



Government Support Services – Contracting
100 Enterprise Place
Suite # 4
Dover, DE 19904-8202

December 17, 2010

TO: ALL OFFERORS

FROM: VICKI L. MACKLIN
STATE CONTRACT PROCUREMENT OFFICER

SUBJECT: ADDENDUM TO REQUEST FOR PROPOSAL NO.: GSS11395-NETWORK_HRDWR, Network
Hardware

ADDENDUM #3

This addendum is to advise all offerors that the contract bid opening date has been extended through January 18, 2011 @ 1:00 P.M. EST in order to make the contract E-Rate Compliant.

Please submit the attached Non-Collusion Statement with the E-Rate S.P.I.N. Number field completed as part of the ITB.

Below is information about the E-Rate program.

All other terms and conditions remain the same.

S:\ 11395 Addenda to Proposal

CONTRACT NO.: GSS11395-NETWORK_HRDWR
TITLE: NETWORK HARDWARE
OPENING DATE: January 18, 2011 @ 1:00 P.M. EST

NON-COLLUSION STATEMENT

This is to certify that the undersigned offeror has neither directly nor indirectly, entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding in connection with this bid submitted this date to Government Support Services.

It is agreed by the undersigned bidder that the signed delivery of this bid represents the bidder's acceptance of the terms and conditions of this Invitation to Bid including all specifications and special provisions.

NOTE: Signature of the authorized representative **MUST** be of an individual who legally may enter his/her organization into a formal contract with the State of Delaware, Government Support Services.

COMPANY NAME _____ Check one)

| | |
|--------------------------|-------------|
| <input type="checkbox"/> | Corporation |
| <input type="checkbox"/> | Partnership |
| <input type="checkbox"/> | Individual |

NAME OF AUTHORIZED REPRESENTATIVE _____
(Please type or print)

SIGNATURE _____ TITLE _____

COMPANY ADDRESS _____

PHONE NUMBER _____ FAX NUMBER _____

EMAIL ADDRESS _____

FEDERAL E.I. NUMBER _____ STATE OF DELAWARE LICENSE NUMBER _____

E-RATE S.P.I.N. NUMBER _____

| COMPANY CLASSIFICATIONS: CERT. NO. | (circle one) | | (circle one) | | (circle one) | |
|---------------------------------------|---------------------------------|--------|------------------------------------|--------|---|--------|
| | Women Business Enterprise (WBE) | Yes No | Minority Business Enterprise (MBE) | Yes No | Disadvantaged Business Enterprise (DBE) | Yes No |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ |

[The above table is for information and statistical use only.]

PURCHASE ORDERS SHOULD BE SENT TO:
(COMPANY NAME) _____

ADDRESS _____

CONTACT _____

PHONE NUMBER _____ FAX NUMBER _____

EMAIL ADDRESS _____

AFFIRMATION: Within the past five years, has your firm, any affiliate, any predecessor company or entity, owner, Director, officer, partner or proprietor been the subject of a Federal, State, Local government suspension or debarment?

YES _____ NO _____ if yes, please explain _____

THIS PAGE SHALL BE SIGNED, NOTARIZED AND RETURNED WITH YOUR PROPOSAL TO BE CONSIDERED

SWORN TO AND SUBSCRIBED BEFORE ME this _____ day of _____, 20 _____

Notary Public _____ My commission expires _____

City of _____ County of _____ State of _____

UNIVERSAL SERVICE FUND (USF), E-RATE, AND RURAL HEALTH CARE PROGRAM:

All services and products requested within this RFP will be made available to schools and libraries statewide and must therefore meet all E-Rate guidelines for eligible services and products, service providers, and contracts. A provider's failure to prove eligibility for E-Rate will eliminate them from consideration for these contracts. A provider's failure to commit to all required participation guidelines will eliminate them from consideration. The E-Rate benefit to the State of Delaware is in the millions of dollars and cannot be jeopardized by introducing problems with the contracts and/or providers resulting from this RFP. Therefore, throughout this RFP there are references to E-Rate requirements, as well as potential conversion costs, as they may relate to potential delays or issues associated with establishing valid eligible contracts for E-Rate eligible customers statewide. Because the use of the resulting contracts by the K-12 schools and libraries is at their option, no usage or inventory information can be made available.

As the result of the Telecommunications Act of 1996, Congress directed the Federal Communications Commission (FCC) to "establish competitively neutral rules to enhance, to the extent technically feasible and economically reasonable, access to advanced telecommunication and information services for all public and non-profit elementary and secondary school classrooms and libraries."

The FCC then empowered the Universal Service Administrative Company (USAC) to administer the program. A division within USAC, later to become known as the Schools and Libraries Division (SLD), now administers the \$2.25 billion (annual) program known as E-Rate.

Schools and libraries must apply for eligible services, from eligible service providers, every year. The eligible services fall into one of four categories:

- 1) Telecommunications
- 2) Internet Access
- 3) Internal Connections
- 4) Basic Maintenance

Price markups to libraries and K-12 schools are not allowed.

Vendor Requirements for Participation:

Providers of telecommunication services must meet certain qualifications to be eligible to provide the services and receive USAC reimbursement. To be an Eligible Telecommunications Provider (ETP), a USAC term used for "telecommunications carrier," the provider must:

- Contribute to the Universal Service Fund (USF)
- Provide telecommunications services on a common carrier basis
- File an FCC Form 498, Service Provider Information Form
- Obtain a Service Provider Identification Number (SPIN) through the Form 498
- File an FCC Form 473, Service Provider Annual Certification Form, on an annual basis
- File an FCC Form 499

The FCC has determined that in order to provide Telecommunications Services (voice, video or data transport), the Service Provider must provide such services on a common carrier basis. The FCC has placed no restrictions on the Service Providers who offer Internet Access or Internal Connections services, beyond general compliance with program rules. These guidelines can be found in much greater detail by visiting <http://www.sl.universalservice.org/vendor/manual/>.

Red Light Rule:

The FCC shall withhold action on any request for benefits made by any applicant or service provider that is delinquent in its non-tax debts owed to the Commission. USAC shall dismiss any outstanding requests for funding if a service provider (or applicant) has not paid the outstanding debt, or made otherwise satisfactory arrangements, within 30 days of being notified. The result of a Red Light could be that all payments are stopped on all Funding Request Numbers (FRN) and no invoices will be paid.

Service Provider Responsibilities:

- To provide, as part of the RFP response, the name, phone number, fax number, and e-mail address of the person responsible for E-Rate within the Service provider's company.
- To provide, as part of the RFP response, the Service provider's SPIN.
- To maintain the Service Provider Annual Certification Form.
- To notify the State in the event the Service provider has been subjected to the "Red Light Rule".
- To ensure, to the best of the Service Provider's ability, that all services for which E-Rate discount is sought are indeed eligible services as described in the Eligible Services List <http://www.sl.universalservice.org/reference/eligible.asp>.
- To abide by all E-Rate rules, regulations, and limitations as described by FCC, USAC, and SLD. For complete program overview, please visit <http://www.universalservice.org/default.asp>.

E-Rate Funding:

The E-Rate funding year starts July 1st and ends June 30th of the following year. SLD generally is unable to issue Funding Commitment Decision Letters (FCDL), before the July 1st start date. Therefore, service providers will be unable to get USAC reimbursements until sometime later in the year; in some cases even in the last quarter. Most applicants simply do not have the budgets to pay full, undiscounted prices for services, especially recurring services, until the time they get notification of funding approval. Any service provider that is able to offer discounted service rates, at a rate close to the applicant's projected discount, will receive additional consideration during evaluation.

The State understands the effect that the Universal Service Fund, E-Rate, and Rural Health Care Program have on both the Local Exchange Carriers (LEC) and the Interexchange Carriers (IXC). The offerors should detail any and all costs related to USF, E-Rate, and Rural Health Care Program, i.e., USF percentage. Information provided should specifically detail the offeror's intent to either absorb all access reform related costs or pass these charges to the State.

- Failure to detail these costs will prevent the Contractor from having the opportunity to pass these charges to the State or its agencies and institutions.
- Offerors will merit higher scores in the evaluation process if they are able to absorb these costs as a part of doing business.
- Contractors not electing to absorb these costs must provide a price cap on (USF) and (PIC-C) charges to be honored throughout the length of the contract.
- All respondents will verify their familiarity with Federal and State statutory and regulatory requirements regarding the provision of telecommunications services in accordance with the Universal Service Administrative Company and the Schools & Libraries Division as it relates to the provisions of the E-Rate Program.