in how they communicate with citizens.

Analyst's Take

Vendors should be on the lookout for more solicitation releases in the coming months. It is likely that departments will issue RFIs to gather budget information for projects they hope to pursue in the coming fiscal year, which begins for most states and localities on July 1. Many departments will also begin assembling their budget proposals if they have not done so already, and they will require a clear picture of expected costs. This may also be the reason for the rise in solicitations. Often, departments are required to use the funds they have been granted before the end of the fiscal year, or they risk losing them. By releasing RFPs now, it is likely that they are counting on being able to award them and sign a contract prior to the beginning of the fiscal year.

Many local agencies are also taking the fiscal cliff and sequestration into account as they make decisions about what projects will move forward. While the fiscal cliff was averted earlier this week, the bill passed acted only as a stopgap measure, and sequestration is still very much a reality. Congress only has until March 1 to pass additional measures to keep sequestration from going into effect. Agencies are therefore likely to continue working quickly to utilize any federal grant money they were given for this year. Should sequestration take effect, this grant money may be reduced or eliminated completely; so many communities are seeking to upgrade systems now in anticipation of the reduction in funds that may come next year.

These factors help explain the increased clarity on whether projects will be moving forward, as it will be imperative for solicitations to be released in the next few months to ensure that localities have time to conduct a complete evaluation period prior to the end of the current budget cycle. For those working on larger, multiyear projects, or that are allowed to carry over funds, it is still likely that procurement and program officers will be looking to move forward with projects as soon as possible. Expect solicitations to be released sometime toward the end of Q1 or beginning of Q2 so that agencies will be ready to award projects once FY 13 funds become available in July.