



STATE OF DELAWARE  
EXECUTIVE DEPARTMENT  
OFFICE OF MANAGEMENT AND BUDGET

October 30, 2017

TO: ALL OFFERORS

FROM: Pamela Barr  
STATE CONTRACT PROCUREMENT OFFICER

SUBJECT: ADDENDUM TO REQUEST FOR PROPOSAL GSS17581-CONTR\_REV –  
Contract Review, Cost Compliance and Professional Consultant

**ADDENDUM #1**

The purpose of this addendum is to answer questions received regarding the solicitation.

**QUESTIONS & ANSWERS**

1. Does it mean our company need to have Delaware license to perform the service of this scope of work?  
**ANSWER:** The successful bidder(s) will be required to have a Delaware Business License upon award.
2. Performance Work Statement....what kind of work actually needs to be done?  
**ANSWER:** Please review Appendix B- Scope of Work and Technical Requirements.
3. Does my business need to be in the state of Delaware to be able to bid on this contract?  
**ANSWER:** A business does not have to be located in the state of Delaware but a Delaware Business License will be required of the successful bidder(s) upon contract award.
4. Since you need the names of employees/contractors when the bid is submitted, these same people may not still be available by Feb 18 when the award is made. Are we allowed to substitute these people as long as the rates are the same?  
**ANSWER:** Up to eight (8) resumes for Key Personnel should be submitted with a proposal. Any exceptions to their availability should be submitted on Attachment 3 – Exceptions. The State reserves the right to reject, accept or negotiate any exceptions submitted in the proper format with the proposal.
5. Is there a PWS or SOW..?  
**ANSWER:** Please review Appendix B- Scope of Work and Technical Requirements.

6. We are a young company without company-wide references, and I am unsure whether my past customers can give personal reference due to their agreement with the prior employer. We would like to get your advice on how we should approach the following two items in Appendix-A 1) Item #7 ( Financial information (balance sheets and income statements) for the past three years.) and 2) Item# 15 (One (1) completed Business Reference form )

**ANSWER:** Any exceptions to the RFP or requirements of the RFP should be submitted on Attachment 3 – Exceptions. The State reserves the right to reject, accept or negotiate any exceptions submitted in the proper format with the proposal.

7. Section number: 1 (Overview)

Paragraph number: 1

Page number: 1

Text of passage being questioned: “The State of Delaware Department of Government Support Services seeks professional services to perform contract reviews, cost compliance and professional consultant services.”

Question:

1. Is there an incumbent vendor providing either or both of the Services detailed in this RFP? If so, can the vendor name be provided?

**ANSWER:** There currently is not a contract in place for these services. Previous contract information can be found at:

GSS11581-CONTRACTREVIEW

[http://contracts.delaware.gov/contract\\_archive\\_detail.asp?i=298](http://contracts.delaware.gov/contract_archive_detail.asp?i=298)

GS14581CONTRACTREVIEW

[http://contracts.delaware.gov/contract\\_archive\\_detail.asp?i=2263](http://contracts.delaware.gov/contract_archive_detail.asp?i=2263)

8. Section number: Appendix B Section 1 B

Paragraph number: 2

Page number: 44

Text of passage being questioned: “Vendors can submit responses to either or both of the two sections for consideration for award.”

Two questions:

1. Is there a specific rationale for putting these two very different Services in a single RFP?
2. Are there any disadvantages for a contractor that provides a proposal addressing only one of the two Services in this bid solicitation?

**ANSWER:** The RFP was developed based on potential needs of the State of Delaware. Vendors can submit responses to either or both of the two sections for consideration for award. There is no disadvantage to either option.

9. Section number: Appendix B Section 1

Paragraph number: 3, bullet point 1

Page number: 45

Text of passage being questioned: “Analysis of historic spend data.”

Three questions:

1. Has the State of Delaware (internally or via vendor) conducted prior spend analysis? If so, what data was used for the analysis?
2. Does the spend data available to the State of Delaware contain contract level, line item level, and/or item level information?
3. Has Accounts Payable data been used for spend analysis?

**ANSWER:** Vendors on State of Delaware contracts are required to submit Vendor Usage Reports monthly. This along with Accounts Payable information will be used by the successful bidder. Attachment 7, Sample Report shows the level of reporting. Vendor spend data is available for public view on any contract webpage of the State's Awarded Contracts Directory: <http://contracts.delaware.gov/default.asp>

10. Section number: Appendix B Section 1  
Paragraph number: 3, bullet points 2, 5, 6  
Page number: 45-46  
Text of passage being questioned: "Review of existing sourcing processes and recommendations for improvement."  
Two questions:
1. Is there an established, agreed category structure? If so, how many tiers are there in the category structure (e.g., category, sub-category, third-tier category)?
  2. To what degree are sourcing processes standardized across the Delaware government Departments?

**ANSWER:** Category structure varies by contract. This contract is being established for the review of GSS Central Purchasing processes. The State's processes are governed by Title 29 DE Code, Chapter 69.

11. Section number: Appendix B Section 1  
Paragraph number: 3, bullet point 4  
Page number: 45  
Text of passage being questioned: "Identify, quantify and prioritize opportunities for savings through change management."  
Three questions:
1. Was an opportunity analysis already completed for identifying sourcing projects? What future sourcing opportunities were identified?
  2. What major procurement initiatives—particularly strategic sourcing, demand management, supplier performance management, total cost management—have been identified and/or completed across the past 24 months?
  3. If sourcing projects have been completed, what is the historical savings rate?

**ANSWER:** The services of a consultant will be at the discretion of the State and MAY include any or all of the duties listed. The State has not identified a specific project or procurement initiative at this time.

12. Section number: Appendix B Section 1  
Paragraph number: 3, bullet point 8  
Page number: 46  
Text of passage being questioned: "Develop and present comprehensive improvement plan to management team for consideration."  
Question:
1. What are the key metrics for GSS, and specifically GSS Central Purchasing (e.g., savings, cost avoidance, FTE productivity, # vendors, small business utilization)?

**ANSWER:** The State will provide existing processes and metrics to successful bidder(s) as needed upon assigning a project.

13. The Contract Management is manual or automated process?  
**ANSWER:** The State's contract management processes are both manual and automated, depending on the element.

14. How many contracts will be reviewed?  
**ANSWER:** The contract(s) that may be reviewed have not been determined and are at the discretion of the State.
15. The Accounting is by project or contract?  
**ANSWER:** The accounting is by the project.
16. Actual versus budget report will be available?  
**ANSWER:** The State will provide reports as needed based on the project.
17. Clarification about information on Page 44 - Paragraph #2 "It should be understood that the services rendered for contract compliance and cost recovery will be on a contingent fee basis"  
**ANSWER:** Please refer to Appendix D – Pricing.
18. What is the total procurement spend and average number of people involved in procurement planning, execution, monitoring and tracking? (Allows us to evaluate the magnitude of the project)  
**ANSWER:** The scope and size of project(s) will be on a case-to-case basis.
19. What are the top 3 challenges?  
**ANSWER:** Cannot answer this open-ended question. Challenges to what?
20. What are the KPI's (Key performance indicators) used to measure the objectives for this project?  
**ANSWER:** The RFP is for two different functions, we cannot answer your question without knowing what function you are referring to.
21. Procurement organization works with other internal organizations to gather requirements and help source vendors. How many such organizations does the procurement team currently work?  
**ANSWER:** The State uses numerous outreach sources, dependent on the material or service that is being procured.
22. High level scope seems to not only analysis of the sourcing / procurement process but also support in overseeing vendor selection or bid process. Does this mean Vendor could be the extension of the Procurement management team? Please confirm.  
**ANSWER:** Cannot answer this question as the page/paragraph that it references has not been provided.
23. Are there any out of scope elements for this procurement project? For e.g.: helping with crafting procurement policy.  
**ANSWER:** The Scope of work for this contract is found in Appendix B.
24. What does "Participate in development of procurement team" (page 46) mean? Does this include only putting together development plan or does it include training procurement team and recruiting new procurement team members.?  
**ANSWER:** Item #10. Page 46 does not include any recruitment activities.
25. How many years of historic spend data is available? How many of those years will be used for analysis? Can you provide an approximate number of transactions?

**ANSWER:** A listing of all awarded contracts in Delaware is available at <http://contracts.delaware.gov/default.asp> . Spend data for each contract can be found on each contract page and varies by contract.

26. What does “best practices” (page 46) mean? Are there any specific industry standards are followed? Are there any baseline metrics used to measure best practice currently?

**ANSWER:** Procurement is mandated by Delaware Code Title 29, Chapter 69. In addition the GSS Central Purchasing has an established processes and procedures manual.

27. RFP indicates that the “services rendered for process improvement shall be on an hourly basis and contracted at the discretion of the State” (Page# 45).

- a. We are assuming this to be a time and material project. Please confirm.
- b. What is the anticipated total duration for this project? # of months)
- c. Do we need to outline the contract value for the anticipated duration of the project as part of the proposal?
- d. Is there a minimum number of hours consultant is expected to work on the project per week? If so, what is the minimum hours per week?
- e. Is there a maximum number of hours consultant is expected to work on the project per week? If so, what is the maximum hours per week?

**ANSWER:** Please refer to the Appendix D – Pricing for the rate structure. When a project is identified, the State of Delaware will work with the contract vendor to develop parameters of duration, work hours, etc.

28. The scope includes assessment (items#1 – 8), build (items#9-10), implement support (item#11-13) and Monitor (items#14-#16). Each of these sections could be a large project on its own. Are we expected to perform these tasks sequentially? Do the clients expect to hire more than one consultant (FTE – Full Time Equivalent) per week to be part of these projects since some of the tasks can be performed in parallel?

**ANSWER:** It is anticipated these tasks will be performed sequentially by the same vendor based on the contract assigned to review. There is no intent to employ, but to obtain services on an hourly basis as needed depending on the desired project. The RPF references the State of Delaware’s option to multi-award the contract.

29. Client will extract the spend data and provide the data to vendor for analysis in a format readable by spreadsheet. Please confirm.

**ANSWER:** This language above does not appear in RFP. Please see Appendix B - Scope of Work and Technical Requirements for details.

30. Client has documented existing process and will have subject matter experts available to answer questions related to the objectives or goals of process steps. Please confirm

**ANSWER:** This language above does not appear in RFP. Please see Appendix B - Scope of Work and Technical Requirements for details.

31. General: What are the anticipated project dates for this work?

**ANSWER:** The contract term will be from March 1, 2018 to February 28, 2020.

32. General: What is the maximum budget for this project?

**ANSWER:** There is not an identified budget at this time for this contract.

33. Section V.7 General Contract Terms p. 16: We provide benefits to all of our qualifying employees. Will the State of Delaware be willing to accept a sworn statement from us that we provide benefits to our employees and that they will be considered independent contractors of the State of Delaware and will not bring a claim against the State for benefits?

**ANSWER:** Any exceptions to the RFP or requirements of the RFP should be submitted on Attachment 3 – Exceptions. The State reserves the right to reject, accept or negotiate exceptions that are submitted in the proper format with the proposal.

34. Section V.7 General Contract Terms p. 19: May we take this exception of the sample contract: We have a robust professional liability policy for acts or omissions, our agents, employees and subcontractors. This policy contains language within it that states that it will not apply if we take on additional liabilities under contract, such as the agreement to indemnify. In order to help ensure that our clients have the protection of this policy, we ask to remove indemnification language as it relates to negligence in professional services.

**ANSWER:** Any exceptions to the RFP or requirements of the RFP should be submitted on Attachment 3 – Exceptions. The State reserves the right to reject, accept, or negotiate any exceptions that are submitted in the proper format with the proposal.

35. Section V.7 General Contract Terms p. 21: The RFP states that liquidated damages may be included in the final contract, but they are not included in the sample professional services agreement. Will the awarded vendors be given an opportunity to review and negotiate the final contract provisions?

**ANSWER:** Any exceptions to the RFP or requirements of the RFP should be submitted on Attachment 3 – Exceptions. The State reserves the right to reject, accept or negotiate any exceptions submitted in the proper format with the proposal.

36. Section B: RFP Submissions p.4 : Should we include two hard copies and 2 electronic copies of both our technical and our cost proposals, or just one of each?

**ANSWER:** The RFP states that each proposal must be submitted with two (2) paper copies and two (2) electronic copies.

37. Section B: RFP Submissions p. 4 Can our electronic versions be in PDF?

**ANSWER:** Appendix D- Pricing must be submitted as a working Excel file. If other parts are submitted as PDF, they should be searchable.

38. Appendix A, 2.b: What proof do you require for certifications and credentials?

**ANSWER:** Vendors should provide copies of any certifications and credentials as available.

39. Appendix A, 5: Is there a minimum number of resumes you would like submitted?

**ANSWER:** There is no minimum number of resumes. There is a maximum submittal of eight (8) resumes and individual resumes are limited to one (1) page.

40. Appendix A, 7: As a privately held CPA and consulting firm, we are not required to prepare audited or un-audited financial statements; may we provide a summary of revenue for the last 10 years and condensed financial information for the previous three fiscal years to satisfy this requirement?

**ANSWER:** Any exceptions to the RFP or requirements of the RFP should be submitted on Attachment 3 – Exceptions. The State reserves the right to reject, accept or negotiate any exceptions submitted in the proper format with the proposal

41. I would like to know if it is required to have a Delaware State Business license prior to submission of the proposal.

**ANSWER:** A Delaware Business License will be required of the successful bidder(s).

42. Section number: II

Paragraph number: N/A

Page number: 2

Text of passage being questioned: Vendors can submit responses to either or both of the two sections for consideration for award.

Question: Can the vendor respond to only Part B of the technical requirements or does the vendor have to respond to both Parts A & B?

**ANSWER:** Vendors can submit responses to either or both of the two sections for consideration for award.

43. Section number: III

Paragraph number: A, 1

Page number: 2

Text of passage being questioned: Provide Delaware license(s) and/or certification(s) necessary to perform services as identified in the scope of work.

Question: Does the vendor have to be registered in the state of Delaware?

**ANSWER:** A Delaware Business License will be required of the successful bidder(s) upon award.

44. Section number: a

Paragraph number: i

Page number: 19

Text of passage being questioned: Worker's Compensation and Employer's Liability Insurance in accordance with applicable law.

Question: Is worker's compensation required if the vendor's workforce is comprised of non-full time employees (FTEs)?

**ANSWER:** Any exceptions to the RFP or requirements of the RFP should be submitted on Attachment 3 – Exceptions. The State reserves the right to reject, accept or negotiate any exceptions submitted in the proper format with the proposal.

45. Is there an incumbent for this contract?

**ANSWER:** There is not currently a contract in place for this service. Previous contract information can be found at here at:

GSS11581-CONTRACTREVIEW

[http://contracts.delaware.gov/contract\\_archive\\_detail.asp?i=298](http://contracts.delaware.gov/contract_archive_detail.asp?i=298)

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[http://contracts.delaware.gov/contract\\_archive\\_detail.asp?i=2263](http://contracts.delaware.gov/contract_archive_detail.asp?i=2263)

46. Are any specific certifications being sought for any of the team members?

**ANSWER:** Please review the requirements for Key Personnel in Appendix B.

47. Can the State provide examples of any tasks it would generate?

**ANSWER:** The State of Delaware cannot provide examples.

48. How would the cost for each task be agreed to as regards hours?

**ANSWER:** Costs would be determined as per the requirements set forth in the contract. The Contract Review and Cost Compliance Services are on a contingent fee basis and Consultant Services are hourly. When a project is identified, the State of Delaware will work with the contract vendor to develop parameters of duration, work hours, etc

49. Will ODC's for travel be allowed?

**ANSWER:** Please review page 47, first paragraph for information related to travel expenses.

50. If we don't have a current Delaware business license, can we make an application for one and include the application pending in the RFP or does this remove us from the process

**ANSWER:** A Delaware Business License will be required of any successful bidder(s) upon award.

51. We don't currently have any of the three option insurance policies outlined in page 19 Section G Insurance item b. If we are successful can we bind that insurance at that time or is the requirement for us to have one of those three insurance policies in effect at the time of the RFP? I think I understand the language but I wanted to confirm.

**ANSWER:** The State's insurance requirements are specifically provided in Section G on page 19. Any exceptions to the RFP or requirements of the RFP should be submitted on Attachment 3 – Exceptions. The State reserves the right to reject, accept or negotiate any exceptions submitted in the proper format with the proposal.

All other terms and conditions remain the same.



**GOVERNMENT SUPPORT SERVICES – CONTRACTING**

100 ENTERPRISE PLACE – SUITE 4 – DOVER, DE 19904-8202

PHONE: (302) 857-4550 – FAX: (302) 739-3779 – [GSS.OMB.DELAWARE.GOV](http://GSS.OMB.DELAWARE.GOV)