



MARYLAND
DEPARTMENT OF
BUDGET & MANAGEMENT

LAWRENCE J. HOGAN, JR.
Governor

BOYD K. RUTHERFORD
Lieutenant Governor

DAVID R. BRINKLEY
Secretary

**Amendment #2 to
Request for Proposals (RFP)
Audit Services for Maryland State Agencies
Solicitation No. 050B5400001R
February 20, 2015**

Ladies and Gentlemen:

This Amendment 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 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. On Page 5 of the Table of Contents, REVISE the title of Section 3.5:

~~3.5 Good Standing and Licenses Required~~
Licensing and Peer Ratings Required; Suspension Process

2. In Section 1.2.11 on Page 8: ADD the following language to be included at the end of the definition of "Contract Manager (CM)":

The Contract Manager may authorize in writing one or more State representatives to act on behalf of the Contract Manager in the performance of the Contract Manager's responsibilities.

3. DELETE Section 1.2.19 on Page 9, the definition of "Good Standing":

~~**1.2.19 Good Standing** The status assigned to a Master Contractor that performs according to the terms and conditions of its Master Contract and satisfies the specific work requirements of any TOA to which it is a party. See RFP Section 3.5 for more information.~~

~Effective Resource Management~

4. ADD Section 1.2.46 on Page 11, the definition of "Suspended":

1.2.46 Suspended - The status of a Master Contractor that is no longer able to participate in the Task Order Request for Proposal (TORFP) process as per RFP Section 3.5.

5. REVISE the first paragraph in Section 1.11 on Page 14 as follows:

Proposals, in the number and form set forth in Section 4.2 "Proposals" must be received by the Procurement Officer at the address listed on the Key Information Summary Sheet, no later than 2:00 P.M. Local Time on ~~Thursday, March 12, 2015~~ **Friday, March 20, 2015** in order to be considered.

6. REVISE the second paragraph in Section 3.1 on Page 34 as follows:

State agencies requiring Audit Services will obtain those services through the issuance of a Task Order Request for Proposals (TORFP). **State agency TORFPs will be issued solely through DBM.** All Offerors awarded a Master Contract as a result of this RFP (Master Contractors) will be invited to compete for the work assignment or task detailed in the TORFP unless the TORFP is designated for a Small Business Reserve (see RFP Section 1.44) or the Master Contractor is ~~not in Good Standing~~ **Suspended** (see RFP Section 3.5).

7. REVISE Section 3.2.1 on Page 34 as follows:

To initiate the Task Order Process, a State Agency or other entity requesting audit services must first notify the Contract Manager of its intent to procure these services via a TORFP. The requesting agency develops a Scope of Work (SOW) in collaboration with the Contract Manager and also performs an MBE TORFP Project Review (PR) Assessment to determine the MBE subcontractor participation goal for the project: **and a VSBE TORFP PR Assessment to determine the VSBE subcontractor participation goal for the project.**

8. REVISE Section 3.2.4 on Page 35 as follows:

All Master Contractors (or SBR Master Contractors if the TORFP is designated a Small Business Reserve competition) ~~in Good Standing~~ **that are not Suspended** (see **RFP** Section 3.5) will be notified of the release of the TORFP, all amendments, pre-TOP conference notes, and other relevant materials until TOPS are due and received from the participating Master Contractors. Each Master Contractor receiving the TORFP must respond by providing a Task Order Proposal in response to the requirements of the TORFP, or a written notification to the Contract Manager that it does not intend to submit a TOP.

9. REVISE Section 3.2.11 on Page 36 as follows:

There is no limit to the number of TOAs that may be awarded to any given Master Contractor as long as the Master Contractor ~~remains in Good Standing~~ **is not Suspended** as defined in RFP Section 1.2.1946 and described in RFP Section 3.5.

10. Beginning on Page 38 through Page 40, DELETE Section 3.5 in its entirety and REPLACE with the following REVISED Section 3.5:

3.5 Licensing and Peer Rating Required; Suspension Process

3.5.1 Licenses, Permits and Peer Rating

3.5.1.1 At all times during the term of the Master Contract, a Master Contractor shall maintain:

- A. A 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”);**
- B. A current Peer Review “pass” rating (See RFP Section 3.5.1.2B); and**
- C. Current registrations with the Maryland Department of Assessments and Taxation and the Maryland Comptroller’s Office.**

3.5.1.2 Within two weeks of each anniversary date of the Master Contract, the Master Contractor shall provide to the Contract Manager:

- A. Proof of its current license or current permit to practice Certified Public Accountancy in accordance with the Code; and**
- B. Proof of a Quality Control Peer Review rating of “Pass” performed within the preceding three (3) years.**

3.5.1.3 A Master Contractor that fails to submit to the Contract Manager the required proof of license or permit and/or its Peer Review “Pass” rating will be Suspended and will not be eligible to participate in the TOREP processes until such time as the Contract Manager receives satisfactory written confirmation that the Master Contractor is in compliance.

3.5.2 Suspension Process of a Master Contractor

3.5.2.1 Failure to Conform

If the Contract Manager determines that a Master Contractor has failed to comply with the terms and conditions of the Master Contract or any Task Order Agreement, the Contract Manager will notify the Master Contractor in writing by hard or electronic copy that the Master Contractor is Suspended from participating in the TORFP processes until such time as the specified non-compliance issue(s) have been resolved to the Contract Manager's satisfaction. Upon such resolution, the Contract Manager will notify the Master Contractor in writing by hard or electronic copy that it may again participate in the TORFP processes.

3.5.2.2 In addition to the circumstances described in RFP Section 3.5.2.1, examples of circumstances which may result in a finding that the Master Contractor is Suspended include but are not limited to:

1. Failure to maintain good standing with the Maryland State Department of Assessments and Taxation (SDAT) and/or the State Comptroller's Office;
2. Failure to comply with socio-economic requirements such as Living Wage; Prompt Payment of Subcontractors; MBE good faith efforts; or Commercial Non-Discrimination, as applicable;
3. Poor performance for one or more TOAs;
4. Not maintaining its License or Permit To Practice in Certified Public Accountancy (see RFP Section 3.5.1);
5. Not maintaining a Quality Control Peer Review rating of "Pass" (see RFP Section 3.5.1)";
6. Contractor's Representative non-compliance (e.g. failure to attend meetings, respond to requests for information, address performance issues identified by the Procurement Officer or Contract Manager or Agency personnel); or
7. Failure to keep the Contract Manager apprised of any change in the Master Contractor's contact information or key personnel.

3.5.2.3 Remediation Plan

If the Contract Manager determines that a Master Contractor is Suspended or subject to being Suspended, the Contract Manager will request a written remediation plan from the Master Contractor. The remediation plan will address how the Master Contractor intends to remedy the Suspension-related issue(s). The Master Contractor shall provide a written remediation plan to the Contract Manager within five (5) Business Days of the Contract Manager's request.

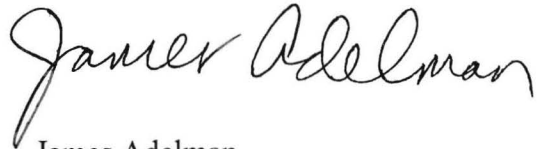
If a Master Contractor fails to submit a written remediation plan, fails to correct an unacceptable remediation plan, or fails to timely and properly implement its remediation plan, the Master Contractor will be Suspended, if not already Suspended.

11. REVISE Section 5.6 d on Page 59 as follows:

- d. Copy of a current Certificate of Insurance with the prescribed limits set forth in Section ~~3.4~~ 3.9 "Insurance Requirements," listing the State as an additional insured, if applicable; (See RFP Section ~~3.4~~3.9).

Date issued: February 20, 2015

By:

A handwritten signature in cursive script that reads "James Adelman".

James Adelman
Procurement Officer