



STATE OF DELAWARE  
EXECUTIVE DEPARTMENT  
OFFICE OF MANAGEMENT AND BUDGET

September 23, 2019

TO: ALL STATE AGENCIES, SCHOOL DISTRICTS, MUNICIPALITIES, VOLUNTEER FIRE COMPANIES AND POLITICAL SUBDIVISIONS

FROM: ROXANN M. PARKER, CPPB  
STATE CONTRACT PROCUREMENT SUPERVISOR  
302-857-4555

SUBJECT: **AWARD NOTICE**  
**CONTRACT NO. GSS19581-CONTR\_AUDITS**  
**CONTRACT COMPLIANCE AUDITS AND COST RECOVERY SERVICES**

TABLE OF CONTENTS  
OF  
KEY CONTRACT INFORMATION

1. MANDATORY USE CONTRACT..... 2

2. CONTRACT PERIOD ..... 2

3. VENDOR ..... 2

4. SERVICES ..... 2

5. PAYMENT FOR SERVICES ..... 3

6. PRODUCT SUBSTITUTION ..... 4

7. ORDERING PROCEDURE..... 4

8. PURCHASE ORDERS..... 4

9. REQUIREMENTS OF VENDOR..... 4

10. STATE RESPONSIBILITIES ..... 5

11. HOLD HARMLESS..... 6

12. NON-PERFORMANCE..... 6

13. FORCE MAJEURE ..... 7

14. AGENCY’S RESPONSIBILITIES ..... 7



## KEY CONTRACT INFORMATION

### 1. MANDATORY USE CONTRACT

REF: Title 29, Chapter 6911(d) Delaware Code. Every state department and agency within the Executive Branch and Judicial Branch of the state government shall procure all material, equipment and nonprofessional services through the statewide contracts administered by Government Support Services, Office of Management and Budget. Delaware State University, Delaware Technical and Community College, the operations funded by Public School Districts, Delaware Transit Corporation, the Legislative Branch and the Board of Pension Trustees and their consultants are specifically exempted from the requirements of this subsection.

### 2. CONTRACT PERIOD

The vendor's contract shall be valid for a two (2) year period from October 1, 2019 through September 30, 2021. The contract may be renewed for three (3) one (1) year periods through negotiation between the contractor and Government Support Services. Negotiation may be initiated no later than ninety (90) days prior to the termination of the current agreement.

### 3. VENDOR

QUIAH GROUP, INC.  
11317 ARISTOTLE DRIVE, SUITE 310  
FAIRFAX, VA 22030  
CONTACT: ROSETTA QUIAH  
PHONE: 202-427-5998  
[rquiah@quiahgroup.com](mailto:rquiah@quiahgroup.com)  
FSF#0000498408

### 4. SERVICES

Upon GSS or authorized agency approval of an audit for review, the following procedures will be followed:

- a. The Quiah Group will review identified contracts to gain an understanding of the appropriate goods/services and the applicable ordering procedures and/or policies that apply to that specific contract.
- b. Conduct a detailed review of vendor usage reports, and/or Open Data line item details, and/or invoices. Whenever, and wherever practical, the state will seek to minimize hard copy collection efforts by QGI, vendors and/or agencies, and Government Support Services prefers to limit the collection of hard copy resources.
- c. QGI will review electronic, and as needed any hard copy records,
- d. Review and classify all categories including goods and services; accounts payable records of the
- e. departments and agencies to identify duplicate payments, billing errors, overpayments and arrearages.
- f. Conduct comparison of invoice charges against the awarded contract pricing and identify any inconsistencies.
- g. Identify and document any refunds or credits due to the State from findings of overcharges, and unapplied credits.
- h. Prepare and present a contract compliance review report to the State of findings, containing details of the complete process for identifying the incorrect pricing scenario(s).

- i. With State authorization, which will not be unreasonably withheld, will contact the vendor(s) to actively pursue a refund or credit of overcharges from the vendor(s) found to be improperly billing the State
- j. Participate in discussions with contracted vendor(s) to address results of audit and steps to correct the inaccuracies discovered.
- k. Complete secondary review of audit findings based on vendor feedback of the initial audit. (i.e. not all identified findings may be outstanding and due from the vendor due to applied category discounts).
- l. Finalize an amount due from audit results, and direct vendor reimbursement of the same.
- m. Payment remittance to QGI is paid directly from the audited vendor with 25% of final audit findings as negotiated and agreed with vendor, and as executed by the state and vendor.
- n. Audit payment remittance to GSS is paid directly from the audited vendor with 75% of final audit findings as negotiated and agreed with vendor, and as executed by the state and vendor.
- o. Prepare a narrative report of findings to the State which also identifies process improvements for implementation consideration by the State.
- p. Complete tasks in a reasonable time as agreed to by the State based on the engagement.
- q. Review identified contracts to gain an understanding of the appropriate goods/services and the applicable ordering procedures and/or policies that apply to that specific contract.

## 5. PAYMENT FOR SERVICES

- a. Delaware will pay Vendor for the performance of services described in Appendix C, Statement of Work. Vendor will receive payment after negotiation and agreement has been reached between the audited vendor and the State. The audited vendor will pay Quiah Group, Inc. directly, the agreed upon contingent fee of 25% of costs recovered. Payments shall be sent to Quiah Group, Inc. 11317 Aristotle Drive Suite 310 Fairfax, VA 22030.
- b. Delaware's obligation to pay Vendor for the performance of services described in Appendix C, Statement of Work of the vendor's contract, will not exceed the amount of 25% of the funds recovered. It is expressly understood that the work defined in the appendices to the contract must be completed by Vendor and it shall be Vendor's responsibility to ensure that all services are completed for the agreed upon fixed fee.
- c. The State reserves the right to pay by Automated Clearing House (ACH), Purchase Card (P-Card), or check. Agencies that are part of the First State Financial (FSF) system are required to identify the contract number GSS19581-CONTR\_AUDIT on all Purchase Orders (P.O.) and shall complete the same when entering P.O. information in the state's financial reporting system.
- d. The State of Delaware intends to maximize the use of the Purchase Card (P-Card) for payment for goods and services provided under contract. Vendors shall not charge additional fees for acceptance of this payment method and shall incorporate any costs into their proposals. Additionally there shall be no minimum or maximum limits on any P-Card transaction under the contract.
- e. Unless provided otherwise in an Appendix, all expenses incurred in the performance of the services are to be paid by Vendor. If an Appendix specifically provides for expense reimbursement, Vendor shall be reimbursed only for reasonable expenses incurred by Vendor in the performance of the services, including, but not necessarily limited to, travel and lodging expenses, communications charges, and computer time and supplies.
- f. Delaware is a sovereign entity, and shall not be liable for the payment of federal, state and local sales, use and excise taxes, including any interest and penalties from any related deficiency, which may become due and payable as a consequence of this Agreement.

- g. Delaware shall subtract from any payment made to Vendor all damages, costs and expenses caused by Vendor's negligence, resulting from or arising out of errors or omissions in Vendor's work products, which have not been previously paid to Vendor.

## **6. PRODUCT SUBSTITUTION**

All items delivered during the life of the contract shall be of the same type and manufacture as specified unless specific approval is given by Government Support Services to do otherwise. Substitutions may require the submission of written specifications and product evaluation prior to any approvals being granted.

## **7. ORDERING PROCEDURE**

Successful contractors are required to have either a local telephone number within the (302) area code, a toll free (800) number, or agree to accept collect calls. Each agency is responsible for placing their orders and may be accomplished by written purchase order, telephone, fax or computer on-line systems. The contractor or vendor must accept full payment by procurement (credit) card and/or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs or conditions.

## **8. PURCHASE ORDERS**

Agencies that are part of the First State Financial (FSF) system are required to identify the contract number GSS19581-CONTR\_AUDIT on all Purchase Orders (P.O.) and shall complete the same when entering P.O. information in the state's financial reporting system.

## **9. REQUIREMENTS OF VENDOR**

a. Vendor shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished by Vendor, its subcontractors and its and their principals, officers, employees and agents under this Agreement. In performing the specified services, Vendor shall follow practices consistent with generally accepted professional and technical standards. Vendor shall be responsible for ensuring that all services, products and deliverables furnished pursuant to this Agreement comply with the standards promulgated by the Department of Technology and Information ("DTI") published at <http://dti.delaware.gov/>, and as modified from time to time by DTI during the term of this Agreement. Vendor shall be notified of any updates or modification made to the standards promulgated by the Department of Technology and Information (DTI) at [rquiah@quiahgroup.com](mailto:rquiah@quiahgroup.com). If any service, product or deliverable furnished pursuant to this Agreement does not conform to DTI standards, Vendor shall, at its expense and option either (1) replace it with a conforming equivalent or (2) modify it to conform to DTI standards. Vendor shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to Delaware caused by Vendor's failure to ensure compliance with DTI standards.

b. It shall be the duty of the Vendor to assure that all products of its effort are technically sound and in conformance with all pertinent Federal, State and Local statutes, codes, ordinances, resolutions and other regulations. Vendor will not produce a work product that violates or infringes on any copyright or

patent rights. Vendor shall, without additional compensation, correct or revise any errors or omissions in its work products.

c. Permitted or required approval by Delaware of any products or services furnished by Vendor shall not in any way relieve Vendor of responsibility for the professional and technical accuracy and adequacy of its work. Delaware's review, approval, acceptance, or payment for any of Vendor's services herein shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and Vendor shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to Delaware caused by Vendor's performance or failure to perform under this Agreement.

d. Vendor shall appoint a Project Manager who will manage the performance of services. All of the services specified by this Agreement shall be performed by the Project Manager, or by Vendor's associates and employees under the personal supervision of the Project Manager. The positions anticipated include:

<b>Project Team</b>	<b>Title</b>	<b>% of Project Involvement</b>
Marsada Zor	Project Manager	100%

e. Designation of persons for each position is subject to review and approval by Delaware. Should the staff need to be diverted off the project for what are now unforeseeable circumstances, Vendor will notify Delaware immediately and work out a transition plan that is acceptable to both parties, as well as agree to an acceptable replacement plan to fill or complete the work assigned to this project staff position. Replacement staff persons are subject to review and approval by Delaware. If Vendor fails to make a required replacement within 30 days, Delaware may terminate this Agreement for default in accordance with section 14.1. Upon receipt of written notice from Delaware that an employee of Vendor is unsuitable to Delaware for good cause, Vendor shall remove such employee from the performance of services and substitute in his/her place a suitable employee.

f. Vendor shall furnish to Delaware's designated representative copies of all correspondence to regulatory agencies for review prior to mailing such correspondence.

g. Vendor agrees that its officers and employees will cooperate with Delaware in the performance of services under this Agreement and will be available for consultation with Delaware at such reasonable times with advance notice as to not conflict with their other responsibilities.

h. Vendor has or will retain such employees as it may need to perform the services required by this Agreement. Such employees shall not be employed by Delaware or any other political subdivision of Delaware.

i. Vendor will not use Delaware's name, either express or implied, in any of its advertising or sales materials without Delaware's express written consent.

j. The rights and remedies of Delaware provided for in this Agreement are in addition to any other rights and remedies provided by law.

## **10. STATE RESPONSIBILITIES**

a. In connection with Vendor's provision of the Services, Delaware shall perform those tasks and fulfill those responsibilities specified in the appropriate Appendices.

b. Delaware agrees that its officers and employees will cooperate with Vendor in the performance of services under this Agreement and will be available for consultation with Vendor at such reasonable times with advance notice as to not conflict with their other responsibilities.

- c. The services performed by Vendor under this Agreement shall be subject to review for compliance with the terms of this Agreement by Delaware's designated representatives. Delaware representatives may delegate any or all responsibilities under the Agreement to appropriate staff members, and shall so inform Vendor by written notice before the effective date of each such delegation.
- d. The review comments of Delaware's designated representatives may be reported in writing as needed to Vendor. It is understood that Delaware's representatives' review comments do not relieve Vendor from the responsibility for the professional and technical accuracy of all work delivered under this Agreement.
- e. Delaware shall, without charge, furnish to or make available for examination or use by Vendor as it may request, any data which Delaware has available, including as examples only and not as a limitation:
  - 1. Copies of reports, surveys, records, and other pertinent documents;
  - 2. Copies of previously prepared reports, job specifications, surveys, records, ordinances, codes, regulations, other documents, and information related to the services specified by this Agreement.
- f. Vendor shall return any original data provided by Delaware.
- g. Delaware shall assist Vendor in obtaining data on documents from public officers or agencies and from private citizens and business firms whenever such material is necessary for the completion of the services specified by this Agreement.
- h. Vendor will not be responsible for accuracy of information or data supplied by Delaware or other sources to the extent such information or data would be relied upon by a reasonably prudent contractor.
- i. Delaware agrees not to use Vendor's name, either express or implied, in any of its advertising or sales materials. Vendor reserves the right to reuse the nonproprietary data and the analysis of industry-related information in its continuing analysis of the industries covered.

## **11. HOLD HARMLESS**

The contractor agrees that it shall indemnify and hold the State of Delaware and all its agencies harmless from and against any and all claims for injury, loss of life, or damage to or loss of use of property caused or alleged to be caused, by acts or omissions of the contractor, its employees, and invitees on or about the premises and which arise out of the contractor's performance, or failure to perform as specified in the Agreement.

## **12. NON-PERFORMANCE**

In the event the contractor does not fulfill its obligations under the terms and conditions of this contract, the ordering agency may purchase equivalent product on the open market. Any difference in cost between the contract prices herein and the price of open market product shall be the responsibility of the contractor. Under no circumstances shall monies be due the contractor in the event open market products can be obtained below contract cost. Any monies charged to the contractor may be deducted from an open invoice.

### **13. FORCE MAJEURE**

Neither the contractor nor the ordering agency shall be held liable for non-performance under the terms and conditions of this contract due, but not limited to, government restriction, strike, flood, fire, or unforeseen catastrophe beyond either party's control. Each party shall notify the other in writing of any situation that may prevent performance under the terms and conditions of this contract.

### **14. AGENCY'S RESPONSIBILITIES**

The Agency shall:

- a) Examine and review in detail all letters, reports, drawings and other documents presented by the Contractor to the Agency and render to the Contractor in writing, findings and decisions pertaining thereto within a reasonable time so as not to delay the services of Contractor.
- b) Give prompt written notice to the Contractor whenever the Agency observes or otherwise becomes aware of any development that affects the scope or timing of the Contractor's services.
- c) When an ordering agency first experiences a relatively minor problem or difficulty with a vendor, the agency will contact the vendor directly and attempt to informally resolve the problem. This includes failure to perform by the date specified and any unacceptable difference(s) between the purchase order and the merchandise received. Ordering agencies should stress to vendors that they should expedite correction of the differences because failure to reply may result in an unfavorable rating in the execution of the awarded contract.
- d) The state has several remedies available to resolve non-performance issues with the contractor. The Agency should refer to the Contract Terms and Conditions to view these remedies. When a default occurs, the Agency should first review the contract to confirm that the issue is a part of the contract. If the issue is not covered by the contract, the state cannot expect the contractor to perform outside the agreement. If the issue is a part of the contract, the Agency or GSS - Contracting must then contact the contractor, discuss the reasons surrounding the default and establish a date when the contractor will resolve the non-performance issue.
- e) If there is a performance deficiency, a Corrective Action Report (CAR) may be used. Complete this form to report concerns with vendors or commodities. Be sure to furnish as much detail as possible. <http://gss.omb.delaware.gov/divisionwide/forms.shtml>.