

**STATE OF DELAWARE
DEPARTMENT OF FINANCE
DIVISION OF REVENUE**

September 28, 2016

TO: ALL OFFERORS

FROM: TOSHA MARTIN
COLLECTIONS MANAGER

SUBJECT: **ADDENDUM TO REQUEST FOR PROPOSAL NO. FIN 25-06-01-17-03
FIRST REFERRAL COLLECTION SERVICES**

ADDENDUM # 2

1. **Does the Affordable Care Act Safe Harbor language apply to this specific RFP?**

Yes

2. **Item i, Page 19 indicates that contractors awarded contracts would be required to furnish a 100% Performance Bond.**

a. **What would be the typical bond amount for this contract?**

The typical bond amount would be \$50,000.00.

b. **Would the state accept a Client Contract Bond in lieu of the Performance Bond?**

No, a Client Contract Bond would not be accepted.

3. **Our company requests the replacement of Performance Bond with coverage under our Crime/Fidelity insurance policy. Our Crime/Fidelity policy covers Employee Dishonesty, Forgery, Computer Fraud or Wire Transfer Fraud by any of our employees. We believe that this insurance coverage offers more meaningful protection for clients in our industry. Is this acceptable in lieu of the Performance Bond?**

No. The insurance policy provides protection for certain types of liability, but it does not guarantee satisfactory performance of the contract.

4. Paragraph d. on RFP p. 47, requires bidders to submit with their proposal “Audited financial statements from the previous two fiscal years which also adequately portray the financial position of collection operations (if the operation is a portion of other financial services of the firm).” **QUESTION:** Our company is privately held. As such, we consider our audited financial statements to be confidential and proprietary. Please confirm that audited financial statements submitted with our proposal (and submitted in a separate envelope labeled “Confidential Business Information,” per RFP Section 11. Confidentiality of Documents) will be exempt from public disclosure related to Freedom of Information Act requests.

Confirmed.

5. Paragraph e. on RFP p. 47 says, “Provide a SAS 70 statement of auditing, or an equivalent statement.” **QUESTION:** Our SOC 1 (formerly known as SAS 70) audit report is considered proprietary / confidential for security reasons. Please confirm that if submitted with our proposal (in a separate envelope labeled “Confidential Business Information,” per RFP Section 11, “Confidentiality of Documents”) will be exempt from public disclosure related to Freedom of Information Act requests.

Confirmed.

6. Section III.A.4., Paragraph 1 (page 2) indicates, “Proof of insurance and amount of insurance shall be furnished to the Agency prior to the start of the contract period and shall be no less than as identified in the bid solicitation, Section D, Item 7, subsection g (insurance).” Please confirm agencies are only required to agree to the stipulated insurance limits with the RFP response.

Please refer to the insurance requirements listed on pages 18 and 19 of the RFP.

7. Appendix B, Written Proposals, Item 7.e., Paragraph 1 (page 47) indicates, “Provide a SAS 70 statement of auditing, or an equivalent statement.” Our company will be implementing the SSAE 16 SOC 1 audit at the close of 2016 and currently performs annual Federal Information Security Management Act (FISMA) audits that require our systems to comply with the stringent requirements of FIPS-200 and the National Institute of Standards and Technology (NIST) general system controls catalog SP800-53 “Recommended Security Controls for Federal Information Systems and Organizations”. Will DOR accept a FISMA audit and SSAE 16 SOC 1 audit in lieu of the SAS 70 audit? If so, is the SSAE 16 audit required at the time of response submission?

A SAS 70 or **equivalent statement** is required to be submitted with the proposal.

8. We assume vendors that submit “Confidential Business Information” use this form to list the documents or information that the vendor is submitting as “Confidential and Proprietary,” correct?

Please see the instructions on Page 7 of the RFP for submitting confidential information.

9. **Attachment 9 – Employing Delawareans Report, p. 40 of RFP. Is the number or percentage of bona fide Delaware residents assigned to this contract worth any points in the proposal evaluation? If yes, how many points?**

This category is not one of the weighted criteria for this RFP.

10. **Are any points in the awarded in the evaluation for subcontracting to a Minority-Owned, Woman-Owned, Veteran-Owned small business? If yes, what is the target percentage and how many points is this worth in the evaluation?**

This category is not one of the weighted criteria for this RFP.

All other terms and conditions remain the same.