



STATE OF DELAWARE  
EXECUTIVE DEPARTMENT  
OFFICE OF MANAGEMENT AND BUDGET

May 29, 2013

TO: ALL OFFERORS

FROM: MICHAEL BACU  
STATE CONTRACT PROCUREMENT OFFICER

SUBJECT: **ADDENDUM TO REQUEST FOR PROPOSAL  
CONTRACT NO. GSS13441-DATA\_CBL  
Data and Voice Structured Cabling**

**ADDENDUM #3**

This Addendum is issued to include Universal Service Fund (USF), E-Rate, and Rural Health Care Program requirements to the RFP. The initial terms of the contract and bid response dates have been changed to accommodate this change. All other terms and conditions remain the same.

**Deadline for Bid Responses**

The Deadline for bid responses is extended to **June 27, 2013 at 1:00 pm local**.

**Contract Period**

The contract period in the first paragraph I.A.5, page 4 of the RFP is amended as follows:

Each Vendor's contract shall be valid for a **twenty (20) month** period from November 1, 2013 through **June 30, 2015**. Each contract may be renewed for three (3) one (1) year periods through negotiation between the Vendor and Government Support Services. Negotiation may be initiated no later than ninety (90) days prior to the termination of the current agreement.

## **E-Rate Compliance**

Please identify clearly in your proposal if E-Rate compliant as described in paragraph 1.7 below. The State will award this contract to the terms identified in the Request for Proposal and attachments made part thereof. The State reserves the right to consider the higher scoring E-Rate compliant vendors for award to enable use of the program as described below. E-Rate compliance is not a mandatory requirement for award consideration.

## **Universal Service Fund (USF), E-Rate, and Rural Health Care Program**

- 1.1. Services and products requested within this RFP will be made available to schools and libraries statewide and as applicable must meet all E-Rate guidelines for eligible services and products, service providers, and contracts. The E-Rate benefit to the State of Delaware is in the millions of dollars. 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.
- 1.2. 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 of Internal Connections
- 1.3. Price increases in addition to those prices bid for this RFP response may not be charged to libraries and K-12 schools.
- 1.4. 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:
  - 1.4.1.1. Contribute to the Universal Service Fund (USF)
  - 1.4.1.2. Provide telecommunications services on a common carrier basis
  - 1.4.1.3. File an FCC Form 498, Service Provider Information Form
  - 1.4.1.4. Obtain a Service Provider Identification Number (SPIN) through the Form 498
  - 1.4.1.5. File an FCC Form 473, Service Provider Annual Certification Form, on an annual basis

#### 1.4.1.6. File an FCC Form 499

- 1.5. 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.universalservice.org/sl/service-providers/default.aspx>.
- 1.6. 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.
- 1.7. Service Provider Responsibilities:
  - 1.7.1. 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.
  - 1.7.2. To provide, as part of the RFP response, the Service provider's SPIN.
  - 1.7.3. To maintain the Service Provider Annual Certification Form.
  - 1.7.4. To notify the State in the event the Service provider has been subjected to the Red Light Rule.
  - 1.7.5. 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.usac.org/sl/applicants/beforeyoubegin/eligible-services-list.aspx>
  - 1.7.6. 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.usac.org/sl/>.
- 1.8. 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. 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.
- 1.9. 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.
- 1.10. 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.

1.11. 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.

All other terms and conditions remain the same.



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