



DELAWARE HEALTH
AND SOCIAL SERVICES

Division of Management Services
1901 N. DuPont Highway
New Castle, DE 19720

REQUEST FOR PROPOSAL NO. HSS 11 068

FOR

Loan Maintenance Accounting Services and Subrecipient Monitoring

FOR

**THE DIVISION OF PUBLIC HEALTH
DELAWARE HEALTH AND SOCIAL SERVICES
417 FEDERAL STREET
JESSE COOPER BUILDING
DOVER, DE 19901**

Deposit	Waived
Performance Bond	Waived

**Date Due: July 21, 2011
11:00 A.M. LOCAL TIME**

A **mandatory pre-bid meeting** will be held on **June 8, 2011 at 10:00am** at Delaware Health and Social Services, Herman M. Holloway Sr. Campus, Procurement Branch, Main Administration Building, Sullivan Street, First Floor Conference Room #198, 1901 North DuPont Highway, New Castle, DE 19720.

"All Bidders Who Wish To Bid On This Proposal Must Be Present, On Time, At The Mandatory Pre-Bid Meeting. No Proposals Will Be Accepted From Bidders Who Either Did Not Attend The Mandatory Pre-Bid Meeting Or Who Are More Than Fifteen (15) Minutes Late. Due to space limitations bidders are requested to limit attendance to 2 individuals. Bidders should RSVP by calling (302) 255-9290 or emailing DHSS_DMS_DMSprocure@state.de.us.

REQUEST FOR PROPOSAL # HSS 11 068

Proposals for Loan Maintenance Accounting Services and Subrecipient Monitoring for the Division of Public Health, Delaware Health and Social Services, 417 Federal Street, Jesse Cooper Building, Dover, DE 19901, will be **received** by:

Delaware Health and Social Services
Herman M. Holloway Sr. Campus
Procurement Branch
Main Administration Bldg, Sullivan Street
Second Floor, Room #257
1901 North DuPont Highway, New Castle, Delaware 19720

Proposals will be accepted until **11:00am on July 21, 2011**. At which time the proposals will be opened and read.

A **mandatory pre-bid meeting** will be held on **June 8, 2011 at 10:00am** at Delaware Health and Social Services, Herman M. Holloway Sr. Campus, Procurement Branch, Main Administration Building, 1901 North DuPont Highway, Sullivan Street, First Floor Conference Room #198, New Castle, DE 19720. For further information please call 302-255-9290.

"All Bidders Who Wish To Bid On This Proposal Must Be Present, On Time, At The Mandatory Pre-Bid Meeting. No Proposals Will Be Accepted From Bidders Who Either Did Not Attend The Mandatory Pre-Bid Meeting Or Who Are More Than Fifteen (15) Minutes Late."

In the event that state offices are closed on the day of the pre-bid meeting due to a State of Emergency declared by the Governor of Delaware, the pre-bid meeting will be cancelled or postponed. The status of the pre-bid meeting will be posted to the RFP website as soon as possible at <http://bids.delaware.gov>. If the pre-bid meeting is cancelled, written questions will be accepted, in lieu of the pre-bid meeting, in accordance with the instructions presented in Section VI. I. of this document. If the pre-bid meeting is postponed, the new date and time will be posted to the RFP website.

Obtaining Copies of the RFP

This RFP is available in electronic form [only] through the State of Delaware Procurement Website at <http://bids.delaware.gov>.

Public Notice

Public notice has been provided in accordance with 29 *Del. C.* § 6981

NOTIFICATION TO BIDDERS

Bidder shall list all contracts awarded to it or its predecessor firm(s) by the State of Delaware; during the last three years, by State Department, Division, Contact Person (with address/phone number), period of performance and amount. The Evaluation/Selection Review Committee will consider these Additional references and may contact each of these sources. Information regarding bidder performance gathered from these sources may be included in the Committee's deliberations and factored in the final scoring of the bid. Failure to list any contract as required by this paragraph may be grounds for immediate rejection of the bid."

There will be a ninety (90) day period during which the agency may extend the contract period for renewal if needed.

IMPORTANT: ALL PROPOSALS MUST HAVE OUR RFP NUMBER (**HSS 11 068**) ON THE OUTSIDE ENVELOPE. IF THIS NUMBER IS OMITTED YOUR PROPOSAL WILL IMMEDIATELY BE REJECTED.

FOR FURTHER BIDDING INFORMATION PLEASE CONTACT:

BRUCE KRUG
DELAWARE HEALTH AND SOCIAL SERVICES
PROCUREMENT BRANCH
MAIN ADMIN BLD, SULLIVAN STREET
2ND FLOOR –ROOM #257
1901 NORTH DUPONT HIGHWAY
HERMAN M. HOLLOWAY SR. HEALTH AND
SOCIAL SERVICES CAMPUS
NEW CASTLE, DELAWARE 19720
PHONE: (302) 255-9290

IMPORTANT: DELIVERY INSTRUCTIONS

IT IS THE RESPONSIBILITY OF THE BIDDER TO ENSURE THAT THE PROPOSAL HAS BEEN RECEIVED BY THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES BY THE DEADLINE.

ATTENTION BIDDERS: Your proposal must include a cover letter and the forms in Appendices C, D, E and F signed and all information on the forms complete.

The issuance of this Request for Proposals (RFP) neither commits the Delaware Department of Health and Social Services, Division of Public Health, to award a contract, to pay any costs incurred in the preparation of a proposal or subsequent negotiations, nor to procure or contract for the proposed services. The Division reserves the right to reject or accept any or all proposals or portion thereof, to cancel in part or in its entirety this Request for Proposals, or to delay implementation of any contract which may result, as may be necessary to meet the Department's funding limitations and processing constraints. The Department and Division reserve the right to terminate any contractual agreement upon fifteen (15) days notice in the event that the State determines that State or Federal funds are no longer available to continue the contract.

Organizations Ineligible to Bid

Any individual, business, organization, corporation, consortium, partnership, joint venture, or any other entity including subcontractors currently debarred or suspended is ineligible to bid. Any entity ineligible to conduct business in the State of Delaware for any reason is ineligible to respond to the RFP.

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LOAN MAINTENANCE ACCOUNTING SERVICES AND SUBRECIPIENT
MONITORING
FOR
DELAWARE DIVISION OF PUBLIC HEALTH**

Availability of Funds

Funds are available for the selected vendor to provide services in the area of Loan Maintenance Accounting Services & Subrecipient Monitoring. Contract renewal is possible for up to three (3) years additional years contingent on funding availability and task performance.

Pre-Bid Meeting

A pre-bid meeting will be required. The meeting will be on **June 8, 2011 at 10:00am** at the following location.

Delaware Health and Social Services
Herman Holloway, Sr. Social Services Campus
Main Administration Building, Sullivan Street, 1st Floor, Room 198
1901 N. Dupont Highway, New Castle, DE 19720

All bidders who wish to bid on this proposal must be present on time at the **mandatory pre-bid meeting**. No proposals will be accepted from agencies that either did not attend the mandatory Pre-Bid Meeting or who are MORE than 15 minutes late. Bidders may ask clarifying questions regarding this request for proposal at the pre bid meeting. Responses to questions posed at the pre-bid meeting will be distributed to bidders attending the pre-bid meeting.

Further Information

Inquiries regarding this RFP should be addressed to:

Paul Hyland
Fiscal Management Analyst
E-mail Address: paul.hyland@state.de.us

Restrictions on Communications with State Staff

From the issue date of this RFP until a contractor is selected and the selection is announced, bidders are NOT allowed to contact any Division of Public Health staff, except those specified in this RFP, regarding this procurement. Contact between contractors and Paul Hyland is restricted to emailed or faxed questions concerning this proposal. Questions must be submitted in writing and will be addressed in writing.

Questions are due by June 2, 2011 and will be addressed at the pre-bid meeting. The complete list of questions and their answers will be released via e-mail or fax to the vendors that submitted any questions or attended the pre-bid meeting. The complete list of questions and their answers will also be posted on the internet at <http://bids.delaware.gov>

Following the pre-bid meeting, bidder communication is limited to Bruce Krug, Procurement Administrator, Delaware Health and Social Services. The central phone number for the Procurement office is (302) 255-9290.

Contact with State Employees

Direct contact with State of Delaware employees other than the State of Delaware Designated Contact(s) regarding this RFP is expressly prohibited without prior consent. Vendors directly contacting State of Delaware employees risk elimination of their proposal from further consideration. Exceptions exist only for organizations currently doing business in the State who require contact in the normal course of doing that business. In the case of such exception, communication may not include an active RFP.

**REQUEST FOR PROPOSAL
FOR
LOAN MAINTENANCE ACCOUNTING SERVICES AND SUBRECIPIENT
MONITORING
FOR
DELAWARE DIVISION OF PUBLIC HEALTH**

I. INTRODUCTION

A. Background

The mission of the Division of Public Health is to protect and enhance the health of the people of Delaware. The Division accomplishes its mission by:

- working together with others;
- addressing issues that affect the health of Delawareans;
- keeping track of the State's health;
- promoting positive lifestyles;
- promoting the availability of health services.

The accomplishment of this mission will facilitate the Division in realizing its vision of creating an environment in which people in Delaware can reach their full potential for a healthy life.

The Department of Health and Social Services (DHSS) through Health Systems Protection (HSP) has developed these procedures to be compliant with Office of Management and Budget (OMB) Circular A-133, 'Audits of State, Local Governments, and Non-Profit Organizations', specifically with respect to its regulations regarding oversight of sub recipients of federal grant sponsored programs. HSP is the designated pass-through entity tasked to administer the Environmental Protection Agency (EPA) Drinking Water State Revolving Fund (SRF) capitalization grants, which extend loans to qualified applicants.

B. Project Goals

Ensure the State of Delaware's Department of Health and Social Services, Division of Public Health (DPH), through the Health Systems Protection section deliver water system infrastructure loan services to qualified recipients smoothly and efficiently.

II. SCOPE OF SERVICES

- All components listed in this section are mandatory, unless specified otherwise.
- A. The successful bidder would be expected to provide the following services.
1. Conduct financial studies to ensure a municipality has the ability to repay a loan.
 2. Create amortization tables and schedules of payments.
 3. Receive, track and deposit payments into proper State accounts.
 4. Annually review all open loans and request an audit when applicable.
 5. Annually issue balance acknowledgment letters for Single Audit.
 6. Monitor loans in repayment status for signs of distress, notify Division of Public Health, Health Systems Protection, Fiscal Management Analyst (FMA) when issues arise.
- B. In addition, the bidder will need to do, at a minimum, the following.
1. Work closely with HSP fiscal personnel;
 2. Receive and deposit loan/interest payments into authorized accounts using proper deposit slips then provide reports so deposits can be reconciled monthly;
 3. Provide when requested and as needed loan documents to support the loan process coordinating with HSP fiscal and contracted law firm used to close loans. Documents could include but not limited to amortization schedules, interest rates based on established policy and qualifying information on borrowers.
 4. Assist HSP fiscal personnel in delivering quality loan services to perspective, current and former loan recipients.
- C. The following information is provided to the bidder for use in preparing their responses to this Request for Proposal.
1. The following monitoring procedures, as specified in OMB A-133, are designed to provide reasonable assurances that federal award information and compliance requirements are:
 - a. Identified to sub recipients;

- b. That sub recipient grant funded activities are administered in compliance with the grant award;
 - c. That (1) required sub recipient audits are preformed; and, that (2) corrective action to any audit finding(s) are resolved; and,
 - d. That sub recipient activities are evaluated for impacts to the pass-through entities administration of grant awards.
2. The Health Systems Protection and the Division of Public Health, as the pass-through entities for the Drinking Water SRF, perform the following procedures to provide reasonable assurance of a sub recipient's awareness of and compliance with:
- a. Federal Award Identification
 1. Each sub recipient is advised of the loan's Catalog Of Federal Domestic Assistance (CFDA) title and number in the Binding Commitment Agreement sent to prospective borrowers. Additionally, with each disbursement made by the respective SRF pass- though entity, the sub recipient is informed of its obligation to comply with the provisions of OMB A-133.
 2. Loan executed under the Drinking Water State Revolving Fund include notice of the sub recipient's responsibility for OMB A-133 audit requirements as well as the annual financial reporting requirements of the two pass-through entities. These report requirements are included in the terms and conditions of the loan agreement and bond indenture.
 - b. Sub Recipient Activities Compliance
 1. Each executed loan agreement is assigned a project manager from the appropriate pass-through entity to monitor the expenditures of grant monies. The designated project manager monitors all contract activities and environmental review provisions of the loan agreement. The project manager recommends the disbursement of funds after review of invoices and certification by the borrowing representative as to the authenticity of the documents provided in support of the disbursement request. The disbursement request is then forwarded by the project manager to financial personnel for review and concurrence as to the validity of the invoiced documents before it is processed in the accounting unit of DPH for payment.

2. Project managers are assigned oversight responsibility for a project from the design stage through the project performance period. Each milestone in this sequence is monitored and documented in the project file.

c. Sub Recipient Audit Compliance

1. All sub recipient loans are reviewed annually to determine whether an individual loan meets the threshold requirement for a Single Audit. OMB A-133 specifies annual financial assistance disbursed in amounts equal to or greater than \$ 300,000.00 as the current benchmark for the Single Audit requirement. Sub recipients will receive a Compliance Certification form at the close of their respective fiscal year, which they are required to complete and return (See Appendix J – Audit Compliance Certification).
2. Sub recipients who are in construction periods but who have not submitted reimbursement requests for the most recent year end period will be required to submit a Compliance Certification statement as to the amounts of financial assistance monies expended but not reimbursed. Should this statement indicate expended funds equal to or in excess of the Single Audit dollar threshold, the Single Audit requirement will be imposed.
3. Sub recipients with executed loans for the purpose of refinancing existing loans are required to submit a Single Audit report for the year in which the loan proceeds were disbursed, if the processes of the refinanced loan are equal to or exceed \$300,000.
4. The contractual loan agreements between the pass-through entities and the borrower stipulate that the Single Audit in addition to the sub recipient's audited financial statements are to be submitted within 120 days following the end of the period audited, unless a longer period has been agreed to in advance or by exception.
5. Sub recipients of Drinking Water SRF grant capitalization funding identified as "for profits" in OMB A-133 are exempt from the Single Audit requirement. However, they are required, under the terms and conditions of their bond agreements with the DPH, to submit annual audited financial statements under the delivery terms described in item (4), above.

d. Sub Recipient Audit Resolution

1. A follow up log will be maintained identifying the date the Compliance Certification was mailed, the date the completed form was received and the anticipated delivery date for an entity's annual financial reports and single audit report, if required. If necessary, follow up phone calls and/or letters will be initiated to remind borrowers of their obligation to submit the

Certification form. All communications with Sub recipients will be recorded in the borrower's Audit Compliance Log. (See Appendix K – Audit Compliance Log)

2. Sub recipient annual financial reports will be reviewed for specific performance measures including: compliance with federal regulations; compliance with the bond indenture agreement; managerial performance; and, financial visibility of the sub recipient. (See Appendix L – Review of Annual Financial Statements; Appendix M – Borrower: Statement of Net Assets and Statement of Activities). Then completed checklists are then entered into the sup recipient's file where they are available for review by auditors and the EPA.
 3. Under OMB Circular A – 133, any reportable and/or material condition noted on the sub recipient's audited financial statements will be require a written management plan to address the issue(s) within thirty days of the audit's findings. The management plan is to address the specific audit finding(s) and the procedure(s) implemented to correct the reportable condition(s) and/or material weakness(s). Additionally, require a managerial response to any anomalies noted in its review of the sub recipient's annual reports which may impact the intent of the Bond Agreement or the financial viability of the borrowing entity.
 4. Failure by a sub recipient to comply with any of the contractual and/or implied obligations identified in (b) and (c) above, will be cause for a formal Program Management Review of a sub recipient's loan file to resolve the omission(s). The Management Review may consist of on-site visits; and independent auditor's review of financial records; withholding of funds; or any combination of actions to satisfy its obligations as a pass-through entity of Federal Grants and its fiduciary responsibility to the State Revolving Funds.
- e. Sub Recipient Activities Evaluation

Sub recipients are continually monitored by the designated project manager for financial assistance activities compliance during the construction reimbursement phase of a water project and by the DPH financial staff for any issues or activities which may imperil the terms and conditions of the federal grant award and/or the sub recipient's bond indenture. Suspect actions on the part of the sub recipient will be addressed and resolved as incurred. When a sub recipient is no longer under the audit obligation of OMB A-133, the annual audited financial reporting requirements of the bond indenture agreement are in effect through the life of the loan and annual Financial Assistance Branch financial reviews continue to ensure that the sub recipient maintains its contractual obligations with the pass-through entity.

III. SPECIAL TERMS AND CONDITIONS

A. Length of Contract

Contract term is two [2] years with the possibility of renewal for up to three [3] additional years contingent on funding and additional needs to be addressed.

B. Subcontractors

The use of subcontractors **will not** be permitted for this project.

C. Funding Disclaimer Clause

Delaware Health and Social Services reserves the right to reject or accept any bid or portion thereof, as may be necessary to meet the Department's funding limitations and processing constraints. The Department reserves the right to terminate any contractual agreement upon fifteen (15) calendar days written notice in the event the state determines that state or federal funds are no longer available to continue said contractual agreement.

D. Reserved Rights

Notwithstanding anything to the contrary, the Department reserves the right to:

- Reject any and all proposals received in response to this RFP;
- Select a proposal other than the one with the lowest cost;
- Waive or seek clarification on any information, irregularities, or inconsistencies in proposals received;
- Negotiate as to any aspect of the proposal with the bidder and negotiate with more than one bidder at a time;
- If negotiations fail to result in an agreement within two (2) weeks, the Department may terminate negotiations and select the next most responsive bidder, prepare and release a new RFP, or take such other action as the Department may deem appropriate.

E. Termination Conditions

The Department may terminate the contract resulting from this RFP at any time that the vendor fails to carry out its provisions or to make substantial progress under the terms specified in this RFP and the resulting proposal.

Prior to taking the appropriate action as described in the contract, the Department will provide the vendor with thirty (30) days notice of conditions endangering performance. If after such notice the vendor fails to remedy the conditions contained in the notice, the Department shall issue the vendor an order to stop work immediately and deliver all work and work in progress to the State. The Department shall be obligated only for those services rendered and accepted prior to the date of notice of termination.

The Contract may be terminated in whole or part:

- a) by the Department upon five (5) calendar days written notice for cause or documented unsatisfactory performance,
- b) by the Department upon fifteen (15) calendar days written notice of the loss of funding or reduction of funding for the stated Contractor services,
- c) by either party without cause upon thirty (30) calendar days written notice to the other Party, unless a longer period is specified.

F. Contractor Monitoring/Evaluation

The contractor may be monitored/evaluated on-site on a regular basis. Failure of the contractor to cooperate with the monitoring/evaluation process or to resolve any problem(s) identified in the monitoring/evaluation may be cause for termination of the contract.

G. Payment:

The agencies or school districts involved will authorize and process for payment each invoice within thirty (30) days after the date of receipt. 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.

H. W-9 Information Submission

Effective January 5, 2009, a new vendor process and use of the new Delaware Substitute Form W-9 will be implemented by the Delaware Division of Accounting. With the development of the new Delaware Substitute Form W-9, state organizations will no longer be responsible for collecting the Form W-9 from vendors. The vendor will have the capability of submitting the required Form W-9 electronically and directly to the Delaware Division of Accounting for approval. The vendors will submit their Form W-9 by accessing this website, <http://accounting.delaware.gov/>. The vendor will complete the secure form, read the affirmation, and submit the form by clicking the "Submit" button. Delaware Division of Accounting staff will review the submitted form for accuracy, completeness, and standardization. Once all the requirements are met, the form will be

uploaded to the vendor file and approved. The vendor is then able to be paid for services provided.

For those vendors that do not have internet access, a printable version of the Delaware Substitute Form W-9 can be faxed or mailed to the vendor. Upon completion, the vendor will then fax or mail the form directly to the vendor staff at the Delaware Division of Accounting. All vendor requests, additions and changes, will come directly from the vendor. Questions for vendors who do not have internet access, contact vendor staff at (302) 734-6827.

This applies only to the successful bidder and should be done when successful contract negotiations are completed. It is not required to be done as part of the submission of the bidder's proposal.

IV. FORMAT AND CONTENT OF RESPONSE

Proposals shall contain the following information, adhering to the order as shown:

A. Bidder's Signature Form

This form, found in the Appendix C, must be completed and signed by the bidder's authorized representative.

B. Title Page

The Title page shall include: 1) the RFP subject; 2) the name of the applicant; 3) the applicant's full address; 4) the applicant's telephone number; 5) the name and title of the designated contact person; and 6) bid opening date (**due date: July 21, 2011 at 11:00am**).

C. Table of Contents

The Table of Contents shall include a clear and complete identification of information presented by section and page number.

D. Confidential Information

The following items, if required in response to this RFP, are to be included in a separate section of your proposal and marked as confidential. These items are: 1) any financial information relating to the company or organization (not the RFP pricing or budget); 2) Organization Charts.

E. Qualifications and Experience

This section shall contain sufficient information to demonstrate experience and staff expertise to carry out the project. A statement must be included that the vendor either has or certifies he/she will secure a Delaware Business License prior to initiation of the project. Attach articles of incorporation and IRS certification of tax exempt status if applicable.

The specific individuals who will work on this project must be identified, along with the nature and extent of their involvement. The qualifications of these individuals shall be presented (in resumes or other formats). If conducting this project will require hiring of one or more individuals who are not currently employed by the bidding organization, applications shall provide detailed job descriptions, including required qualifications and experience.

F. Bidder References

The names and phone numbers of at least three (3) organizations/agencies for whom the vendor carried out a similar project must be included. If no similar project has been conducted, others requiring comparable skills can be used.

Bidder shall list all contracts awarded to it or its predecessor firm(s) by the State of Delaware; during the last three years, by State Department, Division, Contact Person (with address/phone number), period of performance and amount. The Evaluation/Selection Review Committee will consider these additional references and may contact each of these sources. Information regarding bidder performance gathered from these sources may be included in the Committee's deliberations and factored in the final scoring of the bid. Failure to list any contract as required by this paragraph may be grounds for immediate rejection of the bid.

G. Proposed Methodology and Work Plan

This section shall describe in detail the approach that will be taken to carry out the activities described in the Scope of Services section of this RFP. Specific completion dates for the various tasks must be shown. The workplan shall outline specific objectives, activities and strategies, and resources.

H. Certification and Statement of Compliance

The bidder must include statements that the applicant agency complies with all Federal and Delaware laws and regulations pertaining to equal opportunity and affirmative action. In addition, compliance must be assured in regard to Federal and Delaware laws and regulations relating to confidentiality and individual and family privacy in

health care delivery and in the collection and reporting of data. (See Appendices D & E)

I. Standard Contract

Appendix G is a copy of the standard boilerplate contract for the State of Delaware, Delaware of Health and Social Services, Division of Public Health. This boilerplate will be the one used for any contract resulting from this Request for Proposal. If a bidder has an objection to any contract provisions or the RFP and its procurement provisions, objections shall be stated in the Transmittal Letter of the bidder's proposal. Execution of the contract is NOT required with proposal submission. The contract is provided as a courtesy for review by an interested bidder's legal group.

V. BUDGET

Vendor will submit a line item budget, **for each contract year**, using a format mirroring that in Appendices A & B. Modifications to the budget after the award must be approved by the Division of Public Health.

Applicants shall also describe any factors that may have an impact on the cost and should suggest a payment schedule contingent upon completion of the various tasks.

VI. GENERAL INSTRUCTIONS FOR SUBMISSION OF PROPOSALS

A. Number of Copies Required

Two (2) original CDs (Each Labeled as "Original") and six (6) CD copies (Each labeled as "Copy"). In addition, any required confidential financial or audit information relating to the company and not specifically to the proposal may be copied separately to one set of up to three (3) additional CDs (Each labeled "Corporate Confidential Information"). All CD files shall be in PDF and Microsoft Word formats. Additional file formats (i.e. .xls, .mpp) may be required as requested.

It is the responsibility of the bidder to ensure all submitted CDs are machine readable, virus free and are otherwise error-free. CDs (or their component files) not in this condition may be cause for the vendor to be disqualified from bidding.

Bidders will no longer be required to make hard copies of their proposals **with the exception that** one copy of a Cover Letter along with one copy each of **the completed and signed Bidders Signature Form (Appendix C), Certification Sheet (Appendix D), Statements of Compliance Form (Appendix E), and Office of Minority and Women Business Enterprise Self-Certification Tracking Form (Appendix D)** be

submitted in hardcopy with original signature with their CDs. Please also include PDF versions of these forms on your CDs.

The cover letter should include: bidder recognition of all addenda posted on the RFP website (<http://bids.delaware.gov>.) relative to this RFP, a statement confirming the proposal remains effective through the date shown in **(D)** below, a statement the bidder has or agrees to obtain a Delaware business license if awarded a contract, a statement confirming pricing was arrived at without collusion.

The responses to this RFP shall be submitted to:

BRUCE KRUG
Division of Management Services
Delaware Health and Social Services
Main Administration Building, Sullivan Street
Second Floor, Room 257
1901 North duPont Highway
New Castle, DE 19720

B. Closing Date

All responses must be received no later than **July 21, 2011 at 11:00am**. Later submission will be cause for disqualification.

C. Opening of Proposals

The State of Delaware will receive proposals until the date and time shown in this RFP. Proposals will be opened only in the presence of the State of Delaware personnel. Any unopened proposals will be returned to Vendor.

There will be no public opening of proposals but a public log will be kept of the names of all vendor organizations that submitted proposals. The contents of any proposal shall not be disclosed to competing vendors prior to contract award.

D. Proposal Expiration Date

Prices quoted in the proposal shall remain fixed and binding on the bidder at least through July 20, 2012. The State of Delaware reserves the right to ask for an extension of time if needed.

E. Acknowledgement of Understanding of Terms

By submitting a bid, each vendor shall be deemed to acknowledge that it has carefully read all sections of this RFP, including all forms, schedules and exhibits hereto, and has fully informed itself as to all existing conditions and limitations.

F. Realistic Proposals

It is the expectation of the State of Delaware that vendors can fully satisfy the obligations of the proposal in the manner and timeframe defined within the proposal. Proposals must be realistic and must represent the best estimate of time, materials and other costs including the impact of inflation and any economic or other factors that are reasonably predictable.

The State of Delaware shall bear no responsibility or increase obligation for a vendor's failure to accurately estimate the costs or resources required to meet the obligations defined in the proposal.

G. Non-Conforming Proposals

Non-conforming proposals will not be considered. Non-conforming proposals are defined as those that do not meet the requirements of this RFP. The determination of whether an RFP requirement is substantive or a mere formality shall reside solely within the State of Delaware

H. Notification of Acceptance

Notification of the Department's intent to enter into contract negotiations will be made in writing to all bidders.

I. Questions

All questions concerning this Request for Proposal must reference the pertinent RFP section(s) and page number(s). Questions must be in writing and can be either mailed, faxed, or emailed to:

Paul Hyland
Fiscal Management Analyst
Email: paul.hyland@state.de.us
Fax: 302-739-3071

Deadline for submission of all questions is June 2, 2011. Written responses will be faxed or emailed to bidders no later than June 23, 2011. Responses will also be posted on the RFP website at www.bids.delaware.gov. Please include your fax number and/or your email address with your request.

J. Amendments to Proposals

Amendments to proposals will not be accepted after the deadline for proposal submission has passed. The State reserves the right at any time to request clarification and/or further technical information from any or all applicants submitting proposals.

K. Proposals Become State Property

All proposals become the property of the State of Delaware and will not be returned to the bidders. The State will not divulge any information identified as confidential at the time of proposal submission provided the information resides solely on the CD (s) marked confidential.

L. Non-Interference Clause

The awarding of this contract and all aspects of the awarded bidders contractual obligations, projects, literature, books, manuals, and any other relevant materials and work will automatically become property of the State of Delaware. The awarded bidder will not in any manner interfere or retain any information in relationship to the contractual obligations of said contract, at the time of the award or in the future tense.

M. Investigation of Bidder's Qualifications

Delaware Health and Social Services may make such investigation as it deems necessary to determine the ability of the bidder to furnish the required services, and the bidder shall furnish such data as the Department may request for this purpose.

N. RFP and Final Contract

The contents of the RFP will be incorporated into the final contract and will become binding upon the successful bidder. If the bidder is unwilling to comply with any of the requirements, terms, and conditions of the RFP, objections must be clearly stated in the proposal. Objections will be considered and may be subject to negotiation at the discretion of the state.

O. Proposal and Final Contract

The contents of each proposal will be considered binding on the bidder and subject to subsequent contract confirmation if selected. The contents of the successful proposal will be included by reference in the resulting contract.

All terms, and conditions contained in the proposal will remain fixed and valid for one year after proposal due date.

P. Cost of Proposal Preparation

All costs for proposal preparation will be borne by the bidder.

Q. Proposed Timetable

The Department’s proposed schedule for reviewing proposals is outlined as follows:

<u>Activity</u>	<u>Date</u>
RFP Advertisement	May 19, 2011
Questions Due	June 2, 2011
Pre-bid Meeting	June 8, 2011 10:00am
Answers to Questions	June 23, 2011
Bid Opening	July 21, 2011 11:00am
Selection Process Begins	July 22, 2011
Vendor Selection (tentative)	August 5, 2011
Project Begins	October 1, 2011

R. Confidentiality and Debriefing

The Procurement Administrator shall examine the proposal to determine the validity of any written requests for nondisclosure of trade secrets and other proprietary data identified in conjunction with the Attorney General’s Office. After award of the contract, all responses, documents, and materials submitted by the offerer pertaining to this RFP will be considered public information and will be made available for inspection, unless otherwise determined by the Director of Purchasing, under the laws of the State of Delaware. All data, documentation, and innovations developed as a result of these contractual services shall become the property of the State of Delaware. Based upon the public nature of these Professional Services (RFP) Proposals a bidder must inform the state in writing, of the exact materials in the offer which CANNOT be made a part of the public record in accordance with Delaware’s Freedom of Information Act, Title 29, Chapter 100 of the Delaware Code.

If a bidder wishes to request a debriefing, he must submit a formal letter to the Procurement Administrator, Herman M. Holloway Campus, Delaware Health and Social Services Main Building, 2nd Floor, Room 257, 1901 N. duPont Highway, New

Castle, Delaware 19720 within 10 days after receipt of Notice of Award. The letter must specify reasons for the request.

VII. SELECTION PROCESS

All proposals submitted in response to this RFP will be reviewed by an evaluation team composed of representatives of the Division of Public Health, Delaware Health and Social Services, and others as may be deemed appropriate by the Department. Each proposal will be independently reviewed and rated against review criteria. Selection will be based upon the recommendations of the review committee. Bidders should refer to Appendix L for the State’s Disadvantaged Business Enterprise (DBE) initiatives.

A. Proposal Evaluation Criteria

The vendor will be selected through open competition and based on the review of proposals submitted in response to this request for proposals. A technical review panel will review all proposals utilizing the following criteria. A maximum of 100 points is possible.

<u>Category</u>	<u>Weight</u>
Meets mandatory RFP provisions	Pass/Fail
CD’s properly submitted	
Forms properly submitted	
1. Qualifications of vendor	30
a) Administrative Oversight	
b) Past experience in successfully operating quality programs of a similar type	
c) Quality Assurance Program details	
d) Available resources	
2. Methodology Proposed	25
a) services proposed fit needs as expressed in RFP	
b) proposed activities follow a logical sequence	
c) adequacy of workplan & timeline schedules	
d) builds on existing work of the Division’s planning efforts	
3. Responses to Scope of Services, Section II.	25
5. Evaluation of the proposed costs as they relate to the proposed service delivery.	20
<hr/>	
Total:	100

Upon selection of a vendor, a Division of Public Health representative will enter into negotiations with the bidder to establish a contract.

B. Consultants and Legal Counsel

The State of Delaware may retain consultants or legal counsel to assist in the review and evaluation of this RFP and the vendors' responses. Bidders shall not contact consultant or legal counsel on any matter related to the RFP.

C. Exclusions

The Proposal Evaluation Team reserves the right to refuse to consider any proposal from a vendor who:

Has been convicted for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of the contract or subcontract;

Has been convicted under State or Federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or other offense indicating a lack of business integrity or business honesty that currently and seriously affects responsibility as a State contractor;

Has been convicted or has had a civil judgment entered for a violation under State or Federal antitrust statutes;

Has violated contract provisions such as:

Knowing failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or

Failure to perform or unsatisfactory performance in accordance with terms of one or more contracts;

Has violated ethical standards set out in law or regulation; and

Any other cause listed in regulations of the State of Delaware determined to be serious and compelling as to affect responsibility as a State contractor, including suspension or debarment by another governmental entity for a cause listed in the regulations.

D. Project Costs and Proposed Scope of Service

The Department reserves the right to award this project to a bidder other than the one with the lowest cost or to decide not to fund this project at all. Cost will be balanced against the score received by each bidder in the rating process. The State of Delaware reserves the right to reject, as technically unqualified, proposals that are unrealistically low if, in the judgment of the evaluation team, a lack of sufficient budgeted resources would jeopardize project success.

APPENDIX A:
BUDGET SUMMARY SHEET

Budget Summary Sheet

Categories	Amounts
Staff Salaries	

Fringe Benefits	
------------------------	--

Travel / Training

Mileage (Rate\$0.00 X 0000 miles)	
Training	
Other (specify)	

Contractual

Rent	
Electricity	
Heat	
Communications	
Other Utilities	
Printing / Advertising	
Postage	
Insurance	
Repairs	
Other (specify)	

Supplies

Office	
Janitorial	
Medical	
Program	
Other (specify)	

Equipment / Other Direct Costs

Other (specify)	
-----------------	--

Indirect Costs (12%)

Other (specify)	
-----------------	--

TOTAL BUDGET

--

APPENDIX B:
BUDGET WORKSHEET

Budget Worksheet - page 2

Category / Description	Amount
<u>Contractual</u>	
Include the portions of rent, utilities, telephone, internet, Insurance, maintenance, etc that will be paid by the Agency	
Total: Contractual	

<u>Supplies</u>	
Include office supplies, supplies for routine building maintenance (janitorial), medical supplies, program supplies, and other related expenses	
Total: Supplies	

<u>Other Equipment</u>	
Specify Items or lots costing \$1000.00 or more and having a useful life of more than one year	
Total: Other Equipment	

Budget Worksheet - page 3

<u>Indirect Costs</u> Identify any line items contributing to total costs not delineated in the above sections	
Total: Indirect Costs	

APPENDIX C:

BIDDERS SIGNATURE FORM



**DELAWARE HEALTH AND SOCIAL SERVICES
REQUEST FOR PROPOSAL**

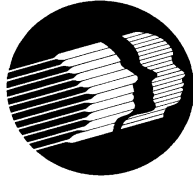
BIDDERS SIGNATURE FORM

NAME OF BIDDER: _____
SIGNATURE OF AUTHORIZED PERSON: _____
TYPE IN NAME OF AUTHORIZED PERSON: _____
TITLE OF AUTHORIZED PERSON: _____
STREET NAME AND NUMBER: _____
CITY, STATE, & ZIP CODE: _____
CONTACT PERSON: _____
TELEPHONE NUMBER: _____
FAX NUMBER: _____
DATE: _____
BIDDER'S FEDERAL EMPLOYERS IDENTIFICATION NUMBER: _____

THE FOLLOWING MUST BE COMPLETED BY THE VENDOR:

AS CONSIDERATION FOR THE AWARD AND EXECUTION BY THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES OF THIS CONTRACT, THE (COMPANY NAME) _____
HEREBY GRANTS, CONVEYS, SELLS, ASSIGNS, AND TRANSFERS TO THE STATE OF DELAWARE ALL OF ITS RIGHTS, TITLE AND INTEREST IN AND TO ALL KNOWN OR UNKNOWN CAUSES OF ACTION IT PRESENTLY HAS OR MAY NOW HEREAFTER ACQUIRE UNDER THE ANTITRUST LAWS OF THE UNITED STATES AND THE STATE OF DELAWARE, RELATING THE PARTICULAR GOODS OR SERVICES PURCHASED OR ACQUIRED BY THE DELAWARE HEALTH AND SOCIAL SERVICES DEPARTMENT, PURSUANT TO THIS CONTRACT.

APPENDIX D:
CERTIFICATION SHEET



**DELAWARE HEALTH AND SOCIAL SERVICES
REQUEST FOR PROPOSAL**

CERTIFICATION SHEET

As the official representative for the proposer, I certify on behalf of the agency that:

- a. They are a regular dealer in the services being procured.
- b. They have the ability to fulfill all requirements specified for development within this RFP.
- c. They have independently determined their prices.
- d. They are accurately representing their type of business and affiliations.
- e. They will secure a Delaware Business License.
- f. They have acknowledged that no contingency fees have been paid to obtain award of this contract.
- g. The Prices in this offer have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other contractor or with any competitor;
- h. Unless otherwise required by Law, the prices which have been quoted in this offer have not been knowingly disclosed by the contractor and prior to the award in the case of a negotiated procurement, directly or indirectly to any other contractor or to any competitor; and
- i. No attempt has been made or will be made by the contractor in part to other persons or firm to submit or not to submit an offer for the purpose of restricting competition.
- j. They have not employed or retained any company or person (other than a full-time bona fide employee working solely for the contractor) to solicit or secure this contract, and they have not paid or agreed to pay any company or person (other than a full-time bona fide employee working solely for the contractor) any fee, commission percentage or brokerage fee contingent upon or resulting from the award of this contract.

- k. They (check one) operate ___an individual; _____ a Partnership ___a non-profit (501 C-3) organization; _____ a not-for-profit organization; or _____ for profit corporation, incorporated under the laws of the State of _____.
- l. The referenced offerer has neither directly or 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 Delaware Health and Social Services.
- m. The referenced bidder agrees 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.
- n. They (check one): _____are; _____are not owned or controlled by a parent company. If owned or controlled by a parent company, enter name and address of parent company:

Violations and Penalties:

Each contract entered into by an agency for professional services shall contain a prohibition against contingency fees as follows:

- 1. The firm offering professional services swears that it has not employed or retained any company or person working primarily for the firm offering professional services, to solicit or secure this agreement by improperly influencing the agency or any of its employees in the professional service procurement process.
- 2. The firm offering the professional services has not paid or agreed to pay any person, company, corporation, individual or firm other than a bona fide employee working primarily for the firm offering professional services, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the award or making of this agreement; and
- 3. For the violation of this provision, the agency shall have the right to terminate the agreement without liability and at its discretion, to deduct from the contract price, or otherwise recover the full amount of such fee, commission, percentage, gift or consideration.

The following conditions are understood and agreed to:

- a. No charges, other than those specified in the cost proposal, are to be levied upon the State as a result of a contract.

- b. The State will have exclusive ownership of all products of this contract unless mutually agreed to in writing at the time a binding contract is executed.

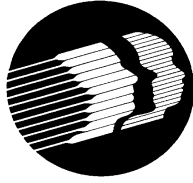
Date

Signature & Title of Official Representative

Type Name of Official Representative

APPENDIX E

STATEMENTS OF COMPLIANCE FORM



**DELAWARE HEALTH AND SOCIAL SERVICES
REQUEST FOR PROPOSAL**

STATEMENTS OF COMPLIANCE FORM

As the official representative for the contractor, I certify on behalf of the agency that _____
_____ (Company Name) will comply with all Federal and Delaware laws and regulations pertaining to equal employment opportunity and affirmative action. In addition, compliance will be assured in regard to Federal and Delaware laws and regulations relating to confidentiality and individual and family privacy in the collection and reporting of data.

Authorized Signature: _____

Title: _____

Date: _____

APPENDIX F

**OFFICE OF MINORITY AND WOMEN BUSINESS ENTERPRISE SELF-
CERTIFICATION TRACKING FORM**



OFFICE OF MINORITY AND WOMEN BUSINESS ENTERPRISE SELF-CERTIFICATION TRACKING FORM

IF YOUR FIRM WISHES TO BE CONSIDERED FOR ONE OF THE CLASSIFICATIONS LISTED BELOW, THIS PAGE MUST BE SIGNED, NOTARIZED AND RETURNED WITH YOUR PROPOSAL.

COMPANY NAME _____

NAME OF AUTHORIZED REPRESENTATIVE (Please print) _____

SIGNATURE _____

COMPANY ADDRESS _____

TELEPHONE # _____

FAX # _____

EMAIL ADDRESS _____

FEDERAL EI# _____

STATE OF DE BUSINESS LIC# _____

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, Delaware Health and Social Services.

Organization Classifications (Please circle)

Women Business Enterprise (WBE) Yes/No

Minority Business Enterprise (MBE) Yes/No

Please check one---Corporation _____

Partnership _____ Individual _____

For appropriate certification (WBE), (MBE), please apply to Office of Minority and Women Business Enterprise Phone # (302) 739-4206 L. Jay Burks, Executive Director Fax# (302) 739-1965 Certification # _____ Certifying Agency _____

<http://gss.omb.delaware.gov/omwbe/index.shtml>

SWORN TO AND SUBSCRIBED BEFORE ME THIS _____ DAY OF _____ 20_____

NOTARY PUBLIC _____ MY COMMISSION EXPIRES _____

CITY OF _____ COUNTY OF _____ STATE OF _____

Definitions

The following definitions are from the State Office of Minority and Women Business Enterprise.

Women Owned Business Enterprise (WBE):

At least 51% is owned by women, or in the case of a publicly owned enterprise, a business enterprise in which at least 51% of the voting stock is owned by women; or any business enterprise that is approved or certified as such for purposes of participation in contracts subject to women-owned business enterprise requirements involving federal programs and federal funds.

Minority Business Enterprise (MBE):

At least 51% is owned by minority group members; or in the case of a publicly owned enterprise, a business enterprise in which at least 51% of the voting stock is owned by minority group members; or any business enterprise that is approved or certified as such for purposes of participation in contracts subjects to minority business enterprises requirements involving federal programs and federal funds.

Corporation:

An artificial legal entity treated as an individual, having rights and liabilities distinct from those of the persons of its members, and vested with the capacity to transact business, within the limits of the powers granted by law to the entity.

Partnership:

An agreement under which two or more persons agree to carry on a business, sharing in the profit or losses, but each liable for losses to the extent of his or her personal assets.

Individual:

Self-explanatory

For certification in one of above, the bidder must contract:

L. Jay Burks

Office of Minority and Women Business Enterprise

(302) 739-4206

Fax (302) 739-5561

APPENDIX G

Contract Boilerplate



**DELAWARE HEALTH
AND SOCIAL SERVICES**

**CONTRACT # _____
BETWEEN
DIVISION OF PUBLIC HEALTH
DELAWARE DEPARTMENT OF HEALTH & SOCIAL SERVICES,
AND
[Contractor]
FOR
Loan Maintenance & Subrecipient Monitoring**

A. Introduction

1. This contract is entered into between the Delaware Department of Health and Social Services (the Department), Division of _____ (Division) and _____ (the Contractor).
2. The Contract shall commence on _____ and terminate on _____ unless specifically extended by an amendment, signed by all parties to the Contract. Time is of the essence. (Effective contract start date is subject to the provisions of Paragraph C. 1. of this Agreement.)

B. Administrative Requirements

1. Contractor recognizes that it is operating as an independent Contractor and that it is liable for any and all losses, penalties, damages, expenses, attorney's fees, judgments, and/or settlements incurred by reason of injury to or death of any and all persons, or injury to any and all property, of any nature, arising out of the Contractor's negligent performance under this Contract, and particularly without limiting the foregoing, caused by, resulting from, or arising out of any act of omission on the part of the Contractor in their negligent performance under this Contract.
2. The Contractor shall maintain such insurance as will protect against claims under Worker's Compensation Act and from any other claims for damages for personal injury, including death, which may arise from operations under this Contract. The Contractor is an independent contractor and is not an employee of the State.
3. During the term of this Contract, the Contractor shall, at its own expense, carry insurance with minimum coverage limits as follows:

a) Comprehensive General Liability \$1,000,000

and

- | | | |
|----|-----------------------------------|--------------------------|
| | b) Medical/Professional Liability | \$1,000,000/ \$3,000,000 |
| or | c) Misc. Errors and Omissions | \$1,000,000/\$3,000,000 |
| or | d) Product Liability | \$1,000,000/\$3,000,000 |

All contractors must carry (a) and at least one of (b), (c), or (d), depending on the type of service or product being delivered.

If the contractual service requires the transportation of Departmental clients or staff, the contractor shall, in addition to the above coverage, secure at its own expense the following coverage:

- | | |
|---|---------------------|
| e) Automotive Liability (Bodily Injury) | \$100,000/\$300,000 |
| f) Automotive Property Damage (to others) | \$ 25,000 |

4. Notwithstanding the information contained above, the Contractor shall indemnify and hold harmless the State of Delaware, the Department and the Division from contingent liability to others for damages because of bodily injury, including death, that may result from the Contractor's negligent performance under this Contract, and any other liability for damages for which the Contractor is required to indemnify the State, the Department and the Division under any provision of this Contract.
5. The policies required under Paragraph B. 3. must be written to include Comprehensive General Liability coverage, including Bodily Injury and Property damage insurance to protect against claims arising from the performance of the Contractor and the contractor's subcontractors under this Contract and Medical/Professional Liability coverage when applicable.
6. The Contractor shall provide a Certificate of Insurance as proof that the Contractor has the required insurance. The certificate shall identify the Department and the Division as the "Certificate Holder" and shall be valid for the contract's period of performance as detailed in Paragraph A. 2.
7. The Contractor acknowledges and accepts full responsibility for securing and maintaining all licenses and permits, including the Delaware business license, as applicable and required by law, to engage in business and provide the goods and/or services to be acquired under the terms of this Contract. The Contractor acknowledges and is aware that Delaware law provides for significant penalties associated with the conduct of business without the appropriate license.

8. The Contractor agrees to comply with all State and Federal licensing standards and all other applicable standards as required to provide services under this Contract, to assure the quality of services provided under this Contract. The Contractor shall immediately notify the Department in writing of any change in the status of any accreditations, licenses or certifications in any jurisdiction in which they provide services or conduct business. If this change in status regards the fact that its accreditation, licensure, or certification is suspended, revoked, or otherwise impaired in any jurisdiction, the Contractor understands that such action may be grounds for termination of the Contract.

a) If a contractor is under the regulation of any Department entity and has been assessed Civil Money Penalties (CMPs), or a court has entered a civil judgment against a Contractor or vendor in a case in which DHSS or its agencies was a party, the Contractor or vendor is excluded from other DHSS contractual opportunities or is at risk of contract termination in whole, or in part, until penalties are paid in full or the entity is participating in a corrective action plan approved by the Department.

A corrective action plan must be submitted in writing and must respond to findings of non-compliance with Federal, State, and Department requirements. Corrective action plans must include timeframes for correcting deficiencies and must be approved, in writing, by the Department.

The Contractor will be afforded a thirty (30) day period to cure non-compliance with Section 8(a). If, in the sole judgment of the Department, the Contractor has not made satisfactory progress in curing the infraction(s) within the aforementioned thirty (30) days, then the Department may immediately terminate any and/or all active contracts.

9. Contractor agrees to comply with all the terms, requirements and provisions of the Civil Rights Act of 1964, the Rehabilitation Act of 1973 and any other federal, state, local or any other anti discriminatory act, law, statute, regulation or policy along with all amendments and revision of these laws, in the performance of this Contract and will not discriminate against any applicant or employee or service recipient because of race, creed, religion, age, sex, color, national or ethnic origin, disability or any other unlawful discriminatory basis or criteria.

10. The Contractor agrees to provide to the Divisional Contract Manager, on an annual basis, if requested, information regarding its client population served under this Contract by race, color, national origin or disability.

11. This Contract may be terminated in whole or part:

a) by the Department upon five (5) calendar days written notice for cause or documented unsatisfactory performance,

b) by the Department upon fifteen (15) calendar days written notice of the loss of funding or reduction of funding for the stated Contractor services as described in Appendix B,

c) by either party without cause upon thirty (30) calendar days written notice to the other Party, unless a longer period is specified in Appendix A.

In the event of termination, all finished or unfinished documents, data, studies, surveys, drawings, models, maps, photographs, and reports or other material prepared by Contractor under this contract shall, at the option of the Department, become the property of the Department.

In the event of termination, the Contractor, upon receiving the termination notice, shall immediately cease work and refrain from purchasing contract related items unless otherwise instructed by the Department.

The Contractor shall be entitled to receive reasonable compensation as determined by the Department in its sole discretion for any satisfactory work completed on such documents and other materials that are usable to the Department. Whether such work is satisfactory and usable is determined by the Department in its sole discretion.

Should the Contractor cease conducting business, become insolvent, make a general assignment for the benefit of creditors, suffer or permit the appointment of a receiver for its business or assets, or shall avail itself of, or become subject to any proceeding under the Federal Bankruptcy Act or any other statute of any state relating to insolvency or protection of the rights of creditors, then at the option of the Department, this Contract shall terminate and be of no further force and effect. Contractor shall notify the Department immediately of such events.

12. Any notice required or permitted under this Contract shall be effective upon receipt and may be hand delivered with receipt requested or by registered or certified mail with return receipt requested to the addresses listed below. Either Party may change its address for notices and official formal correspondence upon five (5) days written notice to the other.

To the Division at:

Division name here
address
address
Attn:

To the Contractor at:

-
-
13. In the event of amendments to current Federal or State laws which nullify any term(s) or provision(s) of this Contract, the remainder of the Contract will remain unaffected.
 14. This Contract shall not be altered, changed, modified or amended except by written consent of all Parties to the Contract.
 15. The Contractor shall not enter into any subcontract for any portion of the services covered by this Contract without obtaining prior written approval of the Department. Any such subcontract shall be subject to all the conditions and provisions of this Contract. The approval requirements of this paragraph do not extend to the purchase of articles, supplies, equipment, rentals, leases and other day-to-day operational expenses in support of staff or facilities providing the services covered by this Contract.
 16. This entire Contract between the Contractor and the Department is composed of these several pages and the attached Appendix ____.
 17. This Contract shall be interpreted and any disputes resolved according to the Laws of the State of Delaware. Except as may be otherwise provided in this contract, all claims, counterclaims, disputes and other matters in question between the Department and Contractor arising out of or relating to this Contract or the breach thereof will be decided by arbitration if the parties hereto mutually agree, or in a court of competent jurisdiction within the State of Delaware.
 18. In the event Contractor is successful in an action under the antitrust laws of the United States and/or the State of Delaware against a vendor, supplier, subcontractor, or other party who provides particular goods or services to the Contractor that impact the budget for this Contract, Contractor agrees to reimburse the State of Delaware, Department of Health and Social Services for the pro-rata portion of the damages awarded that are attributable to the goods or services used by the Contractor to fulfill the requirements of this Contract. In the event Contractor refuses or neglects after reasonable written notice by the Department to bring such antitrust action, Contractor shall be deemed to have assigned such action to the Department.
 19. Contractor covenants that it presently has no interest and shall not acquire any interests, direct or indirect, that would conflict in any manner or degree with the performance of this Contract. Contractor further covenants that in the performance of this contract, it shall not employ any person having such interest.
 20. Contractor covenants that it has not employed or retained any company or person who is working primarily for the Contractor, to solicit or secure this agreement, by improperly

influencing the Department or any of its employees in any professional procurement process; and, the Contractor has not paid or agreed to pay any person, company, corporation, individual or firm, other than a bona fide employee working primarily for the Contractor, any fee, commission, percentage, gift or any other consideration contingent upon or resulting from the award or making of this agreement. For the violation of this provision, the Department shall have the right to terminate the agreement without liability and, at its discretion, to deduct from the contract price, or otherwise recover, the full amount of such fee, commission, percentage, gift or consideration.

21. The Department shall have the unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, any reports, data, or other materials prepared under this Contract. Contractor shall have no right to copyright any material produced in whole or in part under this Contract. Upon the request of the Department, the Contractor shall execute additional documents as are required to assure the transfer of such copyrights to the Department.

If the use of any services or deliverables is prohibited by court action based on a U.S. patent or copyright infringement claim, Contractor shall, at its own expense, buy for the Department the right to continue using the services or deliverables or modify or replace the product with no material loss in use, at the option of the Department.

22. Contractor agrees that no information obtained pursuant to this Contract may be released in any form except in compliance with applicable laws and policies on the confidentiality of information and except as necessary for the proper discharge of the Contractor's obligations under this Contract.
23. Waiver of any default shall not be deemed to be a waiver of any subsequent default. Waiver or breach of any provision of this Contract shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of the Contract unless stated to be such in writing, signed by authorized representatives of all parties and attached to the original Contract.
24. If the amount of this contract listed in Paragraph C2 is over \$25,000, the Contractor, by their signature in Section E, is representing that the Firm and/or its Principals, along with its subcontractors and assignees under this agreement, are not currently subject to either suspension or debarment from Procurement and Non-Procurement activities by the Federal Government.

C. Financial Requirements

1. The rights and obligations of each Party to this Contract are not effective and no Party is bound by the terms of this contract unless, and until, a validly executed Purchase Order is approved by the Secretary of Finance and received by Contractor, *if required by the State of Delaware Budget and Accounting Manual*, and all policies and procedures of the Department of Finance have been met. The obligations of the Department under this

Contract are expressly limited to the amount of any approved Purchase Order. The State will not be liable for expenditures made or services delivered prior to Contractor's receipt of the Purchase Order.

2. Total payments under this Contract shall not exceed \$ _____ in accordance with the budget presented in Appendix _____. Payment will be made upon receipt of an itemized invoice from the Contractor in accordance with the payment schedule, if any. 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. Contractor is responsible for costs incurred in excess of the total cost of this Contract and the Department is not responsible for such costs.
3. The Contractor is solely responsible for the payment of all amounts due to all subcontractors and suppliers of goods, materials or services which may have been acquired by or provided to the Contractor in the performance of this contract. The Department is not responsible for the payment of such subcontractors or suppliers.
4. The Contractor shall not assign the Contract or any portion thereof without prior written approval of the Department and subject to such conditions and revisions as the Department may deem necessary. No such approval by the Department of any assignment shall be deemed to provide for the incurrence of any obligations of the Department in addition to the total agreed upon price of the Contract.
5. Contractor shall maintain books, records, documents and other evidence directly pertinent to performance under this Contract in accordance with generally accepted accounting principles and practices. Contractor shall also maintain the financial information and data used by Contractor in the preparation of support of its bid or proposal. Contractor shall retain this information for a period of five (5) years from the date services were rendered by the Contractor. Records involving matters in litigation shall be retained for one (1) year following the termination of such litigation. The Department shall have access to such books, records, documents, and other evidence for the purpose of inspection, auditing, and copying during normal business hours of the Contractor after giving reasonable notice. Contractor will provide facilities for such access and inspection.
6. The Contractor agrees that any submission by or on behalf of the Contractor of any claim for payment by the Department shall constitute certification by the Contractor that the services or items for which payment is claimed were actually rendered by the Contractor or its agents, and that all information submitted in support of the claims is true, accurate, and complete.
7. The cost of any Contract audit disallowances resulting from the examination of the Contractor's financial records will be borne by the Contractor. Reimbursement to the Department for disallowances shall be drawn from the Contractor's own resources and not charged to Contract costs or cost pools indirectly charging Contract costs.

8. When the Department desires any addition or deletion to the deliverables or a change in the services to be provided under this Contract, it shall so notify the Contractor. The Department will develop a Contract Amendment authorizing said change. The Amendment shall state whether the change shall cause an alteration in the price or time required by the Contractor for any aspect of its performance under the Contract. Pricing of changes shall be consistent with those prices or costs established within this Contract. Such amendment shall not be effective until executed by all Parties pursuant to Paragraph B.14.

D. Miscellaneous Requirements

1. *If applicable*, the Contractor agrees to adhere to the requirements of DHSS Policy Memorandum # 46, (PM # 46, effective 3/11/05), and divisional procedures regarding the reporting and investigation of suspected abuse, neglect, mistreatment, misappropriation of property and significant injury of residents/clients receiving services, including providing testimony at any administrative proceedings arising from such investigations. The policy and procedures are included as Appendix _____ to this Contract. It is understood that adherence to this policy includes the development of appropriate procedures to implement the policy and ensuring staff receive appropriate training on the policy requirements. The Contractor's procedures must include the position(s) responsible for the PM46 process in the provider agency. Documentation of staff training on PM46 must be maintained by the Contractor.
2. The Contractor, including its parent company and its subsidiaries, and any subcontractor, including its parent company and subsidiaries, agree to comply with the provisions of 29 Del. Code, Chapter 58: "Laws Regulating the Conduct of Officers and Employees of the State," and in particular with Section 5805 (d): "Post Employment Restrictions."
3. *When required by Law*, Contractor shall conduct child abuse and adult abuse registry checks and obtain service letters in accordance with 19 Del. Code Section 708; and 11 Del. Code, Sections 8563 and 8564. Contractor shall not employ individuals with adverse registry findings in the performance of this contract.
4. *If applicable*, the Contractor agrees to adhere to the requirements of DHSS Policy Memorandum # 40, and divisional procedures regarding conducting criminal background checks and handling adverse findings of the criminal background checks. This policy and procedure are included as Appendix _____ to this Contract. It is understood that adherence to this policy includes the development of appropriate procedures to implement the policy and ensuring staff receive appropriate training on the policy requirements. The Contractor's procedures must include the title of the position(s) responsible for the PM40 process in the contractor's agency.
5. *If applicable*, the Contractor agrees to adhere to the requirements of DHSS Policy Memorandum # 36 (PM #36, effective 9/24/2008), and divisional procedures regarding minimal requirements of contractors who are engaging in a contractual agreement to develop community based residential arrangements for those individuals served by

Divisions within DHSS. This policy and procedure are included as Appendix ____ to this Contract. It is understood that adherence to this policy includes individuals/entities that enter into a contractual arrangement (*contractors*) with the DHSS/Division to develop a community based residential home(s) and apartment(s). Contractors shall be responsible for their subcontractors' adherence with this policy and related protocol(s) established by the applicable Division.

6. All Department campuses are tobacco-free. Contractors, their employees and sub-contractors are prohibited from using any tobacco products while on Department property. This prohibition extends to personal vehicles parked in Department parking lots.

E. Authorized Signatures:

For the Contractor:

Signature

Name (please print)

Title

Date

For the Department:

Rita M. Landgraf
Secretary

Date

For the Division:

Karyl T. Rattay, MD, MS

Date

CONTRACT APPENDIX A

DIVISION OF PUBLIC HEALTH REQUIREMENTS

1. Funds received and expended under the contract must be recorded so as to permit the Division to audit and account for all contract expenditures in conformity with the terms, conditions, and provisions of this contract, and with all pertinent federal and state laws and regulations. The Division retains the right to approve this accounting system.
2. The Contractor shall recognize that no extra contractual services are approved unless specifically authorized in writing by the Division. Further, the Contractor shall recognize that any and all services performed outside the scope covered by this Contract and attached budgets will be deemed by the Division to be gratuitous and not subject to any financial reimbursement.
3. All products are expected to be free of misspellings and typos, as well as punctuation, grammatical and design errors. Acronyms should be avoided; when used, they should be spelled out on first reference with the acronym in parentheses after that reference. For example, 'Division of Social Services (DSS)' on first reference.
4. No part of any funds under this contract shall be used to pay the salary or expenses of any contractor or agent acting for the contractor, to engage in any activity (lobbying) designed to influence legislation or appropriations pending before the State Legislature and/or Congress.
5. The contractor agrees that, if defunding occurs, all equipment purchased with Division funds for \$1,000.00 or more and a useful life expectancy of one (1) year, will be returned to the Division within thirty (30) days.
6. Contractors receiving Federal funds must comply with all the requirements of the Federal Office of Management and Budget (OMB) Circular A-133, Audits of State, Local Governments, and Non-profit Organizations.

CONTRACT APPENDIX B
SERVICE AND BUDGET DESCRIPTION

1. Contractor: _____

Address: _____

Phone _____

E.I. No.: _____

2. Division: _____

3. Service: _____

4. Total Payment shall not exceed _____.

5. Payment(s) will be made upon presentation of invoice(s) with supporting documentation that verifies the completed, acceptable deliverable(s). Invoice must contain period of service, Vendor Invoice Number, Vendor EI Number, Contract Number, Division Purchase Order Number and itemized description of the services provided to coincide with the contract deliverables. (See also Paragraph C.2. of the contract)

6. Source of Contract Funding:

_____ Federal Funds (CFDA# _____)

_____ State Funds

_____ Other Funds

_____ Combination of Funds

Date: _____

APPENDIX H
Sub recipient Audit Compliance Certification

_____ is a sub recipient of Drinking Water SRF funds through the State of Delaware during fiscal year _____. As such, in accordance with OMB Circular A-133, "Audits of States, Local Government, and Non-Profit Organizations," the State of Delaware is required to ensure that you are in compliance with Federal laws, regulations, and the provisions of the Environmental Protection Agency's State Revolving Fund Capitalization Grants. Any sub recipient expending \$300,000.00 or more in federal awards during their fiscal years is required to meet the audit requirements of A-133.

Accordingly, please review the following, check where appropriate and providing any required documents.

_____ We are subject to the audit requirements of A-133.

_____ Our A-133 audit for the above fiscal year has been completed.
Enclosed is a copy of our audit report.

_____ Our A-133 audit for the above fiscal year has been completed.
Enclosed is a copy of our audit report.

_____ Our A-133 audit has not been completed. We expect the audit to be completed by _____.

_____ We are not subject to the requirements of A-133 because:

_____ Had less than \$300,000.00 of expenditures of federal awards.

_____ Are a for-profit organization

_____ Other (please explain) _____

Name: _____

Signature: _____

Date: _____

Title: _____

Phone: _____

Fax: _____

E-Mail: _____

APPENDIX I
Audit Compliance Log

SRF Fund: _____ Borrower: _____

Fiscal Year End: _____ Loan Activity Review:

Compliance Letter Sent: _____

Response Received: _____ Single Audit Required: _____

Anticipated Delivery Date of Annual Report: _____ Received Date:

Anticipated Delivery Date of Single Audit Report: _____ Received Date:

Follow-up Contact with Borrower for missed Delivery Dates:

Recommended Action For Non-Compliance:

Prepared by: _____ Date: _____

Approved by: _____ Date: _____

APPENDIX J
Checklist for Review of Annual Financial Statements – DWSRF

BORROWER:		FY Ended:
Procedures	Comments	Reviewed By/Date
1. Is the Independent Auditor's Report modified?		
2. Are there any negative balances in either the Government and/or Business/Fiduciary Funds as shown on the Statements of Net Assets?		
3. In the Statement of Revenues, Expenditures & Charges in General Fund Balances are there major discrepancies between budgeted and actual amounts which may reflect a management problem?		
4. Re: GO debt; are there any unusual items in the General Fund Balances?		
5. Re: Revenue Debt Pledge, are there any significant negative changes in the Business Type/Enterprise Fund's Statement of Net Assets/Activities?		
6. Review notes on cash and investment balances for any negative impacts to the Security/Collateral for the SRF Loan.		
7. Review notes on long term debt for correct disclosure on the SRF Loan.		
8. Note any items which may have an impact on the security pledged for the SRF debt.		
9. Does the MD&A statement indicate any issues which may impact the SRF Loan?		

Prepared by: _____ Date: _____

APPENDIX K
Fiscal Year End:
Borrower: Statement of Net Assets

	Governmental Activities	Business – Type Activities	Total
ASSETS			
Current Assets:			
Cash			
Accounts Receivable (Net)			
Grants Receivable			
Internal Balances			
Restricted: Current			
Other Current			
Total Assets	0	0	0
Noncurrent Assets:			
Net Capital Assets			
Total Assets	0	0	0
LIABILITIES			
Current Liabilities			
Accounts Payable			
Other Accrued liabilities			
Accrued Interest			
Current Portion – LTD			
Other Current			
Total Current Liabilities	0	0	0
Noncurrent Liabilities			
Bonds, Notes, Capital Leases pay			
Total Liabilities	0	0	0
NET ASSETS			
Invested in capital assets, net of related debt			
Restricted			
Unrestricted			
Total Net Assets	0	0	0
Current Ratio	#DIV/0!	#DIV/0!	#DIV/0!
Quick Ratio	#DIV/0!	#DIV/0!	#DIV/0!
Debut Ratio	#DIV/0!	#DIV/0!	#DIV/0!
Debt/Capitalization	#DIV/0!	#DIV/0!	#DIV/0!

Fiscal Year End:

Borrower: Statement of Activities

	Governmental Activities	Business – Type Activities	Total
Expenses			
Charges for Services			
Operating Grant & Contributions			
Capital Gains & Contributions			
	Government Activities	0	0
<u>General Revenues</u>			
Property Tax			
Transfer Tax			
Building Fund			
Interest Earnings			
Other Fees			
Transfers			
	Total General Revenues	0	0
Change in Net Assets	0	0	0
Net Assets beginning of Year			
Net Assets end of Year			
	% change		
Depreciation			
Debt Services:	Principal		
	Interest		
	0	0	
Operating Ratio	#DIV/0!	#DIV/0!	
Debt Services Ratio	#DIV/0!	#DIV/0!	
Cash Flow to Debt Services	#DIV/0!	#DIV/0!	
Liquidity	0%	0%	

DRINKING WATER STATE REVOLVING FUND

LOAN APPLICATION FINANCIAL CAPABILITY REVIEW CRITERIA

Each loan applicant is required to submit information in its loan application package that is used to assess its ability to repay the Drinking Water State Revolving Fund (DWSRF) loan that may be issued. Financial information requested in the application package allows the underwriting agency at DHSS to review an entity's:

- Debt Position
- Financial Management
- Net Worth (Privately owned Facility)
- Socioeconomic Condition
- User Free Obligation

DEBT POSITION:

Financial information is requested to ensure that current and profoma debt levels will not result in any unreasonable increase in customer fees or the communities' debt level. The following information is requested on the DWSRF application:

- Long Term Debt
 - Revenue Obligation Bonds (Publicly owned Facility)
 - General Obligation Bonds (Publicly owned Facility)
 - Long Term Liabilities (Publicly owned Facility)
 - Stockholders' Equity (Publicly owned Facility)
 - Other Long Term Debt Obligations
 - Anticipated New Debt other than SRF
- Overall Net Debt as a percent of the total property assessment value for the community or development serviced
- Overall Net Debt per capita
- Debt coverage ratio

FINANCIAL MANAGEMENT:

The ability of the loan applicant to manage the entity's financial operation is assessed by reviewing the following:

- Liquidity Ratios
- Revenue and Expense Ratios

- Composite or Operating Ratios

SOCIOECONOMIC CONDITIONS:

The socioeconomic conditions reviewed include:

- Minimum five years population history in the community
- Median household income level based on the most recent census information available
- Housing vacancy rate for the most recent period
- Community unemployment rate

USER FEE OBLIGATION:

Current and proforma user fee obligation is assessed by the following:

- Percentage change in annual costs per household
- Annual cost per household as a percentage of median household income

These financial indicators are reviewed by the loan underwriting department against existing state and industry standards and the rating criteria of independent rating agencies for both the municipal and corporate bond markets. The ratings comparisons provide an indication of the relative financial viability of the applicant and its ability to repay the DWSRF loan. Applicants that are judged to be in the secure financial position are granted loans at an interest rate set by the Fund's managers.

For a publicly owned facility, the loan is ordinarily secured by a General Obligation bond which sets the terms and conditions of the loan's repayment. Communities judged to be less financially viable may be required to provide additional security for the loan including a dedicated user charge or revenue bond to collateralize the loan.

For a privately owned corporate facility, the loan is secured by an appropriate mix of corporate guarantees which may include: senior debt liens within the context of existing third party financing obligations; pledges of cash flow; debt services reserve covenants; net worth covenants; and, any such other security and collateral that can be obtained from a parent/holding company and affiliate(s).

For a private owner-operated facility, in addition to the security identified for a corporate facility, the loan is secured by the personnel guarantees and assets of the owners.

Implementation of these procedures and measures adequately protect the DWSRF against loan default.

APPENDIX L

ADDITIONAL TERMS AND CONDITIONS

- DISADVANTAGED BUSINESS ENTERPRISE (DBE) OBJECTIVES
- PRIME CONTRACTOR DBE COMPLIANCE STATEMENT (Becomes Contract Appendix C)
- 40 CFR DBE ADMINISTRATIVE REQUIREMENTS
- DELAWARE DHSS DBE GUIDANCE

ADDITIONAL TERMS AND CONDITIONS

Disadvantaged Business Enterprise

Fair Share Objectives and Good Faith Efforts

DHSS/DPH and Contractors shall abide by applicable portions of 40 CFR Part 33 of federal regulations pertaining to Disadvantaged Business Enterprise Program.

Disadvantaged Business Enterprise (DBE) are entities owned and/or controlled by a socially or economically disadvantaged individual(s). (Includes MBEs and WBEs)

Minority Business Enterprise (MBE) are entities that are at least 51 percent owned and or controlled by minorities.

Women's Business Enterprises (WBE) are entities that are at least 51 percent owned and/or controlled by women.

Fair Share Objectives:

The DBE fair share objectives represent the goal for the percentage of the grant funding awarded to the State of Delaware that is intended to be spent on goods and services provided by Disadvantaged Business Enterprises.

	<u>%MBE</u>	<u>% WBE</u>
1. Construction	2.90	3.69
2. Supplies	2.41	2.41
3. Services	4.85	3.62
4. Goods/Equipment Combined	11.69	12.62

The above goals are not a quota and apply to DBE participation only.

Good Faith Efforts:

1. Ensure DBEs are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities by placing qualified DBEs on solicitation lists and soliciting them whenever they are potential sources.

2. Make information on forthcoming opportunities available to DBEs and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by DBEs in the competitive process. This includes, whenever possible, posting solicitations for bids or proposals for a minimum of 30 calendar days before the bid or proposal closing date.

3. Dividing total requirements, when economically feasible, into small tasks or quantities, to permit maximum participation of DBEs when subcontracting.
4. Consider subcontracting with a consortium of DBEs when a contract is too large for one of these firms to handle individually.
5. Use the services and assistance of the federal Small Business Administration and the Minority Business Development Agency of the Department of Commerce, and Delaware's Office of Minority and Women Owned business when finding DBEs. Delaware's Office of Minority and Women Owned business maintains a website that contains information on MBE/WBE firms that have been certified in Delaware. <http://omwbe.delaware.gov/certdir.app> This database is searchable by North American Industry Classification System. All DBE's that have qualifications that match the subcontracting opportunity shall be notified.

Compliance Requirements For Disadvantaged Business Enterprise Program:

1. For work financed with grant funds, contractors are required to undertake the 6 Good Faith Efforts listed above and to sign the attached compliance statement.
2. Contractors must abide by all applicable administrative requirements found in 40 CFR Section 33.302. (Please see attachment A for more information)

The contractor shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. The contractor shall carry out applicable requirements of 40 CFR part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the contractor to carry out these requirements will be considered a material breach of contract which may result in termination of this contract or other legally available remedies.

State of Delaware
Delaware Department of Health and Social Services

**PRIME CONTRACTOR DISADVANTAGED BUSINESS ENTERPRISE (DBE)
COMPLIANCE STATEMENT**

COMPANY NAME : _____

CONTRACT NAME : _____

CONTRACT NUMBER _____

As the duly authorized representative for the above named company, I certify that the six good faith efforts have been performed in conformance with DBE regulations found in 40 CFR, Section 33.301. All efforts have been properly documented and such documentation is subject to audit by review by the US Environmental Protection Agency or the State of Delaware Department of Natural Resources and Environmental Control to further ensure compliance. I understand that by signing this statement that the DBE regulations 40 CFR, Section 33.105 include compliance and enforcement provisions to which the grant recipient and sub-recipients are subject. I understand signing this statement that the DBE regulations 40 CFR, Section 33.302 include additional contract administrative requirements that I must comply with (Attachment A).

As a prime contractor for the Department of Natural Resources and Environmental Control on this project, I shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. I shall carry out applicable requirements of 40 CFR part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. I understand that failure to do so is a material breach of this contract which may result in the termination of this contract or other legally available remedies.

Signature of Duly Authorized Representative

Date

Printed Name of Duly Authorized Representative

Attachment A to Appendix L

Other Administrative Requirements Found in 40 CFR Section 33.302

- a) Prime contractors must pay their subcontractor for satisfactory performance no more than 30 days from the prime contractor's receipt of payment from the recipient.
- (b) Prime contractors must notify the State of Delaware DNREC prior to any termination of a DBE subcontractor for convenience by the prime contractor.
- (c) If a DBE subcontractor fails to complete work under the subcontract for any reason, the prime contractor must employ the six good faith efforts described in §33.301 if soliciting a replacement subcontractor.
- (d) Prime contractors must employ the six good faith efforts described in §33.301 even if the prime contractor has achieved its fair share objectives under subpart D of this part.
- (e) Prime contractors must provide EPA Form 6100-2—DBE Program Subcontractor Participation Form to all of its DBE subcontractors. EPA Form 6100-2 gives a DBE subcontractor the opportunity to describe the work the DBE subcontractor received from the prime contractor, how much the DBE subcontractor was paid and any other concerns the DBE subcontractor might have, for example reasons why the DBE subcontractor believes it was terminated by the prime contractor. DBE subcontractors may send completed copies of EPA Form 6100-2 directly to Ms. Ramona McQueen, EPA Region 3, 1650 Arch Street (3PM00), Philadelphia PA.19103-2029.
- (f) Prime contractors must have DBE subcontractors complete EPA Form 6100-3—DBE Program Subcontractor Performance Form and include this form as part of the prime contractor's bid or proposal package.
- (g) Prime contractors must complete and submit EPA Form 6100-4—DBE Program Subcontractor Utilization Form as part of the prime contractor's bid or proposal package or submit this information upon DNREC's request if work has already been contracted.
- (h) Copies of EPA Form 6100-2—DBE Program Subcontractor Participation Form, EPA Form 6100-3—DBE Program Subcontractor Performance Form and EPA Form 6100-4—DBE Program Subcontractor Utilization Form may be obtained from EPA OSDBU's Home Page (www.epa.gov/osbp/dbe_forms.htm) on the Internet or directly from EPA OSDBU (202-566-2933).
- (i) Prime contractors must include the statement, "I shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. I shall carry out applicable requirements of 40 CFR part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. I understand that failure to do so is a material breach of this contract which may result in the termination of this contract or other legally available remedies." in all subcontracting requests for proposals.

Delaware Department of Health and Social Services Disadvantaged Business Enterprise Guidance

What is the purpose of the six good faith efforts?

The six good faith efforts are methods used by EPA grant recipients to ensure that disadvantaged business enterprises (DBE's) have the opportunity to compete for contracts supported by federal grant dollars.

What are the six good faith efforts?

Ensure DBEs are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities. For Indian Tribal, State and Local and Government recipients, this will include placing DBEs on solicitation lists and soliciting them whenever they are potential sources.

Make information on forthcoming opportunities available to DBEs and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by DBEs in the competitive process. This includes, whenever possible, posting solicitations for bids or proposals for a minimum of 30 calendar days before the bid or proposal closing date.

Consider in the contracting process whether firms competing for large contracts could subcontract with DBEs. For Indian Tribal, State and local Government recipients, this will include dividing total requirements when economically feasible into smaller tasks or quantities to permit maximum participation by DBEs in the competitive process.

Encourage contracting with a consortium of DBEs when a contract is too large for one of these firms to handle individually.

Use the services and assistance of the SBA, Minority Business Development Agency of the Department of Commerce, and State of Delaware Office of MBE/WBE.

If the prime contractor awards subcontracts, require the prime contractor to take the 6 steps listed above.

What are the New Contract Administration Requirements?

There are a number of new provisions designed to prevent unfair practices that adversely affect DBEs. Those provisions are as follows:

A recipient must require its prime contractor to pay its subcontractor for satisfactory performance no more than 30 days from the prime contractor's receipt of payment from the recipient.

A recipient must be notified in writing by its prime contractor prior to any termination of a DBE subcontractor for convenience by the prime contractor.

If a DBE subcontractor fails to complete work under the subcontract for any reason, the recipient must require the prime contractor to employ the six good faith efforts if soliciting a replacement subcontractor.

A recipient must require its prime contractor to employ the six good faith efforts even if the prime contractor has achieved its fair share objectives.

What Are the New Forms Associated With the New Contract Administration Provisions?

EPA Form 6100-2 - DBE Program Subcontractor Participation Form. This form gives a DBE subcontractor the opportunity to describe the work the DBE subcontractor received from the prime contractor, how much the DBE subcontractor was paid and any other concerns the DBE subcontractor might have. Prime contractor must supply to subcontractors.

EPA Form 6100-3 - DBE Program Subcontractor Performance Form. This form captures an intended subcontractor’s description of work to be performed for the prime contractor and the price of the work submitted to the prime. *Must be included in prime contractors bid package.*

EPA Form 6100-4 – DBE Program Subcontractor Utilization Form. This form captures the prime’s intended use of an identified DBE subcontractor, and the estimated dollar amount of the subcontract. *Must be included in prime contractors bid package.*

Form	Requirement	Provided by:	Completed by:	Submitted to:
EPA Form 6100-2	Prime contractors must provide to subcontractors	Prime Contractor	DBE Subcontractors	EPA Region 3 DBE Coordinator Ms. Ramona McQueen by the DBE subcontractors
EPA Form 6100-3	Prime contractors must provide to subcontractors	Prime Contractor	DBE Subcontractors	Prime Contractor for inclusion in bid package to DNREC
EPA Form 6100-4	Prime contractors submit form to DNREC upon request.	DNREC	Prime Contractors	Prime Contractor for inclusion in bid package to DNREC

How do you develop a solicitation list of MBE/WBE Contractors?

Delaware’s Office of Minority and Women owned business maintains a website that contains information on MBE/WBE firms that have been certified in Delaware. <http://omwbe.delaware.gov/certdir.app> This database is searchable by North American Industry Classification System.

What information must be retained on the solicitation lists that you develop during the bid process?

- (1) Entity's name with point of contact;
- (2) Entity's mailing address, telephone number, and email address;
- (3) The procurement on which the entity bid or quoted, and when; and
- (4) Entity's status as an MBE/WBE or non-MBE/WBE.