



MARTIN O'MALLEY
Governor

ANTHONY BROWN
Lieutenant Governor

T. ELOISE FOSTER
Secretary

DAVID C. ROMANS
Deputy Secretary

Addendum No. 1, Dated January 12, 2010
to
Audit Services Contract (ASC) RFP
Project No. 050B980006

This Addendum No.1 is being issued to amend and clarify certain information contained in the above named RFP. All information contained herein is binding on all Offerors who respond to this referenced RFP. Specific parts of the RFP have been amended. The following changes/additions are listed below; new language has been double underlined and marked in bold (ex. **new language**) and language deleted has been marked with a strikeout (ex. ~~language deleted~~).

- 1) **Revise the** Key Information Summary Sheet Closing Date and Time information as noted:

Closing Date and Time: ~~Tuesday, January 26, 2010 2:00 PM Local Time~~
Friday, February 12, 2010 2:00 PM Local Time

- 2) **Revise** Section 1.4-Proposal Due (Closing) Date as noted:

1.4-Proposals Due (Closing) Date

One (1) unbound original and four (4) copies of each proposal (technical and financial) must be received by the Procurement Officer, at the address listed in Section 1.7, no later than ~~2:00 PM (local time) on January 26, 2010~~ **Friday, February 12, 2010**, in order to be considered. *See Section 4-Proposal Format for more detail.*

- 3) **Delete Section 2.1.A. Minimum Qualifications for Permit to Practice Certified Public Accountancy in its entirety**, and **Replace** with the following 2.1.A. Minimum Qualifications for Permit to Practice Certified Public Accountancy as noted:

Delete:

~~A. **Permit to Practice Certified Public Accountancy**~~

~~Minimum Qualification: An Offeror must hold a current and valid permit issued by the Maryland State Board of Public Accountancy to practice certified public accountancy in accordance with The Annotated Code of Maryland, Business Occupations and Professions Article, Section 2-401.~~

~Effective Resource Management~

45 Calvert Street • Annapolis, MD 21401-1907

Tel: (410) 260-7041 • Fax: (410) 974-2585 • Toll Free: 1 (800) 705-3493 • TTY Users: call via Maryland Relay

<http://www.dbm.maryland.gov>

Addendum No. 1, Dated January 12, 2010 (Continued)

~~Proof that the Minimum Qualification has been met: Each Offeror shall provide a copy of the Offeror's current permit. (See Section 4.2.4.3.A).~~

Replace with:

A. Permit to Practice Certified Public Accountancy

Minimum Qualification: An Offeror that is a sole proprietorship must hold a current license issued by the Maryland State Board of Public Accountancy to practice certified public accountancy. An Offeror that is a business entity, e.g., partnership, corporation, LLC/LLP, must hold a current permit issued by the Maryland State Board of Public Accountancy to practice certified public accountancy.

Proof that the Minimum qualification has been met: Each Offeror shall provide a copy of the Offeror's current license or current permit to practice certified public accountancy issued by the Maryland State Board of Public Accountancy. (See RFP Section 4.2.4.3.A.)

- 4) **Revise** Section 3.6.3.h. as noted:

3.6.3.

h. Not maintaining its License or Permit To Practice Certified Public Accountancy as required by State law;

- 5) **Revise** Section 3.6.7 as noted:

3.6.7 **Permit to Practice:** Contractors shall maintain their current license or current permit to practice Certified Public Accountancy in accordance with Title 2 of the Annotated Code of Maryland, Business Occupations and Professions Article (the "Code") State permit to practice in Certified Public Accountancy during the full term of the Master Contract. For each anniversary date of the Contract upon request by the DBM Contract Manager, the Contractor shall provide to the DBM Contract Manager proof of its current license or current permit to practice Certified Public Accountancy in accordance with the Code Maryland permit. A Contractor that fails to maintain the required permit license or permit is in default of its Master Contract.

- 6) **Revise** Section 3.10 Labor Categories and Qualifications as noted:

3.10 Labor Categories And Qualifications

The following section describes the Labor Categories approved for the Master Contract. Master Contractors shall utilize only these specified labor categories when proposing to a TORFP and providing subsequent services under a TOA. ~~Labor categories may not be added after Master Contract Award.~~ All required licenses and certifications must be in place at the time the Master Contractor submits its task order proposal.

Addendum No. 1, Dated January 12, 2010 (Continued)

- 7) **Revise** Section 3.10 Labor Categories and Qualifications/‘The Master Contract’s Summary of Approved Labor Categories and Minimum Requirements Labor Category Table’ -- License Requirement Column (changes affect seven of the nine Labor Categories) as noted below:

<u>Labor Category</u>	<u>License Requirement</u>
• Partner	A Maryland Licensed -Certified Public Accountant (CPA) <u>licensed in accordance with Title 2 of the Business Occupations and Professions Article of the Maryland Annotated Code</u> is required
• Manager	A Maryland Licensed -Certified Public Accountant (CPA) <u>licensed in accordance with Title 2 of the Business Occupations and Professions Article of the Maryland Annotated Code</u> is required
• Cost Accountant	A <u>Certified Public Accountant</u> CPA license <u>licensed in accordance with Title 2 of the Business Occupations and Professions Article of the Maryland Annotated Code</u> is preferred but not required.
• Financial Analyst	A <u>Certified Public Accountant</u> CPA license <u>licensed in accordance with Title 2 of the Business Occupations and Professions Article of the Maryland Annotated Code</u> is preferred but not required.
• Audit Supervisor	A Maryland Licensed -Certified Public Accountant (CPA) <u>licensed in accordance with Title 2 of the Business Occupations and Professions Article of the Maryland Annotated Code</u> is required
• Senior Auditor	A <u>Certified Public Accountant</u> CPA <u>licensed in accordance with Title 2 of the Business Occupations and Professions Article of the Maryland Annotated Code</u> is preferred but not required.
• Subject Matter Expert	If there is a <u>All</u> licenses and certification requirements for the applicable area(s) of expertise being requested, <u>as provided in the TORFP,</u> then the proposed person must have attained it prior to being utilized in a Master Contractor's TOP

- 8) **Revise** Section 3.11.2.B. for Professional Liability minimum coverage as noted:

3.11.2

- B) Professional Liability -with a minimum limit of ~~\$5,000,000~~ **\$500,000** on an occurrence and aggregate basis as applicable for liability claims under each TORFP issued under this RFP; and

- 9) **Delete** Section 4.2.4.3.A.-Minimum Qualifications for License or Permit to Practice Certified Public Accountancy *in its entirety*, and **Replace** with the following 4.2.4.3.A.- Minimum Qualifications for License or Permit to Practice Certified Public Accountancy as noted:

Addendum No. 1, Dated January 12, 2010 (Continued)

Delete:

4.2.4.3

A. ~~Permit to Practice Certified Public Accountancy~~

~~Minimum Qualification: An Offeror must hold a current and valid permit issued by the Maryland State Board of Public Accountancy to practice certified public accountancy in accordance with The Annotated Code of Maryland, Business Occupations and Professions Article, Section 2-401.~~

~~**PROVIDE: Proof that the Minimum Qualification has been met: Each Offeror shall provide a copy of the Offeror's current permit.** (See Section 2.1.A).~~

Replace with:

4.2.4.3.

A. Permit to Practice Certified Public Accountancy

Minimum Qualification: An Offeror that is a sole proprietorship must hold a current license issued by the Maryland State Board of Public Accountancy to practice certified public accountancy. An Offeror that is a business entity, e.g., partnership, corporation, LLC/LLP, must hold a current permit issued by the Maryland State Board of Public Accountancy to practice certified public accountancy.

Proof that the Minimum qualification has been met: Each Offeror shall provide a copy of the Offeror's current license or current permit to practice certified public accountancy issued by the Maryland State Board of Public Accountancy. (See RFP Section 2.1.A)

10. **Revise** Section 4.2.4.4.-Offeror's Experience and Capabilities, Item No. B. as noted:

4.2.4.4

B. An organization chart of the Offeror showing all major component units. Identify which component(s) will perform the requirements of this Contract, where the management of this Contract will fall within the organization, and what corporate resources will be available to support this Contract in primary and back-up roles. Provide the names, titles, and resumes of the key management personnel who ~~would perform the services rendered under this Contract;~~ **are noted in the organization chart as directly affecting the management of this Contract, which includes the specific role of Contractor's Representative;**

Addendum No. 1, Dated January 12, 2010 (Continued)

- 11) **Revise** Section 4.3.-Financial Capability/Capacity and Statements as noted:

4.3 Financial Capability/Capacity and Statements

Provide documentation that the Offeror has a successful financial tract record and adequate working capital by providing at least three of the ~~four~~ **five** types of documentation listed below that will demonstrate capability and capacity:

- a. Copies of the last two (2) consecutive year-end audited financial statements or best available equivalent report and an analysis of those financial statements/reports;
- b. Abbreviated profit and loss statements and abbreviated balance sheets for the last two consecutive years;
- c. A least one (1) bank or other financial institution credit (line(s) of credit) and financial reference;
- d. Dunn and Bradstreet rating-; and/or,
- e. Complete, signed federal and State tax returns for the most recent two (2) consecutive years, and all schedules.**

- 12) **Revise** Section 5.4-Financial Criteria as noted:

5.4 Financial Criteria

Financial Proposals will be evaluated separately. ~~Offerors shall propose prices only for labor categories they are qualified to provide.~~ Offerors shall provide prices for Contract years one through five for all **nine** labor categories ~~proposed~~. These are the maximum prices the State will pay for all proposed labor categories.

Should you require clarification of the information provided in this Addendum, please contact me at 410-260-7681 or jboock@dbm.state.md.us.

Date Issued: January 12, 2010

By: //s//
Jacquelyn E. Skinner-Boock
DBM Procurement Officer