

**REQUEST FOR PROPOSALS FOR PROFESSIONAL SERVICES
LOCAL CHILD CARE MARKET RATE SURVEY AND COST OF CARE ANALYSIS
ISSUED BY
DIVISION OF SOCIAL SERVICES
CONTRACT NUMBER HSS-27-012**

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I. Overview

The Department of Health and Social Services (DHSS) is the single State agency mandated by the federal government and the State of Delaware to administer state and federally funded financial assistance programs for Delaware's needy citizens. Within the Department, the Division of Social Services (DSS) is directly responsible for these programs, which include TANF, Food Benefits, medical assistance eligibility, General Assistance, Subsidized Child Care, and Employment and Training. Through this Request for Proposals, DSS seeks professional services to conduct a local child care market rate survey and a cost of care analysis of Delaware's child care providers, and to produce the analysis, reporting, and deliverables described in Section II, Scope of Services. This request for proposals ("RFP") is issued pursuant to 29 *Del. C.* §§ [6981 and 6982](#).

The proposed schedule of events subject to the RFP is outlined below:

Public Notice	October 1, 2026
Deadline for Questions	October 16 at 4:30 PM EST
Response to Questions Posted by:	October 30, 2026
Deadline for Receipt of Proposals	November 20, 2026 at 1:00 PM EDT
Estimated Notification of Award	December 18, 2026

Each proposal must be accompanied by a transmittal letter which briefly summarizes the proposing firm's interest in providing the required professional services. The transmittal letter must also clearly state and justify any exceptions to the requirements of the RFP which the applicant may have taken in presenting the proposal. (Applicant exceptions must also be recorded on Attachment 4).

Furthermore, the transmittal letter must attest to the fact, at a minimum, that the Vendor shall not store or transfer non-public State of Delaware data outside of the United States.

For technology related solicitations, Vendors may refer to the Delaware Department of Technology and Information identified terms and conditions included in this solicitation.

The State of Delaware reserves the right to deny any and all exceptions taken to the RFP requirements.

A pre-bid meeting has NOT been established for this Request for Proposal.

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Questions may be submitted no later than October 16, 2026 @ 4:30 PM EST.

All inquiries must be submitted in the Q/A section of the project listing in the Euna Procurement (formerly Bonfire) Portal (<https://dhss.bonfirehub.com>).

The Department's response to questions will be posted, according to the procurement schedule, under the project listing in Euna Procurement (formerly Bonfire) and to the State of Delaware Bid Solicitation Directory Website: <http://www.bids.delaware.gov/> by October 30, 2026.

II. Scope of Services

This Section describes what DSS is procuring and what the CONTRACTOR must deliver.

- Part A gives background on the Department, the Purchase of Care program, and the policy environment.
- Part B defines the terms used throughout; capitalized terms have the meanings given there.
- Part C states the objectives.
- Part D lists the twelve tasks and their deliverables.
- Part E sets the statistical standards the work must meet, with plain-language explanations of the technical terms.
- Parts F through K cover the schedule, acceptance, DSS responsibilities, contractor qualifications, data ownership, and contract term.
- Federal requirements are cited once, in Part A, and referenced by task number elsewhere.

In brief, **the CONTRACTOR will survey every eligible child care provider** in Delaware to learn what providers charge families who pay privately (**the market rate survey**), separately estimate what it actually costs providers to operate at basic and higher levels of quality (**the cost of care analysis**), collect the additional provider information federal rules require, compare cost and price against what Delaware pays, and deliver **one public report, a cost estimation tool DSS can use on its own, and the underlying data**.

Please refer to Appendix B for full detail of the Scope of Service and requirements.

III. Required Information

The following information shall be provided in each proposal in the order listed below. Failure to respond to any request for information within this proposal may result in rejection of the proposal at the sole discretion of the State.

A. Minimum Requirements

1. Provide Delaware license(s) and/or certification(s) necessary to perform services as identified in the scope of work.

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Prior to the execution of an award document, the successful Vendor shall either furnish the Agency with proof of State of Delaware Business Licensure or initiate the process of application where required.

2. Vendor shall provide responses to the Request for Proposal (RFP) scope of work and clearly identify capabilities as presented in the General Evaluation Requirements below.
3. Complete all appropriate attachments and forms as identified within the RFP.
4. Proof of insurance and amount of insurance shall be furnished to the Agency prior to the start of the contract period and shall be no less than as identified in the bid solicitation, Section V, Item G, subsection 8 (Insurance).

B. General Evaluation Requirements

Proposal Content

Proposals shall contain the following sections in the order listed. Each section corresponds to an evaluation criterion in Section IV. Vendors will be evaluated only on information they were required to submit.

Proposal section	Evaluation criterion	Required content
1. Relevant experience and qualifications	Experience and qualifications (20 points)	Experience in child care and early education at the state and local government level. Demonstrated capability in both price survey research and cost analysis or modeling. Prior stakeholder engagement with examples of resulting products. Links or copies of prior final reports.
2. Technical approach and methodology	Technical approach and methodology (30 points)	Detailed methods for the market rate survey, the cost of care analysis including the 45 CFR 98.45(f)(1)(ii) elements, and the 45 CFR 98.45(d)(2) data. The proposed collection design and its defense against Section II.E. Frame construction, response-rate strategy, nonresponse analysis, weighting, uncertainty estimation, disclosure control, treatment of family child care owner compensation and shared occupancy, and reconciliation with prior Delaware work.

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3. Work plan, staffing, project management, and capacity	Work plan, staffing, project management, and capacity (20 points)	Task-level work plan aligned to Section II.F, with any proposed acceleration and its justification. Organization chart, named project manager, key personnel with role, location, and committed effort, resumes, subcontractors with services, percentage of work, and oversight, and evidence of capacity to run two collections within the schedule.
4. References and past performance	References and demonstrated past performance (10 points)	At least three references from comparable engagements with States or comparable public agencies completed within the past five years, on Attachment 5, with a description of the work performed and outcomes.
5. Cost proposal	Cost proposal (20 points)	Cost on the State pricing schedule with a personnel budget and budget narrative. The optional Task 4 priced separately. The cost of care analysis, including the 45 CFR 98.45(f)(1)(ii) elements, priced as one line.

Evaluation criteria and weights are stated in Section IV, Proposal Selection Criteria, and total 100 points.

IV. Professional Services RFP Administrative Information

A. RFP Issuance

1. Public Notice

Public notice has been provided in accordance with 29 *Del. C.* [§ 6981](#).

2. Obtaining Copies of the RFP

This RFP is available in electronic form through the State of Delaware Procurement website at <https://mmp.delaware.gov/Bids/> and on Euna Procurement (formerly Bonfire) at <https://dhss.bonfirehub.com>.

Paper copies of this RFP will not be available.

3. Assistance to Vendors with a Disability

Vendors with a disability may receive accommodation regarding the means of communicating this RFP or participating in the procurement process. For more information, contact the Designated Contact no later than ten days prior to the deadline for receipt of proposals.

4. RFP Designated Contact

All requests, questions, or other communications about this RFP shall be made through Euna Procurement (formerly Bonfire) at <https://dhss.bonfirehub.com>.

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Communications made to other State of Delaware personnel or attempting to ask questions by phone or in person will not be allowed or recognized as valid and may disqualify the vendor.

Vendors should rely only on written statements issued by the RFP designated Contracts, Management and Procurement contact.

The RFP designated contact is:

**FAITH M. MWAURA, DEPUTY
DIRECTOR**

Delaware Department of Health and Social
Services
Division of Social Services
Herman M. Holloway Sr. Health and Social
Services Campus
1901 N. DuPont Highway, New Castle, DE
19720
Office: (302) 255-9695
Faith.Mwaura@delaware.gov

**JACQUELINE BENSEL, SENIOR
ADMINISTRATOR**

Delaware Department of Health and
Social Services
Division of Social Services
Herman M. Holloway Sr. Health and
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1901 N. DuPont Highway, New
Castle, DE 19720
(302) 255-9611, or (302) 875-8334
Jacqueline.Bensel@delaware.gov

Contracts, Management and Procurement Contact:

Eddie Mui
Management Analyst III
DHSS_DMS_dmsprocure@delaware.gov

5. 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 the State's consultant or legal counsel on any matter related to the RFP.

6. Contact with State Employees

Direct contact with State of Delaware employees other than the State of Delaware Designated Contact 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.

7. 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.

8. Exclusions

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

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- a. 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:
- b. 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:
- c. Has been convicted or has had a civil judgment entered for a violation under State or Federal antitrust statutes:
- d. Has violated contract provisions such as:
 - 1) Known failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or
 - 2) Failure to perform or unsatisfactory performance in accordance with terms of one or more contracts;
- e. Has violated ethical standards set out in law or regulation; and
- f. 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.

B. RFP Submissions

1. 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.

2. Proposals

To be considered, all proposals must be submitted in through Euna Procurement (formerly Bonfire) at <https://dhss.bonfirehub.com/> and respond to the items outlined in this RFP.

The State reserves the right to reject any non-responsive or non-conforming proposals.

Responses submitted by hard copy, mail, facsimile, or e-mail will not be accepted.

All proposals must be submitted prior to 1:00 PM EDT on November 20, 2026.

PROPOSAL REQUIREMENTS

- a. Proposals must be received before the Proposal Due Date and Time, as identified in the Procurement Schedule for this RFP.

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Responses received after the Proposal Due Date and Time will not be accepted.

- b. Upload your submission at: <https://dhss.bonfirehub.com/>

Important Notes:

- Logging in and/or uploading the file(s) does not mean the response is submitted. Users must successfully upload all the file(s) and **MUST** click the submit button before the proposal due date and time.
- Users will receive an email confirmation receipt with a unique confirmation number once the submission has been finalized. This will confirm that the proposal has been submitted successfully.
- Each submitted item of Requested Information will only become visible to DHSS after the proposal due date and time.
- If the file is mandatory, you will not be able to complete your submission until the requirement is met.
- Uploading large documents may take significant time depending on the size of the file(s) and your Internet connection speed. The maximum upload file size is 1000 MB.
- Minimum system requirements: Microsoft Edge, Google Chrome, or Mozilla Firefox. Java Script must be enabled.
- **Notarizations are no longer required.**

Need Help? Please contact Euna Procurement (formerly Bonfire) directly at [Bonfire Hub](#), email to support.bonfire@eunasolutions.com, or call 1- 844- 226- EUNA (3862) press 1 for customer support/technical questions or issues related to your submission. You can also visit their help forum at <https://customer.eunasolutions.com/public/s/contactsupport>.

Any proposal submitted after the Deadline for Receipt of Proposals date will not be accepted. The contents of any proposal shall not be disclosed as to be made available to competing entities during the negotiation process.

Upon receipt of vendor proposals, each vendor shall be presumed to be thoroughly familiar with all specifications and requirements of this RFP. The failure or omission to examine any form, instrument or document shall in no way relieve vendors from any obligation in respect to this RFP.

3. Proposal Modifications

Any changes, amendments or modifications to a proposal must be submitted through Euna Procurement (formerly Bonfire) prior to the proposal due date. Changes, amendments, or modifications to proposals shall not be accepted or considered after the hour and date specified as the deadline for submission of proposals.

4. Proposal Costs and Expenses

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The State of Delaware will not pay any costs incurred by any Vendor associated with any aspect of responding to this solicitation, including proposal preparation, printing or delivery, attendance at vendor's conference, system demonstrations or negotiation process.

5. Proposal Expiration Date

Prices quoted in the proposal shall remain fixed and binding on the bidder at least through January 31, 2028. The State of Delaware reserves the right to ask for an extension of time if needed.

6. Late Proposals

Proposals submitted after the specified date and time will not be accepted by the Euna Procurement (formerly Bonfire) Portal. Evaluation of the proposals is expected to begin shortly after the proposal due date. To document compliance with the deadline, the proposal will be date and time stamped upon receipt by Euna Procurement (formerly Bonfire).

7. Proposal Opening

The State of Delaware will receive proposals via Euna Procurement (formerly Bonfire) until the date and time shown in this RFP. Proposals will be opened in the presence of State of Delaware personnel.

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 in accordance with [29 Del. C. § 10001](#), et seq. ("FOIA").

8. 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.

9. Concise Proposals

The State of Delaware discourages overly lengthy and costly proposals. It is the desire that proposals be prepared in a straightforward and concise manner. Unnecessarily elaborate brochures or other promotional materials beyond those sufficient to present a complete and effective proposal are not desired. The State of Delaware's interest is in the quality and responsiveness of the proposal.

10. 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.

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11. Confidentiality of Documents

The State of Delaware and its constituent agencies are required to comply with the State of Delaware Freedom of Information Act, [29 Del. C. § 10001](#), et seq. ("FOIA"). FOIA requires that the State of Delaware's records are public records (unless otherwise declared by FOIA or other law to be exempt from disclosure) and are subject to inspection and copying by any person upon a written request. All proposals are subject to FOIA's public disclosure obligations.

(Note: A FOIA request can be made via this link <https://dhss.delaware.gov/foia/>. DHSS will comply with the request after the RFP has been awarded..)

The State of Delaware wishes to create a business-friendly environment and procurement process. As such, the State respects the vendor community's desire to protect its intellectual property, trade secrets, and confidential business information (collectively referred to herein as "confidential business information"). Proposals must contain sufficient information to be evaluated. If a vendor feels that they cannot submit their proposal without including confidential business information, they must adhere to the following procedure, or their proposal may be deemed unresponsive, may not be recommended for selection, and any applicable protection for the vendor's confidential business information may be lost.

In order to allow the State to assess its ability to protect a vendor's confidential business information, vendors will be permitted to designate appropriate portions of their proposal as confidential business information.

Vendor(s) may submit portions of a proposal considered to be confidential business information in separate file(s) identified as "Confidential Business Information" and include the specific RFP number. The file must contain a letter from the vendor's legal counsel describing the documents in the file, representing in good faith that the information in each document is not "public record" as defined by [29 Del. C. § 10002](#), and briefly stating the reasons that each document meets the said definitions.

Upon receipt of a proposal accompanied by such separate file(s), the State of Delaware will open the file to determine whether the procedure described above has been followed. A vendor's allegation as to its confidential business information shall not be binding on the State. The State shall independently determine the validity of any vendor designation as set forth in this section. Any vendor submitting a proposal or using the procedures discussed herein expressly accepts the State's absolute right and duty to independently assess the legal and factual validity of any information designated as confidential business information. Accordingly, vendor(s) assume the risk that confidential business information included in a proposal may enter the public domain.

12. Multi-Vendor Solutions (Joint Ventures)

Multi-vendor solutions (joint ventures) will be allowed only if one of the venture partners is designated as the "**prime contractor**". The "**prime contractor**" must be the joint venture's contact point for the State of Delaware and be responsible for the joint

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venture's performance under the contract, including all project management, legal and financial responsibility for the implementation of all vendor systems. If a joint venture is proposed, a copy of the joint venture agreement clearly describing the responsibilities of the partners must be submitted with the proposal. Services specified in the proposal shall not be subcontracted without prior written approval by the State of Delaware, and approval of a request to subcontract shall not in any way relieve Vendor of responsibility for the professional and technical accuracy and adequacy of the work. Further, vendor shall be and remain liable for all damages to the State of Delaware caused by negligent performance or non-performance of work by its subcontractor or its sub-subcontractor.

Multi-vendor proposals must be a consolidated response with all cost included in the cost summary. Where necessary, RFP response pages are to be duplicated for each vendor.

a. Primary Vendor

The State of Delaware expects to negotiate and contract with only one "prime vendor". The State of Delaware will not accept any proposals that reflect an equal teaming arrangement or from vendors who are co-bidding on this RFP. The prime vendor will be responsible for the management of all subcontractors.

Any contract that may result from this RFP shall specify that the prime vendor is solely responsible for fulfillment of any contract with the State as a result of this procurement. The State will make contract payments only to the awarded vendor. Payments to any-subcontractors are the sole responsibility of the prime vendor (awarded vendor).

Nothing in this section shall prohibit the State of Delaware from the full exercise of its options under Section IV.B.18 regarding multiple source contracting.

b. Sub-contracting

The vendor selected shall be solely responsible for contractual performance and management of all subcontract relationships. This contract allows subcontracting assignments; however, vendors assume all responsibility for work quality, delivery, installation, maintenance, and any supporting services required by a subcontractor.

Use of subcontractors must be clearly explained in the proposal, and major subcontractors must be identified by name.

The prime vendor shall be wholly responsible for the entire contract performance whether or not subcontractors are used.

Any sub-contractors must be approved by State of Delaware.

c. Multiple Proposals

A primary vendor may not participate in more than one proposal in any form. Sub-contracting vendors may participate in multiple joint venture proposals.

13. Sub-Contracting

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The vendor selected shall be solely responsible for contractual performance and management of all subcontract relationships. This contract allows subcontracting assignments; however, vendors assume all responsibility for work quality, delivery, installation, maintenance, and any supporting services required by a subcontractor.

The use of subcontractors WILL be permitted for this project.

If a subcontractor is going to be used, this needs to be specified in the proposal, with an identification of the proposed subcontractor by name, the service(s) to be provided, and its qualifications to provide such service(s).

Subcontractors will be held to the same requirements as the primary contractor.

The contract with the primary contractor will bind sub or co-contractors to the primary contractor by the terms, specifications, and standards of the RFP. All such terms, specifications, and standards shall preserve and protect the rights of the agency under the RFP and any subsequent proposals and contracts with respect to the services performed by the sub or co-contractor, so that the sub or co-contractor will not prejudice such rights. Nothing in the RFP shall create any contractual relation between any sub or co-contractor and the agency.

14. Discrepancies and Omissions

Vendor is fully responsible for the completeness and accuracy of their proposal, and for examining this RFP and all addenda. Failure to do so will be at the sole risk of vendor. Should vendor find discrepancies, omissions, unclear or ambiguous intent or meaning, or should any questions arise concerning this RFP, vendor shall notify the State of Delaware's Designated Contact, in writing, of such findings at least ten (10) days before the proposal opening. This will allow issuance of any necessary addenda. It will also help prevent the opening of a defective proposal and exposure of vendor's proposal upon which award could not be made. All unresolved issues should be addressed in the proposal.

Protests based on any omission or error, or on the content of the solicitation, will be disallowed if these faults have not been brought to the attention of the Designated Contact, in writing, at least ten (10) calendar days prior to the time set for opening of the proposals.

15. State's Right to Reject Proposals

The State of Delaware reserves the right to accept or reject any or all proposals or any part of any proposal, to waive defects, technicalities or any specifications (whether they be in the State of Delaware's specifications or vendor's response), to sit and act as sole judge of the merit and qualifications of each product offered, or to solicit new proposals on the same project or on a modified project which may include portions of the originally proposed project as the State of Delaware may deem necessary in the best interest of the State of Delaware.

16. State's Right to Cancel Solicitation

The State of Delaware reserves the right to cancel this solicitation at any time during the procurement process, for any reason or for no reason. The State of Delaware

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makes no commitments expressed or implied, that this process will result in a business transaction with any vendor.

This RFP does not constitute an offer by the State of Delaware. Vendor's participation in this process may result in the State of Delaware selecting your organization to engage in further discussions and negotiations toward execution of a contract. The commencement of such negotiations does not, however, signify a commitment by the State of Delaware to execute a contract nor to continue negotiations. The State of Delaware may terminate negotiations at any time and for any reason, or for no reason.

17. State's Right to Award Multiple Source Contracting

Pursuant to 29 *Del. C.* [§ 6986](#), the State of Delaware may award a contract for a particular professional service to two or more vendors if the agency head makes a determination that such an award is in the best interest of the State of Delaware.

18. Potential Contract Overlap

Vendors shall be advised that the State, at its sole discretion, shall retain the right to solicit for goods and/or services as required by its agencies and as it serves the best interest of the State. As needs are identified, there may exist instances where contract deliverables, and/or goods or services to be solicited and subsequently awarded, overlap previous awards. The State reserves the right to reject any or all bids in whole or in part, to make partial awards, to award to multiple vendors during the same period, to award by types, on a zone-by-zone basis or on an item-by-item or lump sum basis item by item, or lump sum total, whichever may be most advantageous to the State of Delaware.

19. Supplemental Solicitation

The State reserves the right to advertise a supplemental solicitation during the term of the Agreement if deemed in the best interest of the State.

20. Notification of Withdrawal of Proposal

Vendor may modify or withdraw its proposal by written request, provided that both proposal and request is received by the State of Delaware prior to the proposal due date. Proposals may be re-submitted in accordance with the proposal due date in order to be considered further.

Proposals become the property of the State of Delaware at the proposal submission deadline. All proposals received are considered firm offers at that time.

21. Revisions to the RFP

If it becomes necessary to revise any part of the RFP, an addendum will be posted on the State of Delaware's website at www.bids.delaware.gov and <https://dhss.bonfirehub.com>. The State of Delaware is not bound by any statement related to this RFP made by any State of Delaware employee, contractor or its agents.

22. Exceptions to the RFP

Any exceptions to the RFP, or the State of Delaware's terms and conditions, must be recorded on Attachment 4. Acceptance of exceptions is within the sole discretion of the evaluation committee.

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23. Business References

Provide at least three (3) business references consisting of current or previous customers of similar scope and value using Attachment 6. Include business name, mailing address, contact name and phone number, number of years doing business with, and type of work performed. Personal references cannot be considered.

24. Award of Contract

The final award of a contract is subject to approval by the State of Delaware. The State of Delaware has the sole right to select the successful vendor(s) for award, to reject any proposal as unsatisfactory or non-responsive, to award a contract to other than the lowest priced proposal, to award multiple contracts, or not to award a contract, as a result of this RFP.

Notice in writing to a vendor of the acceptance of its proposal by the State of Delaware and the subsequent full execution of a written contract will constitute a contract, and no vendor will acquire any legal or equitable rights or privileges until the occurrence of both such events.

a. RFP Award Notifications

After reviews of the evaluation committee report and its recommendation, and once the contract terms and conditions have been finalized, the State of Delaware will award the contract.

The contract shall be awarded to the vendor whose proposal is most advantageous, taking into consideration the evaluation factors set forth in the RFP.

It should be explicitly noted that the State of Delaware is not obligated to award the contract to the vendor who submits the lowest bid or the vendor who receives the highest total point score, rather the contract will be awarded to the vendor whose proposal is the most advantageous to the State of Delaware. The award is subject to the appropriate State of Delaware approvals.

After a final selection is made, the winning vendor will be invited to negotiate a contract with the State of Delaware; remaining vendors will be notified in writing of their selection status.

25. Cooperatives

Vendors, who have been awarded similar contracts through a competitive bidding process with a cooperative, are welcome to submit the cooperative pricing for this solicitation. **State of Delaware terms will take precedence.**

C. RFP Evaluation Process

An evaluation team composed of representatives of the State of Delaware will evaluate proposals on a variety of quantitative criteria. Neither the lowest price nor highest scoring proposal will necessarily be selected.

The State of Delaware reserves full discretion to determine the competence and responsibility, professionally and/or financially, of vendors. Vendors are to provide in a timely manner any and all information that the State of Delaware may deem necessary to decide.

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1. Proposal Evaluation Team

The Proposal Evaluation Team shall be comprised of representatives of the State of Delaware. The Team shall determine which vendors meet the minimum requirements pursuant to selection criteria of the RFP and procedures established in 29 *Del. C.* §§ [6981 and 6982](#). Professional services for this solicitation are considered under 29 *Del. C.* § 6982(b). The Team may negotiate with one or more vendors during the same period and may, at its discretion, terminate negotiations with any or all vendors. The Team shall make a recommendation regarding the award to the director of the Division of Social Services, who shall have final authority, subject to the provisions of this RFP and 29 *Del. C.* § [6982\(b\)](#), to award a contract to the successful vendor in the best interests of the State of Delaware.

2. Proposal Selection Criteria

The Proposal Evaluation Team shall assign up to the maximum number of points for each Evaluation Item to each of the proposing vendor's proposals. All assignments of points shall be at the sole discretion of the Proposal Evaluation Team.

The proposals shall contain the essential information on which the award decision shall be made. The information required to be submitted in response to this RFP has been determined by the State of Delaware to be essential for use by the Team in the bid evaluation and award process. Therefore, all instructions contained in this RFP shall be met in order to qualify as a responsive and responsible contractor and participate in the Proposal Evaluation Team's consideration for award. Proposals which do not meet or comply with the instructions of this RFP may be considered non-conforming and deemed non-responsive and subject to disqualification at the sole discretion of the Team.

The Team reserves the right to:

- Select for contract or for negotiations a proposal other than that with lowest costs.
- Reject any and all proposals or portions of proposals received in response to this RFP or to make no award or issue a new RFP.
- Waive or modify any information, irregularity, or inconsistency in proposals received.
- Request modification to proposals from any or all vendors during the contract review and negotiation.
- Negotiate any aspect of the proposal with any vendor and negotiate with more than one vendor at the same time.
- Select more than one vendor pursuant to 29 *Del. C.* § [6986](#).

Criteria Weight

All proposals shall be evaluated using the same criteria and scoring process. The following criteria shall be used by the Evaluation Team to evaluate proposals:

Criteria	Weight
Relevant experience and qualifications	20
Technical approach and methodology	30
Work plan, staffing, project management, and capacity	20

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Criteria	Weight
Comparable references and demonstrated past performance	10
Cost proposal	20
Total	100

Vendors are encouraged to review the evaluation criteria and to provide a response that addresses each of the scored items. Evaluators will not be able to make assumptions about a vendor's capabilities so the responding vendor should be detailed in their proposal responses.

3. Proposal Clarification

The Evaluation Team may contact any vendor in order to clarify uncertainties or eliminate confusion concerning the contents of a proposal. Proposals may not be modified as a result of any such clarification request.

4. References

The Evaluation Team may contact any customer of the vendor, whether or not included in the vendor's reference list, and use such information in the evaluation process. Additionally, the State of Delaware may choose to visit existing installations of comparable systems, which may or may not include vendor personnel. If the vendor is involved in such site visits, the State of Delaware will pay travel costs only for State of Delaware personnel for these visits.

5. Oral Presentations

After initial scoring and a determination that vendor(s) are qualified to perform the required services, selected vendors may be invited to make oral presentations to the Evaluation Team. All vendor(s) selected will be given an opportunity to present to the Evaluation Team.

The selected vendors will have their presentations scored or ranked based on their ability to successfully meet the needs of the contract requirements, successfully demonstrate their product and/or service, and respond to questions about the solution capabilities.

The vendor representative(s) attending the oral presentation shall be technically qualified to respond to questions related to the proposed system and its components.

All of the vendor's costs associated with participation in oral discussions and system demonstrations conducted for the State of Delaware are the vendor's responsibility.

V. Contract Terms and Conditions

A. Contract Use by Other Agencies

REF: Title 29, Chapter [6904\(e\)](#) Delaware Code. If no state contract exists for a certain good or service, covered agencies may procure that certain good or service under another

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agency's contract so long as the arrangement is agreeable to all parties. Agencies, other than covered agencies, may also procure such goods or services under another agency's contract when the arrangement is agreeable to all parties.

B. Cooperative Use of Award

As a publicly competed contract awarded in compliance with 29 DE Code Chapter 69, this contract is available for use by other states and/or governmental entities through a participating addendum. Interested parties should contact the State Contract Procurement Officer identified in the contract for instruction. Final approval for permitting participation in this contract resides with the Director of Government Support Services and in no way places any obligation upon the awarded vendor(s).

C. General Information

1. The term of the contract between the successful bidder and the State shall be for one (1) year with one optional one-year renewal.

The renewal may be exercised solely at the State's discretion, subject to satisfactory performance, continued program need, available funding, and execution of a written amendment.

2. As a Service subscription license costs shall be incurred at the individual license level only as the individual license is utilized within a fully functioning solution. Subscription costs will not be applicable during periods of implementation and solution development prior to the State's full acceptance of a working solution. Additional subscription license requests above actual utilization may not exceed 5% of the total and are subject to Delaware budget and technical review.
3. The selected vendor will be required to enter into a written agreement with the State of Delaware. The State of Delaware reserves the right to incorporate standard State contractual provisions into any contract negotiated as a result of a proposal submitted in response to this RFP. Any proposed modifications to the terms and conditions of the standard contract are subject to review and approval by the State of Delaware. Vendors will be required to sign the contract for all services and may be required to sign additional agreements.
4. The selected vendor or vendors will be expected to enter negotiations with the State of Delaware, which will result in a formal contract between parties. Procurement will be in accordance with subsequent contracted agreement. This RFP and the selected vendor's response to this RFP will be incorporated as part of any formal contract.
5. The State of Delaware's standard contract will most likely be supplemented with the vendor's software license, support/maintenance, source code escrow agreements, and any other applicable agreements. The terms and conditions of these agreements will be negotiated with the finalist during actual contract negotiations.
6. The successful vendor shall promptly execute a contract incorporating the terms of this RFP within twenty (20) days after award of the contract. No vendor is to begin any service prior to receipt of a State of Delaware purchase order signed by two authorized representatives of the agency requesting service, properly processed

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through the State of Delaware Accounting Office and the Department of Finance. The purchase order shall serve as the authorization to proceed in accordance with the bid specifications and the special instructions, once it is received by the successful vendor.

7. If the vendor to whom the award is made fails to enter into the agreement as herein provided, the award will be annulled, and an award may be made to another vendor. Such vendor shall fulfill every stipulation embraced herein as if they were the party to whom the first award was made.
8. The State reserves the right to extend this contract on a month-to-month basis for a period of up to three months after the term of the full contract has been completed.
9. Vendors are not restricted from offering lower pricing at any time during the contract term.

D. Collusion or Fraud

Any evidence of agreement or collusion among vendor(s) and prospective vendor(s) acting to illegally restrain freedom from competition by agreement to offer a fixed price, or otherwise, will render the offers of such vendor(s) void.

By responding, the vendor shall be deemed to have represented and warranted that its proposal is not made in connection with any competing vendor submitting a separate response to this RFP, and is in all respects fair and without collusion or fraud; that the vendor did not participate in the RFP development process and had no knowledge of the specific contents of the RFP prior to its issuance; and that no employee or official of the State of Delaware participated directly or indirectly in the vendor's proposal preparation.

Advance knowledge of information which gives any particular vendor advantages over any other interested vendor(s), in advance of the opening of proposals, whether in response to advertising or an employee or representative thereof, will potentially void that particular proposal.

E. Lobbying and Gratuities

Lobbying or providing gratuities shall be strictly prohibited. Vendors found to be lobbying, providing gratuities to, or in any way attempting to influence a State of Delaware employee or agent of the State of Delaware concerning this RFP or the award of a contract resulting from this RFP shall have their proposal immediately rejected and shall be barred from further participation in this RFP.

The selected vendor will warrant that no person or selling agency has been employed or retained to solicit or secure a contract resulting from this RFP upon agreement or understanding for a commission, or a percentage, brokerage or contingent fee. For breach or violation of this warranty, the State of Delaware shall have the right to annul any contract resulting from this RFP without liability or at its discretion deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

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All contact with State of Delaware employees, contractors or agents of the State of Delaware concerning this RFP shall be conducted in strict accordance with the manner, forum and conditions set forth in this RFP.

F. Solicitation of State Employees

Until contract award, vendors shall not, directly or indirectly, solicit any employee of the State of Delaware to leave the State of Delaware's employ in order to accept employment with the vendor, its affiliates, actual or prospective contractors, or any person acting in concert with vendor, without prior written approval of the State of Delaware's contracting officer. Solicitation of State of Delaware employees by a vendor may result in rejection of the vendor's proposal.

This paragraph does not prevent the employment by a vendor of a State of Delaware employee who has initiated contact with the vendor. However, State of Delaware employees may be legally prohibited from accepting employment with the contractor or subcontractor under certain circumstances. Vendors may not knowingly employ a person who cannot legally accept employment under state or federal law. If a vendor discovers that they have done so, they must terminate that employment immediately.

G. General Contract Terms

1. Independent Contractors

The parties to the contract shall be independent contractors to one another, and nothing herein shall be deemed to cause this agreement to create an agency, partnership, joint venture or employment relationship between parties. Each party shall be responsible for compliance with all applicable workers compensation, unemployment, disability insurance, social security withholding and all other similar matters. Neither party shall be liable for any debts, accounts, obligations or other liability whatsoever of the other party or any other obligation of the other party to pay on the behalf of its employees or to withhold from any compensation paid to such employees any social benefits, workers compensation insurance premiums or any income or other similar taxes.

It may be at the State of Delaware's discretion as to the location of work for the contractual support personnel during the project period. The State of Delaware may provide working space and sufficient supplies and material to augment the Contractor's services.

2. Temporary Personnel are Not State Employees Unless and Until They are Hired

Vendor agrees that any individual or group of temporary staff person(s) provided to the State of Delaware pursuant to this Solicitation shall remain the employee(s) of Vendor for all purposes including any required compliance with the Affordable Care Act by the Vendor. Vendor agrees that it shall not allege, argue, or take any position that individual temporary staff person(s) provided to the State pursuant to this Solicitation must be provided any benefits, including any healthcare benefits by the State of Delaware and Vendor agrees to assume the total and complete responsibility for the provision of any healthcare benefits required by the Affordable Care Act to aforesaid individual temporary staff person(s). In the event that the Internal Revenue Service, or any other third party governmental entity determines that the State of

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Delaware is a dual employer or the sole employer of any individual temporary staff person(s) provided to the State of Delaware pursuant to this Solicitation, Vendor agrees to hold harmless, indemnify, and defend the State to the maximum extent of any liability to the State arising out of such determinations.

Notwithstanding the content of the preceding paragraph, should the State of Delaware subsequently directly hire any individual temporary staff employee(s) provided pursuant to this Solicitation, the aforementioned obligations to hold harmless, indemnify, and defend the State of Delaware shall cease and terminate for the period following the date of hire. Nothing herein shall be deemed to terminate the Vendor's obligation to hold harmless, indemnify, and defend the State of Delaware for any liability that arises out of compliance with the ACA prior to the date of hire by the State of Delaware. Vendor will waive any separation fee provided an employee works for both the vendor and hiring agency, continuously, for a three (3) month period and is provided thirty (30) days written notice of intent to hire from the agency. Notice can be issued at second month if it is the State's intention to hire.

3. Work Performed in a State Building

Awarded Vendor(s) who have any employees carrying out any work related to the awarded contract at a State facility shall have those employees comply with any health mandate or policy issued by the State related to a pandemic or other State of Emergency issued by any State authority during the term of the awarded contract, including those that apply directly to State employees.

4. ACA Safe Harbor

The State and its utilizing agencies are not the employer of temporary or contracted staff. However, the State is concerned that it could be determined to be a Common-law Employer as defined by the Affordable Care Act ("ACA"). Therefore, the State seeks to utilize the "Common-law Employer Safe Harbor Exception" under the ACA to transfer health benefit insurance requirements to the staffing company. The Common-law Employer Safe Harbor Exception can be attained when the State and/or its agencies are charged and pay for an "Additional Fee" with respect to the employees electing to obtain health coverage from the Vendor.

The Common-law Employer Safe Harbor Exception under the ACA requires that an Additional Fee must be charged to those employees who obtain health coverage from the Vendor, but does not state the required amount of the fee. The State requires that all Vendors shall identify the Additional Fee to obtain health coverage from the Vendor and delineate the Additional Fee from all other charges and fees. The Vendor shall identify both the Additional Fee to be charged and the basis of how the fee is applied (i.e. per employee, per invoice, etc.). The State will consider the Additional Fee and prior to award reserves the right to negotiate any fees offered by the Vendor. Further, the Additional Fee shall be separately scored in the proposal to ensure that neither prices charged nor the Additional Fee charged will have a detrimental effect when selecting vendor(s) for award.

5. Licenses and Permits

In performance of the contract, the vendor will be required to comply with all applicable federal, state and local laws, ordinances, codes, and regulations. The cost of permits and other relevant costs required in the performance of the contract shall be borne by

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the successful vendor. The vendor shall be properly licensed and authorized to transact business in the State of Delaware as provided in [30 Del. C. § 2101](#).

Prior to receiving an award, the successful vendor shall either furnish the State of Delaware with proof of State of Delaware Business Licensure or initiate the process of application where required. An application may be requested in writing to: Division of Revenue, Carvel State Building, P.O. Box 8750, 820 N. French Street, Wilmington, DE 19899 or by telephone to one of the following numbers: (302) 577-8200—Public Service, (302) 577-8205—Licensing Department.

Information regarding the award of the contract will be given to the Division of Revenue. Failure to comply with the State of Delaware licensing requirements may subject vendor to applicable fines and/or interest penalties.

6. Notice

Any notice to the State of Delaware required under the contract shall be sent by registered mail to:

Division of Social Services
1901 N. DuPont Highway, Lewis Building
P.O. Box 906
New Castle, DE 19720

7. Indemnification

a. General Indemnification

By submitting a proposal, the proposing vendor agrees that in the event it is awarded a contract, it will indemnify and otherwise hold harmless the State of Delaware, its agents and employees from any and all liability, suits, actions, or claims, together with all costs, expenses for attorney's fees, arising out of the vendor's, its agents and employees' performance work or services in connection with the contract.

b. Proprietary Rights Indemnification

Vendor shall warrant that all elements of its solution, including all equipment, software, documentation, services and deliverables, do not and will not infringe upon or violate any patent, copyright, trade secret or other proprietary rights of any third party. In the event of any claim, suit or action by any third party against the State of Delaware, the State of Delaware shall promptly notify the vendor in writing and vendor shall defend such claim, suit or action at vendor's expense, and vendor shall indemnify the State of Delaware against any loss, cost, damage, expense or liability arising out of such claim, suit or action (including, without limitation, litigation costs, lost employee time, and counsel fees) whether or not such claim, suit or action is successful.

If any equipment, software, services (including methods) products or other intellectual property used or furnished by the vendor (collectively "Products") is or in vendor's reasonable judgment is likely to be, held to

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constitute an infringing product, vendor shall at its expense and option either:

- (1) Procure the right for the State of Delaware to continue using the Product(s);
- (2) Replace the product with a non-infringing equivalent that satisfies all the requirements of the contract; or
- (3) Modify the Product(s) to make it or them non-infringing, provided that the modification does not materially alter the functionality or efficacy of the product or cause the Product(s) or any part of the work to fail to conform to the requirements of the Contract, or only alters the Product(s) to a degree that the State of Delaware agrees to and accepts in writing.

8. Insurance

- a. Vendor 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 vendor'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 vendor in their negligent performance under this contract.
- b. The vendor 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 vendor is an independent contractor and is not an employee of the State of Delaware.
- c. As a part of the contract requirements, the contractor must obtain at its own cost and expense and keep in force and effect during the term of this contract, including all extensions, the minimum coverage limits specified below with a carrier satisfactory to the State. All contractors must carry the following coverage depending on the type of service or product being delivered.
 - (1) Worker's Compensation and Employer's Liability Insurance in accordance with applicable law.
 - (2) Commercial General Liability - \$1,000,000 per occurrence/\$3,000,000 per aggregate.
 - (3) Automotive Liability Insurance covering all automotive units used in the work (including all units leased from and/or provided by the State to Vendor pursuant to this Agreement as well as all units used by Vendor, regardless of the identity of the registered owner, used by Vendor for completing the Work required by this Agreement to include but not limited to transporting Delaware clients or staff), providing coverage on a primary non-contributory basis with limits of not less than:
 - (a) \$1,000,000 combined single limit each accident, for bodily injury;
 - (b) \$250,000 for property damage to others;

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- (c) \$25,000 per person per accident Uninsured/Underinsured Motorists coverage;
 - (d) \$25,000 per person, \$300,000 per accident Personal Injury Protection (PIP) benefits as provided for in 21 *Del. C.* §2118; and
 - (e) Comprehensive coverage for all leased vehicles, which shall cover the replacement cost of the vehicle in the event of collision, damage or other loss.
- d. The successful vendor must carry at least one of the following depending on the scope of work being performed.
- (1) Medical/Professional Liability - \$1,000,000 per occurrence/\$3,000,000 per aggregate
 - (2) Miscellaneous Errors and Omissions - \$1,000,000 per occurrence/ \$3,000,000 per aggregate
 - (3) Product Liability - \$1,000,000 per occurrence/\$3,000,000 aggregate
- e. Should any of the above described policies be cancelled before expiration date thereof, notice will be delivered in accordance with the policy provisions.
- f. Before any work is done pursuant to this Agreement, the Certificate of Insurance and/or copies of the insurance policies, referencing the contract number stated herein, shall be filed with the State. The certificate holder is as follows:
- State of Delaware
Division of Social Services
Highway, Lewis Building
P.O. Box 906
New Castle, DE 19720
Contract No. HSS-27-012
- g. Nothing contained herein shall restrict or limit the Vendor's right to procure insurance coverage in amounts higher than those required by this Agreement. To the extent that the Vendor procures insurance coverage in amounts higher than the amounts required by this Agreement, all said additionally procured coverages will be applicable to any loss or claim and shall replace the insurance obligations contained herein.
- h. To the extent that Vendor has complied with the terms of this Agreement and has procured insurance coverage for all vehicles Leased and/or operated by Vendor as part of this Agreement, the State of Delaware's self-insured insurance program shall not provide any coverage whether coverage is sought as primary, co-primary, excess or umbrella insurer or coverage for any loss of any nature.
- i. In no event shall the State of Delaware be named as an additional insured on any policy required under this agreement.

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- j. The vendor shall provide a Certificate of Insurance (COI) as proof that the vendor has the required insurance. The COI shall be provided to agency contact prior to any work being completed by the awarded vendor(s).
- k. The State of Delaware shall not be named as an additional insured.
- l. Should any of the above-described policies be cancelled before expiration date thereof, notice will be delivered in accordance with the policy provisions.

9. Performance Requirements

The selected Vendor will warrant that it possesses, or has arranged through subcontractors, all capital and other equipment, labor, materials, and licenses necessary to carry out and complete the work hereunder in compliance with any and all Federal and State laws, and County and local ordinances, regulations and codes.

10. BID BOND

There is no Bid Bond Requirement.

11. PERFORMANCE BOND

There is no Performance Bond requirement.

12. Vendor Emergency Response Point of Contact

The awarded vendor(s) shall provide the name(s), telephone, or cell phone number(s) of those individuals who can be contacted twenty four (24) hours a day, seven (7) days a week where there is a critical need for commodities or services when the Governor of the State of Delaware declares a state of emergency under the Delaware Emergency Operations Plan or in the event of a local emergency or disaster where a state governmental entity requires the services of the vendor. Failure to provide this information could render the proposal as non-responsive.

In the event of a serious emergency, pandemic or disaster outside the control of the State, the State may negotiate, as may be authorized by law, emergency performance from the Contractor to address the immediate needs of the State, even if not contemplated under the original Contract or procurement. Payments are subject to appropriation and other payment terms.

13. Warranty

The Vendor will provide a warranty that the deliverables provided pursuant to the contract will function as designed for a period of no less than one (1) year from the date of system acceptance. The warranty shall require the Vendor correct, at its own expense, the setup, configuration, customizations or modifications so that it functions according to the State's requirements.

14. Costs and Payment Schedules

All contract costs must be as detailed specifically in the Vendor's cost proposal. No charges other than as specified in the proposal shall be allowed without written consent of the State of Delaware. The proposal costs shall include full compensation for all taxes that the selected vendor is required to pay.

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The State of Delaware will require a payment schedule based on defined and measurable milestones. Payments for services will not be made in advance of work performed. The State of Delaware may require holdback of contract monies until acceptable performance is demonstrated (as much as 25%).

15. Liquidated Damages

The State of Delaware may include in the final contract liquidated damages provisions for non-performance.

16. Dispute Resolution

At the option of the parties, they shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiation between executives who have authority to settle the controversy and who are at a higher level of management than the persons with direct responsibility for administration of this Agreement. All offers, promises, conduct and statements, whether oral or written, made in the course of the negotiation by any of the parties, their agents, employees, experts and attorneys are confidential, privileged and inadmissible for any purpose, including impeachment, in arbitration or other proceeding involving the parties, provided evidence that is otherwise admissible or discoverable shall not be rendered inadmissible.

If the matter is not resolved by negotiation, as outlined above, or, alternatively, the parties elect to proceed directly to mediation, then the matter will proceed to mediation as set forth below. Any disputes, claims or controversies arising out of or relating to this Agreement shall be submitted to a mediator selected by the parties. If the matter is not resolved through mediation, it may be submitted for arbitration or litigation. The Agency reserves the right to proceed directly to arbitration or litigation without negotiation or mediation. Any such proceedings held pursuant to this provision shall be governed by State of Delaware law, and jurisdiction and venue shall be in the State of Delaware. Each party shall bear its own costs of mediation, arbitration, or litigation, including attorneys' fees.

17. Remedies

Except as otherwise provided in this solicitation, including but not limited to Section V.G.15 above, all claims, counterclaims, disputes, and other matters in question between the State of Delaware and the Contractor arising out of, or relating to, this solicitation, or a breach of it may be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State of Delaware.

18. Termination of Contract

The contract resulting from this RFP may be terminated as follows by Department of Health and Social Services (DHSS) Division of Social Services.

a. Termination for Cause

If, for any reasons, or through any cause, the Vendor fails to fulfill in timely and proper manner its obligations under this Contract, or if the Vendor violates any of the covenants, agreements, or stipulations of this Contract, the State shall thereupon have the right to terminate this contract by giving written notice to the Vendor of such termination and specifying the effective date thereof, at least twenty (20) days before the effective date of such termination. In that event, all

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finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports or other material prepared by the Vendor under this Contract shall, at the option of the State, become its property, and the Vendor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials which is usable to the State.

On receipt of the contract cancellation notice from the State, the Vendor shall have no less than five (5) days to provide a written response and may identify a method(s) to resolve the violation(s). A vendor response shall not affect or prevent the contract cancellation unless the State provides a written acceptance of the vendor response. If the State does accept the Vendor's method and/or action plan to correct the identified deficiencies, the State will define the time by which the Vendor must fulfill its corrective obligations. Final retraction of the State's termination for cause will only occur after the Vendor successfully rectifies the original violation(s). At its discretion the State may reject in writing the Vendor's proposed action plan and proceed with the original contract cancellation timeline.

b. Termination for Convenience

The State may terminate this Contract at any time by giving written notice of such termination and specifying the effective date thereof, at least twenty (20) days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, models, photographs, reports, supplies, and other materials shall, at the option of the State, become its property and the Vendor shall be entitled to receive compensation for any satisfactory work completed on such documents and other materials, and which is usable to the State.

c. Termination for Non-Appropriations

In the event the General Assembly fails to appropriate the specific funds necessary to enter into or continue the contractual agreement, in whole or part, the agreement shall be terminated as to any obligation of the State requiring the expenditure of money for which no specific appropriation is available at the end of the last fiscal year for which no appropriation is available or upon the exhaustion of funds. This is not a termination for convenience and will not be converted to such.

19. Non-discrimination

In performing the services subject to this RFP the vendor, as set forth in Title 19 Delaware Code Chapter 7 section [711](#), will agree that it will not discriminate against any employee or applicant with respect to compensation, terms, conditions or privileges of employment because of such individual's race, marital status, genetic information, color, age, religion, sex, sexual orientation, gender identity, or national origin. The successful vendor shall comply with all federal and state laws, regulations and policies pertaining to the prevention of discriminatory employment practice. Failure to perform under this provision constitutes a material breach of contract.

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20. Covenant against Contingent Fees

The successful vendor will warrant that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement of understanding for a commission or percentage, brokerage or contingent fee excepting bona-fide employees, bona-fide established commercial or selling agencies maintained by the Vendor for the purpose of securing business. For breach or violation of this warranty the State of Delaware shall have the right to annul the contract without liability or at its discretion to deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

21. Vendor Activity

No activity is to be executed in an offshore facility, either by a subcontracted firm or a foreign office or division of the vendor. The vendor must attest to the fact that no activity will take place outside of the United States in its transmittal letter. Failure to adhere to this requirement is cause for elimination from future consideration.

22. Vendor Responsibility

The State will enter into a contract with the successful Vendor(s). The successful Vendor(s) shall be responsible for all products and services as required by this RFP whether or not the Vendor or its subcontractor provided final fulfillment of the order. Subcontractors, if any, shall be clearly identified in the Vendor's proposal by completing Attachment 7, and are subject the approval and acceptance of Department of Health and Social Services (DHSS) Division of Social Services.

23. Personnel, Equipment and Services

- a. The Vendor represents that it has, or will secure at its own expense, all personnel required to perform the services required under this contract.
- b. All of the equipment and services required hereunder shall be provided by or performed by the Vendor or under its direct supervision, and all personnel, including subcontractors, engaged in the work shall be fully qualified and shall be authorized under State and local law to perform such services.
- c. None of the equipment and/or services covered by this contract shall be subcontracted without the prior written approval of the State. Only those subcontractors identified in Attachment 7 are considered approved upon award. Changes to those subcontractor(s) listed in Attachment 7 must be approved in writing by the State.

24. Fair Background Check Practices

Pursuant to 29 Del. C. [§ 6909B](#), the State does not consider the criminal record, criminal history, credit history or credit score of an applicant for state employment during the initial application process unless otherwise required by state and/or federal law. Vendors doing business with the State are encouraged to adopt fair background check practices. Vendors can refer to 19 Del. C. [§ 711\(g\)](#) for applicable established provisions.

25. Vendor Background Check Requirements

Vendor(s) selected for an award that access state property or come in contact with vulnerable populations, including children and youth, shall be required to complete background checks on employees serving the State's on premises contracts. Unless otherwise directed, at a minimum, this shall include a check of the following registry:

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Delaware Sex Offender Central Registry at:

<https://sexoffender.dsp.delaware.gov/>

Individuals that are listed in the registry shall be prevented from direct contact in the service of an awarded state contract, but may provide support or off-site premises service for contract vendors. Should an individual be identified and the Vendor(s) believes their employee's service does not represent a conflict with this requirement, may apply for a waiver to the primary agency listed in the solicitation. The Agency's decision to allow or deny access to any individual identified on a registry database is final and at the Agency's sole discretion.

By Agency request, the Vendor(s) shall provide a list of all employees serving an awarded contract, and certify adherence to the background check requirement. Individual(s) found in the central registry in violation of the terms stated, shall be immediately prevented from a return to state property in service of a contract award. A violation of this condition represents a violation of the contract terms and conditions, and may subject the Vendor to penalty, including contract cancellation for cause.

Individual contracts may require additional background checks and/or security clearance(s), depending on the nature of the services to be provided or locations accessed, but any other requirements shall be stated in the contract scope of work or be a matter of common law. The Vendor(s) shall be responsible for the background check requirements of any authorized Subcontractor providing service to the Agency's contract.

26. Drug Testing Requirements for Large Public Works

Pursuant to 29 Del.C. [§6908\(a\)\(6\)](#), effective as of January 1, 2016, OMB has established regulations that require Contractors and Subcontractors to implement a program of mandatory drug testing for Employees who work on Large Public Works Contracts funded all or in part with public funds. The regulations establish the mechanism, standards and requirements of a Mandatory Drug Testing Program that will be incorporated by reference into all Large Public Works Contracts awarded pursuant to 29 Del.C. [§6962](#).

Final publication of the identified regulations can be found at the following:

[4104 Regulations for the Drug Testing of Contractor and Subcontractor Employees Working on Large Public Works Projects](#)

27. Work Product

All materials and products developed under the executed contract by the vendor are the sole and exclusive property of the State. The vendor will seek written permission to use any product created under the contract.

28. Contract Documents

The RFP, the purchase order, the executed contract and any supplemental documents between the State of Delaware and the successful vendor shall constitute the contract between the State of Delaware and the vendor. In the event there is any discrepancy between any of these contract documents, the following order of documents governs so that the former prevails over the latter: contract, State of Delaware's RFP, Vendor's response to the RFP and purchase order. No other documents shall be considered.

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These documents will constitute the entire agreement between the State of Delaware and the vendor.

29. Applicable Law

The laws of the State of Delaware shall apply, except where Federal Law has precedence. The successful vendor consents to jurisdiction and venue in the State of Delaware.

In submitting a proposal, Vendors certify that they comply with all federal, state and local laws applicable to its activities and obligations including:

- a. the laws of the State of Delaware;
- b. the applicable portion of the Federal Civil Rights Act of 1964;
- c. the Equal Employment Opportunity Act and the regulations issued there under by the federal government;
- d. a condition that the proposal submitted was independently arrived at, without collusion, under penalty of perjury; and
- e. that programs, services, and activities provided to the general public under resulting contract conform with the Americans with Disabilities Act of 1990, and the regulations issued there under by the federal government.

If any vendor fails to comply with a through e (noted above) of this paragraph, the State of Delaware reserves the right to disregard the proposal, terminate the contract, or consider the vendor in default.

The selected vendor shall keep itself fully informed of and shall observe and comply with all applicable existing Federal and State laws, and County and local ordinances, regulations and codes, and those laws, ordinances, regulations, and codes adopted during its performance of the work.

30. Severability

If any term or provision of this Agreement is found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not affect the other terms or provisions hereof or the whole of this Agreement, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the parties herein set forth.

31. Assignment of Antitrust Claims

As consideration for the award and execution of this contract by the State, the Vendor hereby grants, conveys, sells, assigns, and transfers to the State of Delaware all of its right, title and interest in and to all known or unknown causes of action it presently has or may now or hereafter acquire under the antitrust laws of the United States and the State of Delaware, regarding the specific goods or services purchased or acquired for the State pursuant to this contract. Upon either the State's or the Vendor notice of the filing of or reasonable likelihood of filing of an action under the antitrust laws of the United States or the State of Delaware, the State and Vendor shall meet and confer about coordination of representation in such action.

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32. Scope of Agreement

If the scope of any provision of the contract is determined to be too broad in any respect whatsoever to permit enforcement to its full extent, then such provision shall be enforced to the maximum extent permitted by law, and the parties hereto consent and agree that such scope may be judicially modified accordingly and that the whole of such provisions of the contract shall not thereby fail, but the scope of such provisions shall be curtailed only to the extent necessary to conform to the law.

33. Affirmation

The Vendor must affirm that within the past five (5) years the firm or any officer, controlling stockholder, partner, principal, or other person substantially involved in the contracting activities of the business is not currently suspended or debarred and is not a successor, subsidiary, or affiliate of a suspended or debarred business.

VI. Access to Records

The Vendor shall maintain books, records, documents, and other evidence pertaining to this Contract to the extent and in such detail as shall adequately reflect performance hereunder. The Vendor agrees to preserve and make available to the State, upon request, such records for a period of five (5) years from the date services were rendered by the Vendor. Records involving matters in litigation shall be retained for one (1) year following the termination of such litigation. The Vendor agrees to make such records available for inspection, audit, or reproduction to any official State representative in the performance of their duties under the Contract. Upon notice given to the Vendor, representatives of the State or other duly authorized State or Federal agency may inspect, monitor, and/or evaluate the cost and billing records or other material relative to this Contract. The cost of any Contract audit disallowances resulting from the examination of the Vendor's financial records will be borne by the Vendor. Reimbursement to the State for disallowances shall be drawn from the Vendor's own resources and not charged to Contract cost or cost pools indirectly charging Contract costs.

8. IRS 1075 Publication (If Applicable)

a. Performance

In performance of this contract, the Contractor agrees to comply with and assume responsibility for compliance by officers or employees with the following requirements:

- (1) All work will be performed under the supervision of the contractor.
- (2) The contractor and contractor's officers or employees to be authorized access to FTI must meet background check requirements defined in IRS Publication 1075. The contractor will maintain a list of officers or employees authorized access to FTI. Such list will be provided to the agency and, upon request, to the IRS.
- (3) FTI in hardcopy or electronic format shall be used only for the purpose of carrying out the provisions of this contract. FTI in any format shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Inspection or disclosure of FTI to anyone other than the contractor or the contractor's officers or employees authorized is prohibited.

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- (4) FTI will be accounted for upon receipt and properly stored before, during, and after processing. In addition, any related output and products require the same level of protection as required for the source material.
- (5) The contractor will certify that FTI processed during the performance of this contract will be completely purged from all physical and electronic data storage with no output to be retained by the contractor at the time the work is completed. If immediate purging of physical and electronic data storage is not possible, the contractor will certify that any FTI in physical or electronic storage will remain safeguarded to prevent unauthorized disclosures.
- (6) Any spoilage or any intermediate hard copy printout that may result during the processing of FTI will be given to the agency. When this is not possible, the contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts and will provide the agency with a statement containing the date of destruction, description of material destroyed, and the destruction method.
- (7) All computer systems receiving, processing, storing, or transmitting FTI must meet the requirements in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to FTI.
- (8) No work involving FTI furnished under this contract will be subcontracted without the prior written approval of the IRS.
- (9) Contractor will ensure that the terms of FTI safeguards described herein are included, without modification, in any approved subcontract for work involving FTI.
- (10) To the extent the terms, provisions, duties, requirements, and obligations of this contract apply to performing services with FTI, the contractor shall assume toward the subcontractor all obligations, duties and responsibilities that the agency under this contract assumes toward the contractor, and the subcontractor shall assume toward the contractor all the same obligations, duties and responsibilities which the contractor assumes toward the agency under this contract.
- (11) In addition to the subcontractor's obligations and duties under an approved subcontract, the terms and conditions of this contract apply to the subcontractor, and the subcontractor is bound and obligated to the contractor hereunder by the same terms and conditions by which the contractor is bound and obligated to the agency under this contract.
- (12) For purposes of this contract, the term "contractor" includes any officer or employee of the contractor with access to or who uses FTI, and the term "subcontractor" includes any officer or employee of the subcontractor with access to or who uses FTI.
- (13) The agency will have the right to void the contract if the contractor fails to meet the terms of FTI safeguards described herein.

b. Criminal/Civil Sanctions

- (1) Each officer or employee of a contractor to whom FTI is or may be disclosed shall be notified in writing that FTI disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any FTI for a purpose not authorized herein constitutes a felony

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punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as 5 years, or both, together with the costs of prosecution.

- (2) Each officer or employee of a contractor to whom FTI is or may be accessible shall be notified in writing that FTI accessible to such officer or employee may be accessed only for a purpose and to the extent authorized herein, and that access/inspection of FTI without an official need-to-know for a purpose not authorized herein constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution.
- (3) Each officer or employee of a contractor to whom FTI is or may be disclosed shall be notified in writing that any such unauthorized access, inspection or disclosure of FTI may also result in an award of civil damages against the officer or employee in an amount equal to the sum of the greater of \$1,000 for each unauthorized access, inspection, or disclosure, or the sum of actual damages sustained as a result of such unauthorized access, inspection, or disclosure, plus in the case of a willful unauthorized access, inspection, or disclosure or an unauthorized access/inspection or disclosure which is the result of gross negligence, punitive damages, plus the cost of the action. These penalties are prescribed by IRC sections 7213, 7213A and 7431 and set forth at 26 CFR 301.6103(n)-1.

Additionally, it is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is so prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

- (4) Granting a contractor access to FTI must be preceded by certifying that each officer or employee understands the agency's security policy and procedures for safeguarding FTI. A contractor and each officer or employee must maintain their authorization to access FTI through annual recertification of their understanding of the agency's security policy and procedures for safeguarding FTI. The initial certification and recertifications must be documented and placed in the agency's files for review. As part of the certification and at least annually afterwards, a contractor and each officer or employee must be advised of the provisions of IRC sections 7213, 7213A, and 7431 (see Exhibit 4, Sanctions for Unauthorized Disclosure, and Exhibit 5, Civil Damages for Unauthorized Disclosure). The training on the agency's security policy and procedures provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. (See Section 10) For the initial certification and the annual recertifications, the contractor and each officer or employee must sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

c. Inspection

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The IRS and the Agency, with 24-hour notice, shall have the right to send its inspectors into the offices and plants of the contractor to inspect facilities and operations performing any work with FTI under this contract for compliance with requirements defined in IRS Publication 1075. The IRS' right of inspection shall include the use of manual and/or automated scanning tools to perform compliance and vulnerability assessments of information technology (IT) assets that access, store, process or transmit FTI. Based on the inspection, corrective actions may be required in cases where the contractor is found to be noncompliant with FTI safeguard requirements.

9. Other General Conditions

- a. **Current Version** – “Packaged” application and system software shall be the most current version generally available as of the date of the physical installation of the software.
- b. **Current Manufacture** – Equipment specified and/or furnished under this specification shall be standard products of manufacturers regularly engaged in the production of such equipment and shall be the manufacturer's latest design. All material and equipment offered shall be new and unused.
- c. **Volumes and Quantities** – Activity volume estimates and other quantities have been reviewed for accuracy; however, they may be subject to change prior or subsequent to award of the contract.
- d. **Prior Use** – The State of Delaware reserves the right to use equipment and material furnished under this proposal prior to final acceptance. Such use shall not constitute acceptance of the work or any part thereof by the State of Delaware.
- e. **Status Reporting** – The selected vendor will be required to lead and/or participate in status meetings and submit status reports covering such items as progress of work being performed, milestones attained, resources expended, problems encountered, and corrective action taken, until final system acceptance.
- f. **Regulations** – All equipment, software and services must meet all applicable local, State and Federal regulations in effect on the date of the contract.
- g. **Assignment** – Any resulting contract shall not be assigned except by express prior written consent from the Agency.
- h. **Changes** – No alterations in any terms, conditions, delivery, price, quality, or specifications of items ordered will be effective without the written consent of the State of Delaware.
- i. **Billing** – The successful vendor is required to "Bill as Shipped" to the respective ordering agency(s). Ordering agencies shall provide contract number, ship to and bill to address, contact name and phone number.
- j. **Payment** – The State reserves the right to pay by Automated Clearing House (ACH) or Purchase Card (P-Card). The agencies will authorize and process for payment of each invoice within thirty (30) days after the date of receipt of a correct invoice. Vendors are invited to offer in their proposal value added discounts (i.e. speed to pay discounts for specific payment terms). Cash or separate discounts should be computed and incorporated as invoiced.
- k. **W-9** – The State of Delaware requires a new vendor to complete the registration process through the Delaware Supplier Portal at <http://esupplier.erp.delaware.gov>. Successful completion of this registration enables the creation of a State of Delaware supplier record. The Taxpayer ID (SSN or EIN) and Applicant (supplier) name are submitted to the Internal Revenue Service

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for “matching”. If the Taxpayer ID and name do not match, the vendor record cannot be approved.

It is the applicant’s responsibility to select the appropriate 1099 Withholding Type and Class. If incorporated, a business is not subject to 1099 reporting unless the business is providing legal or medical services.

Any questions about completing this registration or specific comments about the registration, please contact supplier maintenance by phone at 302-672-5000

- l. **Purchase Orders** – Agencies that are part of the First State Financial (FSF) system are required to identify the contract number HSS-27-012 on all Purchase Orders (P.O.) and shall complete the same when entering P.O. information in the state’s financial reporting system.
- m. **Purchase Card** – The State of Delaware intends to maximize the use of the P-Card for payment for goods and services provided under contract. Vendors shall not charge additional fees for acceptance of this payment method and shall incorporate any costs into their proposals. Additionally, there shall be no minimum or maximum limits on any P-Card transaction under the contract.
- n. **Additional Terms and Conditions** – The State of Delaware reserves the right to add terms and conditions during the contract negotiations.

VII. RFP Miscellaneous Information

A. No Press Releases or Public Disclosure

The State of Delaware reserves the right to pre-approve any news or broadcast advertising releases concerning this solicitation, the resulting contract, the work performed, or any reference to the State of Delaware with regard to any project or contract performance. Any such news or advertising releases pertaining to this solicitation or resulting contract shall require the prior express written permission of the State of Delaware.

The State will not prohibit or otherwise prevent the awarded vendor(s) from direct marketing to the State of Delaware agencies, departments, municipalities, and/or any other political subdivisions, however, the Vendor shall not use the State’s seal or imply preference for the solution or goods provided.

B. Definitions of Requirements

To prevent any confusion about identifying requirements in this RFP, the following definition is offered: The words *shall*, *will* and/or *must* are used to designate a mandatory requirement. Vendors must respond to all mandatory requirements presented in the RFP. Failure to respond to a mandatory requirement may cause the disqualification of your proposal.

C. Production Environment Requirements

The State of Delaware requires that all hardware, system software products, and application software products included in proposals be currently in use in a production environment by a least three other customers, have been in use for at least six months, and have been generally available from the manufacturers for a period of six months. Unreleased or beta test hardware, system software, or application software will not be acceptable.

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VIII. Attachments

The following attachments and appendices shall be considered part of the solicitation:

- Attachment 1 – No Proposal Reply Form
- Attachment 2 – Vendor Information Form (refer to Appendix C)
- Attachment 3 – Non-Collusion Statement (refer to Appendix C)
- Attachment 4 – Exceptions (refer to Appendix C)
- Attachment 5 – Confidentiality & Proprietary Information (refer to Appendix C)
- Attachment 6 – Business References (refer to Appendix C)
- Attachment 7 – Subcontractor Information Form (refer to Appendix C)
- Attachment 8 – Monthly Usage Report
- Attachment 9 – Subcontracting (2nd Tier Spend) Report
- Attachment 10 – Office of Supplier Diversity Application
- Appendix A – Minimum Response Requirements
- Appendix B – Scope of Work / Technical Requirements
- Appendix C – Forms
 - Vendor Information Form (Attachment 2)
 - Non-Collusion Statement (Attachment 3)
 - Exception Form (Attachment 4)
 - Confidentiality Form (Attachment 5)
 - Business References (Attachment 6)
 - Subcontractor Information Form (Attachment 7), if applicable
- Appendix D – Templates/Sample Agreements
 - Professional Services Agreement
 - Business Associate Agreement
 - DTI Terms & Conditions
- Appendix E – Project Cost Template

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IMPORTANT – PLEASE NOTE

- **Attachments 2, 3, 4, 5 and 6 must be included in your proposal**
- Attachment 7 must be included in your proposal if subcontractors will be involved
- Attachments 8 and 9 represent required reporting on the part of awarded vendors. Those bidders receiving an award will be provided with active spreadsheets for reporting.

REQUIRED REPORTING

One of the primary goals in administering this contract is to keep accurate records regarding its actual value/usage. This information is essential in order to update the contents of the contract and to establish proper bonding levels if they are required. The integrity of future contracts revolves around our ability to convey accurate and realistic information to all interested parties.

A complete and accurate Usage Report (Attachment 8) shall be furnished in an Excel format and submitted electronically, no later than the 15th (or next business day after the 15th day) of each month, detailing the purchasing of all items and/or services on this contract. The reports shall be completed in Excel format, using the template provided, and submitted as an attachment to Jacqueline.Bensel@delaware.gov, with a copy going to the contract officer identified as your point of contact. Submitted reports shall cover the full month (Report due by January 15th will cover the period of December 1 – 31.), contain accurate descriptions of the products, goods or services procured, purchasing agency information, quantities procured, and prices paid. Reports are required monthly, including those with “no spend”. Any exception to this mandatory requirement or failure to submit complete reports, or in the format required, may result in corrective action, up to and including the possible cancellation of the award. Failure to provide the report with the minimum required information may also negate any contract extension clauses. Additionally, Vendors who are determined to be in default of this mandatory report requirement may have such conduct considered against them, in assessment of responsibility, in the evaluation of future proposals.

AGENCIES MAY NOT REMOVE SUBCONTRACTING 2ND TIER REPORTS – Reporting is required by Executive Order.

In accordance with [Executive Order 49](#), the State of Delaware is committed to supporting its diverse business industry and population. The successful Vendor will be required to accurately report on the participation by Diversity Suppliers which includes minority (MBE), woman (WBE), veteran owned business (VOBE), or service-disabled veteran owned business (SDVOBE) under this awarded contract. The reported data elements shall include but not be limited to; name of state contract/project, the name of the Diversity Supplier, Diversity Supplier contact information (phone, email), type of product or service provided by the Diversity Supplier and any minority, women, veteran, or service-disabled veteran certifications for the subcontractor (State OSD certification, Minority Supplier Development Council, Women’s Business Enterprise Council, VetBiz.gov). The format used for Subcontracting 2nd Tier report is shown as in Attachment 9.

Accurate 2nd Tier reports shall be submitted to the contracting Agency’s contract manager on the 15th (or next business day) of the month following each quarterly period. For consistency quarters shall be considered to end the last day of March, June, September and December of

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each calendar year. Contract spend during the covered periods shall result in a report even if the contract has expired by the report due date.

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Attachment 1

NO PROPOSAL REPLY FORM

Contract No. HSS-27-012

Title: LOCAL CHILD CARE MARKET RATE SURVEY AND COST OF CARE ANALYSIS
ISSUED BY DIVISION OF SOCIAL SERVICES

To assist us in obtaining good competition on our Request for Proposals, we ask that each firm that has received a proposal, but does not wish to bid, state their reason(s) below and return in a clearly marked envelope displaying the contract number. This information will not preclude receipt of future invitations unless you request removal from the Vendor's List by so indicating below, or do not return this form or bona fide proposal.

Unfortunately, we must offer a "No Proposal" at this time because:

- _____ 1. We do not wish to participate in the bid process.
- _____ 2. We do not wish to bid under the terms and conditions of the Request for Proposal document. Our objections are: _____
- _____ 3. We do not feel we can be competitive.
- _____ 4. We cannot submit a proposal because of the marketing or franchising policies of the manufacturing company.
- _____ 5. We do not wish to sell to the State. Our objections are: _____
- _____ 6. We do not sell the items/services on which proposals are requested.
- _____ 7. Other: _____

FIRM NAME

SIGNATURE

_____ We wish to remain on the Vendor's List **for these goods or services.**

_____ We wish to be deleted from the Vendor's List **for these goods or services.**

PLEASE FORWARD NO PROPOSAL REPLY FORM TO THE CONTRACT OFFICER IDENTIFIED.

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Attachment 2 to Attachment 7

Contained in Appendix C under a separate file.

- Vendor Information Sheet (Attachment 2)
- Non-Collusion Statement (Attachment 3)
- Exceptions Form (Attachment 4)
- Confidential Information Form (Attachment 5)
- Business References (Attachment 6)
- Subcontractor Form (Attachment 7), if applicable

Please go to Appendix C for a separate file for these Attachments:

“HSS27012–MKTRTSVY AppC”

Attachment 8

SAMPLE REPORT - FOR ILLUSTRATION PURPOSES ONLY

Note: A copy of the Usage Report will be sent by electronic mail to the Awarded Vendor. The report shall be submitted electronically in **EXCEL** and sent as an attachment to Jacqueline.Bensel@delaware.gov.

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Attachment 9

SAMPLE REPORT - FOR ILLUSTRATION PURPOSES ONLY

State of Delaware																	
Subcontracting (2nd tier) Quarterly Report																	
Prime Name:				Report Start Date:													
Contract Name/Number				Report End Date:													
Contact Name:				Today's Date:													
Contact Phone:				*Minimum Required		Requested detail											
<u>Vend or Name</u> *	<u>Vend or TaxID</u> *	Contra ct Name/ Numbe r*	Vend or Conta ct Name *	<u>Vend or Conta ct Phon e</u> *	Repo rt Start Date *	Repo rt End Date *	Amount Paid to Subcontrac tor*	Work Performed by Subcontra ctor UNSPSC	M/WB E Certifyi ng Agency	Veteran/ <u>Ser vice Disabled</u> Veteran Certifying Agency	2nd tier Suppli er Name	2nd tier Suppli er <u>Addre ss</u>	2nd tier Suppli er Phone Numb er	2nd tier Suppli er <u>email</u>	<u>Descript ion of Work Perform ed</u>	2nd tier Suppli er Tax Id	Dat e Paid

Note: Completed reports shall be saved in an Excel format and submitted to the following email address: osd@delaware.gov . The form can be located at [Office of Supplier Diversity - Division of Small Business - State of Delaware](#), bottom of the page, 'Services and Information' section, 'Subcontractor Reporting Form'.



The Office of Supplier Diversity (OSD)

Supplier Diversity Certification Application Portal can be found here:
[Office of Supplier Diversity Certification Application Portal](#)

For more information, please send an email to OSD:
osd@delaware.gov or call 302-577-8477

[Subscribe](#) to the OSD Mailing List

Carvel State Building
820 N. French Street, 10th Floor
Wilmington, DE 19801

Telephone: 302-577-8477 / Fax: 302-736-7915

Email: osd@delaware.gov

Web site: <https://business.delaware.gov/osd/>

*Submission of a completed Office of Supplier Diversity (OSD) application is optional and does not influence the outcome of any award decision.



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APPENDIX A

MINIMUM MANDATORY SUBMISSION REQUIREMENTS

Each vendor solicitation response should contain at a minimum the following information:

1. Transmittal Letter as specified on page two (2) of the Request for Proposal including an Applicant's experience, if any, providing similar services.
2. The proposal package shall identify how the vendor proposes meeting the contract requirements and shall include pricing. Vendors are encouraged to review the Evaluation criteria identified to see how the proposals will be scored and verify that the response has sufficient documentation to support each criteria listed.
3. Pricing as identified in the solicitation.

Bidders must submit Appendix E in Excel as a separate file from the Technical Proposal.

The cost proposal must include a total fixed price for the initial term, itemized by: task and deliverable and supported by labor categories,

- estimated hours,
- hourly rates,
- subcontractor costs,
- travel, and other direct costs.

The hourly information is required to support cost-reasonableness review and does not convert the agreement into a time-and-materials contract.

Optional Task 4 and renewal-term pricing must be stated separately.

Bidders might want to provide pricing for each Task separately as noted in Appendix B for the initial term and the renewal term. DSS is looking to see what makes up the total pricing based on Tasks noted in Appendix B before arriving at the total pricing submission.

Please follow the instructions noted for Task #4 in Appendix B.

4. One (1) completed Vendor information Sheet (See Attachment 2 – in Appendix C).
5. One (1) complete and signed Non-collusion agreement (See Attachment 3 – in Appendix C)).
6. One (1) completed RFP Exception form (See Attachment 4 – in Appendix C) – please check box if no information – Form must be included.

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7. One (1) completed Confidentiality Form (See Attachment 5 – in Appendix C) – please check if no information is deemed confidential – Form must be included.
8. One (1) completed Business Reference form (See Attachment 6 – in Appendix C)) – please provide references other than State of Delaware contacts – Form must be included.
9. One (1) complete and signed copy of the Subcontractor Information Form (See Attachment 7 – in Appendix C)) for each subcontractor – **only provide if applicable.**

The items listed above provide the basis for evaluating each vendor's proposal. **Failure to provide all appropriate information may deem the submitting vendor as “non-responsive” and exclude the vendor from further consideration.** If an item listed above is not applicable to your company or proposal, please make note in your submission package.

Vendors shall provide proposal packages in the following formats:

1. Proposals shall be submitted online at <https://dhss.bonfirehub.com/>

APPENDIX B

SCOPE OF SERVICE AND TECHNICAL REQUIREMENTS

This Section describes what DSS is procuring and what the CONTRACTOR must deliver.

- Part A gives background on the Department, the Purchase of Care program, and the policy environment.
- Part B defines the terms used throughout; capitalized terms have the meanings given there.
- Part C states the objectives.
- Part D lists the twelve tasks and their deliverables.
- Part E sets the statistical standards the work must meet, with plain-language explanations of the technical terms.
- Parts F through K cover the schedule, acceptance, DSS responsibilities, contractor qualifications, data ownership, and contract term.
- Federal requirements are cited once, in Part A, and referenced by task number elsewhere.

In brief, **the CONTRACTOR will survey every eligible child care provider** in Delaware to learn: what providers charge families who pay privately (**the market rate survey**),

- separately estimate what it actually costs providers to operate at basic and higher levels of quality (**the cost of care analysis**),
- collect the additional provider information federal rules require,
- compare cost and price against what Delaware pays, and
- deliver **one public report, a cost estimation tool DSS can use on its own, and the underlying data**.

A. BACKGROUND

The Department and the Division

The Department of Health and Social Services (DHSS) is one of Delaware's largest State agencies and is the single State agency mandated by the federal government and the State of Delaware to administer state and federally funded health and financial assistance programs for Delaware residents.

The mission of DHSS is to improve the quality of life for Delaware's citizens by promoting health and well-being, fostering self-sufficiency, and protecting vulnerable populations.

More than 4,000 full-time employees deliver services through nine public-facing divisions, a network of State Service Centers and social services facilities located throughout the State, a public health laboratory, and residential and treatment facilities.

Within the Department, the Division of Social Services (DSS) connects Delawareans to supports that promote health, stability, and self-sufficiency, including food assistance, medical coverage, child care, heating and cooling assistance, and cash assistance. DSS delivers these services through State Service Centers located in all three counties and through partnerships with community organizations.

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DHSS is the State's designated Child Care and Development Fund (CCDF) Lead Agency. Within that designation, DSS administers the child care subsidy program, sets subsidy payment rates, and is responsible for the federal rate certifications that accompany them.

The Department of Education serves as CCDF Co-Administrator for quality initiatives and houses the Office of Child Care Licensing and the Office of Early Learning.

Several funding streams support a continuum of child care services for families working toward self-sufficiency. These include:

- the Child Care and Development Fund, which carries equal access, rate setting, and reporting requirements that govern this engagement;
- the Temporary Assistance for Needy Families Fund; and
- State General Fund appropriations.

Together these streams operate as a single child care system from the perspective of the family and the provider, and the CONTRACTOR shall treat the subsidized market as one market rather than as separate funding programs.

The Purchase of Care Program

Purchase of Care is Delaware's child care subsidy program, funded through the Child Care and Development Fund. It provides financial support toward the cost of early care and education and school-age care for children under age 13, and for children through age 18 who are incapable of self-care or under court supervision, so that parents and caretakers can work, participate in job training or education, or meet the special needs of the parent or the child. DSS determines eligibility based on household income and family size and on the need for care, authorizes care for a minimum twelve-month period, sets the family copayment on a sliding scale, and pays providers directly for authorized care. Delaware's child care resource and referral agency, Children and Families First, helps families locate care and maintains the State's consumer education website, MyChildDE.

Purchase of Care is delivered through a statewide network of contracted providers. Participating provider types include licensed child care centers, licensed family child care homes, licensed large family child care homes, license-exempt centers, and school-age programs. A participating provider must offer at least one standard Purchase of Care slot and may designate additional slots as Purchase of Care Plus, under which the provider may charge the family the difference between the provider's private price and the State reimbursement rate.

Program scale

The figures below are provided so that proposers can scope the work. Each figure states the measure it represents, and measures are not interchangeable. DSS will supply the validated provider file and supporting administrative data extracts to the CONTRACTOR after contract execution.

- **Contracted providers:** more than 800 provider contracts were executed for State Fiscal Year 2027. The market rate collection is a census attempt of the full eligible provider universe rather than a sample.
- **Children enrolled with a provider:** approximately 13,800 in July 2026, distributed across all three counties and all participating provider types. Children served, measured as

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attendance, averaged approximately 13,100 per month in State Fiscal Year 2026. Enrollment and attendance are different measures.

- **Children receiving the special needs rate:** approximately 500 in July 2026, or roughly four percent of children enrolled with a provider. Proposals shall address how reliable estimates will be produced for special needs care given the resulting cell sizes.
- **Program funding:** the State Fiscal Year 2026 Purchase of Care budget was approximately \$134.6 million, of which approximately \$93.4 million was State funds and approximately \$41.2 million federal funds, and actual expenditures for the year were approximately \$132 million. Budget authority (the amount appropriated) is not the same as actual expenditure (the amount spent).
- **Family income distribution:** approximately 79 percent of children served were in households at or below 150 percent of the federal poverty level. Families at or below 150 percent generally have a zero dollar family copayment.

Delaware's Child Care Market

Although Delaware is a small state geographically and has a relatively small number of child care providers, it encompasses a wide socioeconomic range, from the urban Wilmington area, through a fast-growing suburban population across New Castle County, to the combination of rural and urban communities south of the Chesapeake and Delaware Canal.

Price, cost, workforce availability, and provider density vary materially across that range. The State has three counties, which is a small number of geographic reporting units for statistical purposes and constrains how finely results can be disaggregated while remaining reliable. Proposals shall address this directly.

Current Rate Structure

Delaware pays a single statewide equalized reimbursement rate rather than county-differentiated rates, while prices and operating costs continue to vary across the three counties.

Current statewide Purchase of Care rates are set at the 50th percentile of the 2024 market rate survey and are differentiated by provider type, age group, regular or special needs status, and full-time or part-time service.

The CONTRACTOR shall report market rate results by county, as federal requirements oblige the survey to reflect variation by geographic area, and shall analyze whether material geographic variation exists in operating cost. County-level reporting is for analysis and federal reporting purposes and does not signal an intention to return to county-differentiated reimbursement rates. Where the cost analysis finds no material geographic variation, the cost estimation model may be statewide with documented sensitivity testing.

The Broader Early Childhood Environment

The CONTRACTOR will work within an early childhood system that is actively being redesigned, and proposals should demonstrate awareness of the following.

- The Delaware Early Childhood Council released a new statewide early childhood strategic plan in August 2026. The Council advises the Governor and the General Assembly on the early childhood system birth through age eight and is the coordinating body through which system-level priorities are set.

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- Delaware is executing a federal Preschool Development Grant Birth through Five award that includes a statewide early childhood needs assessment reaching the same provider population during an overlapping period. The CONTRACTOR shall coordinate with DSS so that duplicative requests to providers are avoided or sequenced.
- Delaware's 2024 cost estimation model reported cost at three levels: a base level reflecting the cost of operating licensed care that meets minimum requirements; a State-defined quality level aligned with the standards the Department of Education applies to State-funded early care and education, which draw on the Head Start Early Learning Outcomes Framework; and an intermediate level between the two. DSS will confirm the quality level definitions to be used for this engagement at project kickoff, in coordination with the Department of Education, and the CONTRACTOR shall reflect them in the Study Design Document.
- Licensing and quality improvement functions reside with the Department of Education while subsidy administration resides with DSS. The CONTRACTOR shall work across those boundaries, particularly to obtain and validate the provider universe.

Current Child Care Policy Environment

Delaware is preparing to implement or operationalize several Purchase of Care policy and program changes beginning in fall 2026. These changes arise from a combination of legislative, budget, and administrative actions. Their implementation dates and operational details may vary. They are described below because they affect the population, reimbursement rates, service categories, and policy environment the study must be able to evaluate.

Policy or Program Change	Relevance to This Engagement
Entry eligibility increasing from 200 percent to 225 percent of the federal poverty level and graduated phase-out increasing from 300 percent to 325 percent	These are distinct eligibility standards. The entry threshold applies to families seeking assistance, while graduated phase-out applies to participating families whose income increases. These changes may affect the size and composition of the subsidy population.
Ten percent provider rate increase for children birth through age five	This funded rate increase applies to a defined age range rather than to all children. The CONTRACTOR shall use the reimbursement rate and effective date applicable to each analytical period.
Twenty percent special-needs rate enhancement	The enhancement is intended to address the additional cost of serving children with special needs. For qualifying children birth through age five, the enhancement is applied in addition to the ten percent birth-through-five rate increase. The cost analysis shall examine the additional cost of special-needs care using the most detailed results supported by the available data.

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Revised household copayment methodology for part-time care	A household copayment of 3.5 percent of household income is planned when all authorized care in the household is part-time. If any authorized child receives full-time care, including households with a combination of full-time and part-time authorizations, the household copayment remains 7 percent. The existing household maximum remains in place. Because the policy depends on the mix of authorized care within a household, the CONTRACTOR shall collect and report part-time, half-day, full-time, and combination care distinctly.
Summer camp preauthorization	Summer camp preauthorization provides point-in-time information for enrollment planning and does not guarantee continued eligibility, future authorization, or payment. The study shall treat summer and camp-style school-age care as a distinct service type and examine its market price, cost, availability, and access considerations rather than combining it with year-round school-age care.
Process involving access to Purchase of Care for children in DSCYF custody	Establishes a process for coordinating Purchase of Care services for children in the custody of the Department of Services for Children, Youth and Their Families. The CONTRACTOR shall consider this population when examining child care access and provider participation, using the final policy and implementation information supplied by DSS.

The CONTRACTOR should anticipate that implementation dates, operational procedures, reimbursement rates, and related State or federal requirements may continue to evolve during the period of performance. DSS will provide the applicable policies, effective dates, and reimbursement tables for each analytical period.

The CONTRACTOR shall document which version of each policy and rate table is used and shall design the analysis so that material changes can be evaluated without compromising comparability or methodological integrity.

The CONTRACTOR shall not be asked to decide State policy. Scenario analysis may inform decisions, but recommendations shall be based on collected evidence and clearly distinguished from authorized State policy, fiscal estimates, appropriations, or budget requests.

Prior Delaware Work

The CONTRACTOR shall review the following before finalizing any instrument or methodology, and shall state in the Study Design Document how the proposed approach maintains comparability with this prior work or, where it departs, why the departure is justified.

- The 2021 Delaware Local Child Care Market Rate Survey and the 2024 market rate survey, for which data were gathered between January and April 2024.
- The 2021 Delaware Cost of Care Study and child care wage scale work completed in 2022.
- Delaware's 2024 published cost estimation tools for center-based and family child care programs and the accompanying cost estimation model report. DSS also maintains internal

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cost of care rate estimates used for projection purposes, and policy scenario modeling was prepared in 2026 in support of the FY2027 budget.

The CONTRACTOR shall reconcile its cost results against these and explain any material divergence.

Integrated Approach

DSS has previously procured market rate and cost of care work through separate solicitations. This solicitation combines them into a single award so that one CONTRACTOR is accountable for a coordinated data framework, one provider universe, one partner engagement process, and one integrated report.

Under this award the CONTRACTOR will conduct:

- **a statistically valid and reliable market rate survey;**
- **conduct a cost of care analysis that includes and satisfies the cost-estimation and reporting elements required by 45 CFR 98.45(f)(1)(ii);**
- **collect and report the additional information required by 45 CFR 98.45(d)(2), including provider participation barriers and amounts charged to families above the required family copayment; and produce one integrated detailed report.**

The market rate collection and the cost collection have different purposes and may appropriately use different methods.

The market rate collection requires breadth and high response across the provider universe. The cost collection requires depth of financial detail from a smaller, structured set of programs. Proposals shall state and defend a collection design that meets the statistical standards in Section II.E.

Federal Requirements

This engagement is governed by the equal access provisions of 45 CFR 98.45 and by the CCDF Plan and detailed reporting requirements of the federal Office of Child Care. The requirements below are mapped to the tasks in this Scope of Services and are not restated elsewhere.

Requirement	Citation	Task
Statistically valid and reliable market rate survey	45 CFR 98.45(c)	Tasks 3, 5, 6
Cost analysis estimating the cost of care at a base level and at each quality level the State defines, by geography, provider type, and age of child, in the unit of measure the subsidy uses	45 CFR 98.45(f)(1)(ii)	Task 7
Provider-reported barriers to serving families receiving subsidy	45 CFR 98.45(d)(2)(i)	Task 8
Amounts providers charge families above the required family copayment, and the size and frequency of those amounts	45 CFR 98.45(d)(2)(ii)	Task 8

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Consultation with the State Advisory Council or similar coordinating body, program administrators, resource and referral agencies, and organizations representing caregivers, teachers, and directors, before the study is conducted	45 CFR 98.45(e)	Task 2
Data sufficient to support the Lead Agency's rate adequacy certifications	45 CFR 98.45(b)(2) through (b)(4)	Tasks 6, 7, 9
Detailed public report describing the study, its methodology, stakeholder engagement, and results	CCDF Plan reporting requirement	Task 10

Federal pre-approval is required only where a Lead Agency uses an alternative methodology in place of a market rate survey to set payment rates. Nothing in this solicitation commits the State to an alternative methodology, and producing a cost estimation model does not obligate the State to pursue one.

B. DEFINITIONS

The following terms carry the meanings below throughout this solicitation and every deliverable produced under the resulting contract.

The CONTRACTOR shall state, for every figure reported, which measure the figure represents, and shall not use measures interchangeably.

Equal Access. The federal standard under 45 CFR 98.45 that payment rates and practices give families receiving CCDF assistance access to child care comparable to that available to families not receiving assistance. The 75th percentile of the market rate is the federal benchmark for gauging equal access.

Price. The amount a provider charges a family for care. Price reflects what families in the local market are able and willing to pay.

Cost. The amount required to operate a program at a defined level of care, including personnel, benefits, occupancy, materials, professional development, administration, and other fixed and variable operating expenses. Price and Cost are distinct and shall not be blended or substituted for one another.

Base Payment Rate or Subsidy Reimbursement. The amount DSS pays a provider for authorized care under the applicable rate table, before any differential or enhancement. Federal guidance refers to this as the base payment rate; Delaware refers to it as the reimbursement rate.

Family Copayment. The amount a family is required by DSS to pay toward care, determined on a sliding scale by income and family size. Federal regulation uses the term co-payment.

Purchase of Care Plus. An amount a provider charges a family above the Subsidy Reimbursement and above the Family Copayment, where the provider's price exceeds the subsidy payment. It is not a Family Copayment, and the two shall not be combined, netted, or reported as a single figure.

Priced Market. The set of care arrangements in which a provider charges a family a price at arm's length. Publicly funded slots and arrangements that are not arm's length transactions are outside the Priced Market.

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Market Rate Survey. A statistically valid and reliable study of the prices charged in the Priced Market, reflecting variation by geographic area, type of provider, and age of child, as required by 45 CFR 98.45(c).

Cost of Care Analysis. The analysis of the cost of providing child care required under 45 CFR 98.45(f)(1)(ii), estimating cost at a Base Level of Care and at each Quality Level, by geographic area, provider type, and age of child. Federal guidance refers to the minimum required form of this analysis as a narrow cost analysis.

Cost Estimation Model. A tool that estimates the cost of care by combining collected data and stated assumptions and that allows the user to test scenarios.

Alternative Methodology. A methodology other than a Market Rate Survey used to set payment rates, requiring advance approval by the federal Office of Child Care.

Base Level of Care. Care that meets the basic health, safety, licensing, and staffing requirements applicable in Delaware, without quality investment beyond those requirements.

Quality Level. A level of program quality as defined by DSS for purposes of this engagement and supplied at kickoff.

Provider Type. Licensed child care centers, licensed family child care homes, licensed large family child care homes, license-exempt centers, and school-age programs. Federal guidance refers to categories of care and types of providers.

Reporting Unit. The unit of service in which a price or cost is expressed, corresponding to the units in which Purchase of Care pays.

Response Unit. The provider site or provider program, unless the CONTRACTOR proposes and DSS approves another unit.

Authorization. A DSS approval for care for a specified child, provider, and level of service.

Enrollment. A provider's record of children registered, or DSS's record of children enrolled with a provider, as designated by DSS.

Attendance. Care actually received during a defined period.

Children Served. A count of children over a stated period, with the basis stated.

Unduplicated Count. A count in which each child is counted once within the defined reporting period.

Licensed Capacity. The number of children a provider is licensed to serve. It is not the same as Participating Providers or Slots, which refers to providers and slots participating in Purchase of Care.

Budget Authority and Actual Expenditures. Appropriated authority to spend and amounts actually expended, respectively. The two are distinct and the State fiscal year is not the federal fiscal year.

Study Design Document. The written study design requiring DSS approval under Task 3 before data collection begins.

Detailed Report. The single integrated public report required by Task 10, consistent with the federal Office of Child Care checklist for the detailed report.

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C. OBJECTIVES

At the conclusion of the engagement DSS shall be able to demonstrate:

- **Federal compliance** with the requirements identified in Section II.A.
- **Evidence sufficient to support the Lead Agency's rate adequacy certifications.**
- **A defensible view of market prices** by county and statewide, by age of child, provider type, and unit of service, at multiple percentiles with stated reliability.
- **A defensible view of cost** at a base level of care and at each defined quality level.
- **A quantified gap** between estimated cost, market rates, and reimbursement in effect.
- **An assessment of DSS administrative data** on amounts charged above the family copayment, with specific recommendations.
- **A cost estimation model**, with documentation and training, that DSS staff can operate independently after the contract ends.

D. STATEMENT OF NEEDS

The CONTRACTOR shall perform the following tasks. Each task concludes in one or more deliverables that shall be reviewed and accepted in writing by DSS before payment associated with that deliverable is made. Where a task states a more specific requirement than a preceding paragraph, the task requirement applies.

Task 1. Project management, work plan, and communication

- Conduct a project kickoff meeting with DSS no later than fifteen calendar days after contract execution.
- Submit a detailed work plan identifying tasks, subtasks, personnel responsible by name or position, and start and completion dates, aligned to the deliverable schedule in Section II.F.
- Designate a project manager and key personnel and state the percentage of effort each will commit.
- Hold status meetings on a schedule established at kickoff, submit written status reports, maintain a written record of every DSS approval, modification request, and disapproval, and maintain a risk log with escalation triggers and mitigation steps.

Task 2. Partner consultation and provider engagement

- Review and document consultation DSS has already completed with the Delaware Early Childhood Council and other partners before contract execution; identify whether supplemental consultation is needed to satisfy 45 CFR 98.45(e); support any additional consultation DSS directs; and demonstrate in the Study Design Document how consultation informed the design. Required consultation is distinct from general provider outreach and from the public information sessions below, and consultation performed before the CONTRACTOR starts satisfies the requirement only upon documentation and DSS confirmation.
- Conduct one public information session in each of New Castle County, Kent County, and Sussex County, with at least one additional virtual session accessible statewide, to inform the public of the intent of the study, how the collections will be conducted, what to expect, how providers can prepare to participate, how percentile prices are determined, and what

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those measures do and do not signify. The CONTRACTOR shall be prepared to respond to questions from the public.

- Support a DSS-led pre-notification to providers, delivered through the Delaware Early Childhood Council and a statewide provider call before any CONTRACTOR contact, explaining who will contact providers, when, by what mode, and why participation matters, including for providers that do not currently accept Purchase of Care.
- Provide a unified provider communication kit, for DSS review before distribution, that DSS and partner organizations can distribute through their own channels so that providers receive consistent messaging, and that explains how responses will be protected.
- Maintain and submit a written record of feedback received from partners and providers and how each item was addressed, incorporated, or set aside with reasons. This record is a required component of the Detailed Report.
- Coordinate with DSS regarding concurrent statewide early childhood data collection so that duplicative requests to the same providers are avoided or sequenced.

Task 3. Study design, provider frame, and instruments

- Review the prior Delaware instruments and cost work identified in Section II.A and submit recommendations for revision, retention, or replacement.
- Construct a documented, deduplicated survey frame of the full eligible provider universe using DSS provider data and licensing information from the Department of Education; resolve duplicates and inactive providers; assess coverage; and report discrepancies to DSS. The provider site or provider program is the response unit unless the CONTRACTOR proposes and DSS approves another unit.
- State a written definition of the Priced Market with every inclusion and exclusion identified. Excluded categories include emergency backup and drop-in programs, informal care, recreational day camps and recreation programs as distinct from licensed school-age summer care, Head Start and Early Head Start, early intervention programs, employer-supported centers serving only their own employees, faith-based programs open only to members, specialized programs, children served without charge, foster care, and relative care. Programs serving only children with special needs are excluded from the market rate collection unless DSS directs otherwise in writing. Every exclusion shall be restated in the Detailed Report.
- Develop draft and final instruments for the market rate collection and for the cost collection, differentiated by provider type. Instruments shall separately capture full-day, part-day and half-day, and school-age and summer care; odd hour care including evening, overnight, and weekend care; care for children with special needs; and registration and enrollment fees, deposits, supply or activity fees, late pick-up fees, payment convenience fees, payment schedules, and holiday, closure, and absence policies, reported separately from the base price. Age categories shall map to the categories in which Purchase of Care pays while retaining finer age detail for analysis. Regular care shall be reported as a daily and a weekly rate and odd hour care as an hourly rate. The cost collection shall be drawn from a structured set of programs stratified across provider type, quality level, and county.
- Pilot or cognitively test each instrument, meaning test the questionnaire with a small number of providers to confirm that questions are understood as intended and can be answered, and submit a documented revision log. Translate instruments and participant-facing

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materials into the languages necessary to reach the provider population, as identified in the Study Design Document and approved by DSS.

- **Submit a written Study Design Document** covering instruments; the frame and coverage assessment; the response unit; the collection design and rationale; the response-rate strategy and triggers; weighting and adjustment methods; the reliability standard and disclosure-control standards required by Section II.E; the priced market definition; treatment of quality levels; and the analysis plan. **No data collection shall begin until DSS approves the Study Design Document in writing.**

Task 4. Alternative methodology support (optional task, priced separately)

This task shall be priced separately and exercised only at the sole discretion of DSS. Non-exercise carries no cost to the State and no adjustment to any other task. If exercised, the CONTRACTOR shall prepare, or update as applicable, a request for federal pre-approval of a cost-based alternative methodology addressing the elements the Office of Child Care requires, and shall support DSS through federal review.

Task 4 is for Alternative Methodology Support. If DSS decides to pursue a cost-based alternative rate-setting methodology, the vendor would prepare or update the request for federal preapproval and support DSS through the federal Office of Child Care review.

This is different from the core Cost of Care analysis, which is required under Task 7.

Task 4 and the renewal year should not be included in the initial-term total:

Initial-term total: Required Tasks 1–3 and 5–12.

Optional Task 4: Separate price, incurred only if DSS authorizes it. Instructions as noted above. Please modify Append E Task 4 if this task is included in your bid submission.

Optional renewal year: Separate price, incurred only if DSS renews the contract.

Separating them lets DSS understand the guaranteed base cost versus possible additional costs. It also prevents bidders from including optional work in the amount DSS must initially fund.

Please show three separate amounts:

- (1) the total fixed price for all required initial-term services, excluding Task 4;
- (2) the separate price for optional Task 4, Alternative Methodology Support; and
- (3) the separate price for the optional one-year renewal.

Optional Task 4 and the renewal year should not be included in the initial-term total.

Task 5. Data collection and response management

- Conduct multi-mode collection with multiple documented contact attempts for both collections; recruit, train, and supervise interviewers; operate a provider help desk or equivalent during each collection window; and track response by cell, replacing inactive providers in the frame where appropriate.
- Report response and cooperation rates to DSS weekly, calculated using a recognized methodology, overall and, where sufficient frame information exists, by county and provider

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type. Identify underrepresented groups and implement DSS-approved corrective outreach when established triggers are not met.

- Submit a contingency plan addressing a local or statewide emergency during a collection window, and schedule collection windows to avoid periods when providers are least available to respond, stating the reasoning in the Study Design Document.

Task 6. Market rate analysis

- Produce a cleaned analytic file with documented treatment of outliers, anomalies, and nonresponse; convert prices across reporting units where necessary and state the method; and explain how rates and capacities for each age group are represented in the analysis.
- Compute market rates by county and statewide, by provider type, age of child, and unit of service, reporting full-time, part-time and half-day, and school-age and summer care as separate categories, and reporting rate differentials for care for children with special needs by county.
- Compute percentiles two ways: giving equal weight to each respondent, and weighting each respondent by the number of slots operated (capacity weighting, so that a provider with 100 slots counts more than one with 6). Report both and state the difference. A percentile is the price at or below which a given share of the market falls; the 75th percentile is the price at or below which three-quarters of slots are priced. Report at the 50th, 60th, and 75th percentiles at minimum, by age group, provider type, and geography, and present the 75th percentile findings in context with estimated cost of care and the current reimbursement structure, identifying where the measures converge and differ and the limitations of each for rate setting.
- Report uncertainty for key results as required by Section II.E, analyze variation by county, provider type, age of child, and type of care, identify material disparities and access gaps, and examine provider participation and market capacity considerations affecting equal access.

Task 7. Cost of care analysis

- Estimate the cost of operating at a Base Level of Care and at each defined Quality Level, by age of child, provider type, and county, in the same unit of measure in which Purchase of Care pays. The analysis shall include and satisfy the cost-estimation and reporting elements required by 45 CFR 98.45(f)(1)(ii), and the CONTRACTOR shall deliver a crosswalk identifying where each element is satisfied within the analysis and the Detailed Report.
- Document all cost assumptions in full, including staffing ratios, wages and wage scales, benefits, occupancy, materials, professional development, administration, fixed and variable costs, and quality-related costs. For family child care homes, describe and apply a documented method for owner compensation and for occupancy costs shared with a residence.
- Assess provider sustainability and operational cost pressures, including workforce compensation, staffing, occupancy, and other significant cost drivers, and estimate the additional cost of serving children with special needs.
- Deliver a cost estimation model, with documentation, that DSS staff can operate to test scenarios after the contract ends, delivered as a spreadsheet-based tool with editable input fields or in a comparable open format, and in any case in a non-proprietary format or with a perpetual, transferable State license at no additional cost. Reconcile results against the

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internal cost of care estimates and published cost estimation tools identified in Section II.A and explain any material divergence.

Task 8. Provider participation barriers and amounts charged above the family copayment

- Collect and report provider-reported barriers to serving families receiving subsidy, including barriers arising from payment rates, payment timing, payment practices, administrative burden, and the inability to charge families fees that are applied to privately paying families, consistent with 45 CFR 98.45(d)(2)(i).
- Collect and report information regarding the extent to which CCDF child care providers charge families amounts above the required family copayment when the provider's price exceeds the subsidy payment, including the size and frequency of such amounts and the structure of the charge (flat amount or percentage of the difference), disaggregated by provider type, county, and age of child, consistent with 45 CFR 98.45(d)(2)(ii). The collection instruments and reporting approach shall permit DSS to address the related CCDF Plan and detailed reporting requirements.
- Compare these findings against DSS administrative records, deliver a written assessment of the completeness and reliability of those records, and recommend specific corrections to data definitions, collection, or system fields.

Task 9. Gap analysis and scenario analysis

- Compare estimated cost against the Purchase of Care reimbursement rates in effect for the relevant analytical period, by age of child, provider type, and county, documenting the rate table and effective date used, and compare estimated cost and reimbursement against the market rate percentiles reported under Task 6.
- Using assumptions approved in advance by DSS, model selected scenarios. At a minimum these shall include: current reimbursement compared with market rate benchmarks; movement toward stated percentiles; cost-informed reimbursement; a hybrid setting each rate at the higher of a stated percentile or a cost-derived base rate; differential adjustment by age, provider type, or geography; family copayment policy scenarios, including copayment structures that vary by full-time and part-time authorization; and other scenarios DSS requests that the study data can reasonably support.
- For every scenario, state the assumptions, methodology, data limitations, sensitivity, and potential effects on provider participation, provider sustainability, and family access.
- Distinguish clearly between findings supported directly by collected data and scenarios that rest on assumptions or additional State data. Present aggregate-level fiscal implications for validation by State fiscal staff. Scenario outputs are analytical products prepared for State review and shall not be characterized as fiscal estimates, budget requests, or authorized amounts.

Task 10. Detailed Report

The CONTRACTOR shall deliver one integrated Detailed Report, in plain language, covering all components of this engagement. Separate reports for the market rate survey and the cost analysis shall not be accepted.

The Detailed Report shall include:

- Purpose and goals of the study.

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- Methodology and limitations, described in sufficient detail that a third party could independently evaluate whether the process was valid and reliable.
- How the data represent the Delaware market, including response rates and frame coverage.
- Partner consultation and stakeholder engagement, feedback received, and how DSS and the CONTRACTOR responded.
- Market rate results and tables.
- Cost results and the 45 CFR 98.45(f)(1)(ii) crosswalk.
- The gap between estimated cost and reimbursement in effect.
- Provider participation barriers, and amounts charged above the family copayment.
- An executive summary for State leadership and policymakers, and a provider sustainability and access summary.
- A fiscal and policy assumptions workbook or comparable reproducible analytical file supporting scenario estimates.
- A policy implications section that informs without prescribing a State policy decision.

The Detailed Report shall be delivered in draft for DSS review and then in final form in an accessible format suitable for immediate publication. The study shall be defensible in Delaware, meaning that the method is documented in sufficient detail that providers, DSS, and a qualified third party can examine it and evaluate its quality and accuracy.

Task 11. Briefings, technical support, and knowledge transfer

- Deliver a final Market Rate Table approved by DSS and the final approved Detailed Report on the schedule in Section II.F.
- Present final findings to DSS and to other State audiences identified by DSS, including at least three presentations, and facilitate an advisory workgroup if DSS establishes one.
- Deliver structured knowledge transfer, including working sessions and written documentation, sufficient for DSS staff to operate the cost estimation model, interpret its outputs, and run scenarios independently, and provide written responses to DSS technical questions arising from the study for six months following acceptance of the final report.

Each item in this task shall be a countable deliverable. Availability, retainer arrangements, and undifferentiated pools of consulting hours shall not be accepted in satisfaction of this task.

Task 12. Data delivery, transition, and closeout

- Deliver raw data, the cleaned analytic file, a complete codebook, reproducible analysis syntax or code, weighting, adjustment, and frame documentation, and the cost estimation model, in non-proprietary formats. Deliver confidential technical materials, including unweighted respondent counts for each analytical domain, separately from the public report.
- Handle and transmit all confidential information securely by the method described in the approved work plan, conduct a transition meeting, and deliver a written transition plan supporting a seamless handoff to DSS or a successor contractor.

E. STATISTICAL STANDARDS, RELIABILITY, AND DISCLOSURE CONTROL

Market rate survey design. The CONTRACTOR shall attempt a census of the full eligible provider universe rather than draw a sample; that is, every eligible provider is contacted, not a

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selected subset. Attempting a census does not eliminate two kinds of error: coverage error (eligible providers missing from the list, or ineligible ones on it) and nonresponse error (providers who do not answer differ from those who do). The CONTRACTOR shall therefore assess the survey frame (the list of providers to be contacted) and its coverage; resolve duplicate and inactive providers; calculate and report response rates (the share of eligible providers who completed the survey) and cooperation rates (the share of providers actually reached who completed it) using a recognized methodology such as the AAPOR Standard Definitions; treat age-of-child categories as reporting and coverage categories rather than as separate response-rate denominators, because one provider may serve several age groups; and explain how rates and capacities for each age group are represented.

Response-rate performance. A response rate is the share of eligible providers who complete the survey. The CONTRACTOR shall design and implement a response-rate strategy intended to achieve **at least a 65 percent overall provider response rate** and broad representation across county and provider type, with a 50 percent subgroup level serving as an outreach and monitoring trigger. The CONTRACTOR shall monitor response weekly, identify underrepresented groups, and implement DSS-approved corrective outreach when established response triggers are not met. If the final response rate or subgroup representation falls below the stated targets, the CONTRACTOR shall conduct and document a nonresponse-bias analysis (a comparison of the providers who responded with those who did not, using information DSS already holds about both, such as county, provider type, and size, to determine whether the respondents are representative), apply appropriate weighting or adjustment methods, describe the effect on reliability, and obtain DSS approval before finalizing the estimates.

Deliverable acceptance shall not depend solely on achievement of a response rate.

Precision and reliability. Every estimate from a survey carries some uncertainty, and the CONTRACTOR shall report how much. For key market rate results the CONTRACTOR shall report uncertainty estimates at a stated confidence level (for example, a range within which the true value is expected to fall 90 or 95 percent of the time), using an appropriate method for estimating the uncertainty of percentiles and weighted estimates, such as replication, bootstrap, linearization, or another justified method; these are standard statistical techniques for calculating uncertainty when simple formulas do not apply. For each principal reporting domain (each county, provider type, and age group combination reported) the CONTRACTOR shall disclose the number of respondents, the effective sample size where weighting is used (the number of respondents the estimate is effectively based on after weighting), confidence intervals or comparable uncertainty measures, and limitations.

The CONTRACTOR shall recommend final reliability thresholds in the Study Design Document based on the verified provider frame and intended reporting domains; DSS shall approve the thresholds in writing before data collection or final analysis proceeds; and results that do not meet the approved standard shall be clearly identified. The CONTRACTOR shall document how capacity weighting affects the results, provide both weighted and unweighted findings where required for interpretation, and conduct sensitivity analysis for key estimates.

Small-cell and disclosure control. When results are broken out by county, provider type, age group, and quality level at the same time, some combinations (cells) will contain very few providers. Small cells produce unreliable estimates and can reveal an individual provider's confidential information. The CONTRACTOR shall produce results at the most detailed level supported by the data while protecting provider confidentiality and maintaining statistical reliability. Before analysis, the CONTRACTOR shall propose for DSS approval minimum cell-size standards (the fewest respondents a cell may contain and still be published), reliability standards,

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dominance standards (rules for when one large provider accounts for so much of a cell that its figures could be inferred), and suppression standards (rules for withholding a cell).

When a requested reporting cell does not meet the approved standards, the CONTRACTOR shall recommend aggregation (combining cells), suppression (withholding the cell), or an appropriate model-based estimate (an estimate produced by a statistical model rather than observed directly). Aggregation across categories shall occur only with DSS approval and a documented explanation, more detailed confidential results shall be preserved for DSS where lawful and methodologically appropriate, and directly observed estimates shall be clearly differentiated from modeled estimates. **No publicly reported table may permit the identification or reasonable inference of an individual provider's confidential rate, revenue, cost, compensation, or business information.**

F. DELIVERABLES AND SCHEDULE

All durations run from the date of contract execution. No work may begin before execution. Durations reflect the sequence the work requires: instruments cannot be finalized before the Study Design Document is approved, collection cannot begin before instruments are final and information sessions are held, analysis cannot begin before collection closes, and the report cannot be finalized before DSS review is complete. Vendors may propose an accelerated schedule if they demonstrate that it will not compromise provider participation, data quality, statistical reliability, confidentiality, or DSS review time. Vendors shall not compress the schedule by shortening DSS review periods.

Deliverable	Task	Due (days from execution)	DSS review
Project kickoff and detailed work plan	1	15	10 business days
Consultation review and engagement plan	2	30	10 business days
Validated deduplicated provider frame and coverage assessment	3	60	15 business days
Design memorandum, instruments, and standards under Section II.E	3	75	20 business days; written approval required before collection
County and virtual information sessions	2	Before collection opens; no later than 105	Not applicable
Market rate collection window	5	Opens 120; closes 210	Not applicable
Cost collection window	5	Opens 120 or later as approved; closes 240	Not applicable
Weekly response reports	5	Weekly during each window	Not applicable
Cleaned analytic files and draft market rate tables	6, 7	270	15 business days
Final Market Rate Table approved by DSS	6, 11	300	Not applicable

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Cost estimation model and documentation	7	300	20 business days
Draft Detailed Report, with crosswalk, administrative data assessment, and scenario workbook	7, 8, 9, 10	315	30 calendar days for consolidated DSS comment
Final Detailed Report approved by DSS	10	30 days after receipt of consolidated DSS comments	Not applicable
Presentations of final findings	11	As scheduled by DSS after final report acceptance	Not applicable
Knowledge transfer sessions and documentation	11	Within 60 days of final report acceptance	15 business days
Data delivery, transition plan, and closeout	12	Before contract end	20 business days

On these durations the final Detailed Report is accepted approximately twelve months after contract execution, with post-report technical support continuing thereafter.

G. PERFORMANCE STANDARDS AND ACCEPTANCE

- **Payment associated with a deliverable shall be made only after DSS accepts that deliverable in writing.** DSS may return a deliverable that does not meet specification, and the CONTRACTOR shall cure within fifteen business days or a longer period DSS approves in writing.
- The CONTRACTOR shall meet the statistical, reliability, and disclosure-control standards of Section II.E as approved in the Study Design Document.
- The CONTRACTOR shall not substitute the project manager or any named key personnel without advance written consent of DSS.
- The CONTRACTOR shall identify every subcontractor, the services each will perform, the percentage of total work each represents, and the method of oversight, and remains solely accountable to the State for all work.
- The CONTRACTOR shall identify rather than silently resolve any conflict among sources relied upon and shall bring the conflict to DSS for resolution.

H. DSS RESPONSIBILITIES

DSS shall provide the following:

- A named DSS project manager and single point of contact.
- The validated Purchase of Care provider file, and de-identified child-level attendance and payment extracts including county, provider type, rate type, regular or special needs status, age group, authorized days type, half and full days, paid days, current rate, and payment amount by month.
- Current reimbursement rate tables with effective dates, and the quality level definitions to be used for cost reporting.

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- Documentation of consultation completed before contract execution, and introductions to the Delaware Early Childhood Council and partner organizations.
- Coordination with the Department of Education regarding licensing data.
- Written approval or comment on each deliverable within the review periods in Section II.F.

Delay by DSS in providing an item shall be documented in the risk log and may support a schedule adjustment through the contract modification process.

I. CONTRACTOR REQUIREMENTS

Because this solicitation combines work previously procured separately, **the Vendor shall demonstrate capability in both price survey research and cost analysis or cost modeling**, directly or through a named subcontractor with the prime vendor solely responsible to the State.

The Vendor shall demonstrate recent experience conducting child care market rate surveys or comparable price research where results affect the distribution of public funds; recent experience conducting cost analysis or cost modeling for child care or a comparable publicly funded service; experience with state child care subsidy systems and CCDF requirements; and experience convening and engaging stakeholder groups. The Vendor shall provide an organization chart, a named project manager, and key personnel with role, location, committed percentage of effort, and resumes.

J. DATA, CONFIDENTIALITY, AND OWNERSHIP

The State shall own all raw data, cleaned analytic files, codebooks, syntax and code, weighting, adjustment, and frame documentation, and any cost estimation model developed under the resulting contract, and shall retain the right to use, modify, and reuse them after the contract ends.

Deliverables shall be provided in non-proprietary formats; where a model or tool depends on proprietary software the CONTRACTOR shall provide a perpetual, transferable State license at no additional cost and shall disclose the dependency in the proposal.

The CONTRACTOR shall protect personally identifiable information, protected case information, and provider business and financial information, shall describe the secure transmission and storage method in the approved work plan, shall not publish, present, or make secondary use of any data or finding without prior written consent of DSS, and shall not store or transfer non-public State of Delaware data outside the United States.

K. CONTRACT TERM AND SCHEDULE MODIFICATION

Term

The anticipated base contract term is twelve months/one year from contract execution.

There is a one (1) optional one-year renewal.

The work under this contract supports Delaware's next CCDF Plan cycle. If federal Plan instructions or submission requirements materially affect the schedule, DSS may modify or extend the schedule through the State's contract modification process.

Pricing

Vendors shall provide pricing on the pricing schedule furnished with this solicitation.

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Pricing Method, Maximum Amount, and Cost Comparison

The project will be priced as a total fixed price, itemized by task and deliverable. Hourly and other supporting details are required for cost-reasonableness review.

DSS has not established a maximum contract amount for this solicitation, and the RFP states that bidders must propose a complete and reasonable price for all required services.

The current approach compares bidders using the initial-term fixed price, with the lowest responsive price receiving the maximum available cost points and other responsive prices scored proportionally.

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APPENDIX C

REQUIRED FORMS

Please refer to separate file for your bid submission:
“HSS27012–MKTRTSVY AppC”

- **Vendor Information Sheet (Attachment 2)**
- **Non-Collusion Statement (Attachment 3)**
- **Exceptions Form (Attachment 4)**
- **Confidential Information Form (Attachment 5)**
- **Business References (Attachment 6)**
- **Subcontractor Form, (Attachment 7), if applicable**

APPENDIX D

Templates/Sample Agreements

These **Templates/Sample Agreements** will be used to negotiate the final version of the Contract between Vendor and the State of Delaware.

These are ONLY Samples and as Placeholders

Please refer to separate file:
“HSS27012–MKTRTSVY AppD”

- **Professional Service Agreement**
- **Business Associate Agreement**
- **DTI Terms & Conditions**

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APPENDIX E

PROJECT COST TEMPLATE

Please refer to Appendix B.Proposal Requirement—Tasks Noted

Please refer to separate file for your bid submission:
“HSS27012-MKTRTSVY AppE”