



DEPARTMENT OF
BUDGET & MANAGEMENT

LAWRENCE J. HOGAN, JR.
Governor

BOYD K. RUTHERFORD
Lieutenant Governor

DAVID R. BRINKLEY
Secretary

QUESTIONS AND RESPONSES # 1
PROJECT NO. 050B5400001R
Department of Budget & Management
Audit Services for Maryland State Agencies
March 3, 2015

Ladies/Gentlemen:

This List of Questions and Responses #1, questions #1 through #16, is being issued to clarify certain information contained in the above named RFP.

In most instances the submitted questions and the Department's responses merely serve to clarify the existing requirements of the RFP. Sometimes, however, in submitting questions potential Offerors may make statements or express interpretations of contract requirements that may be inconsistent with the Department's intent. To the extent that the Department recognizes such an incorrect interpretation, the provided answer will note that the interpretation is erroneous and either state that the question is moot once the correct interpretation is explained or provide the answer based upon the correct interpretation.

No provided answer to a question may in and of itself change any requirement of the RFP. If it is determined that any portion of the RFP should be changed based upon a submitted question, the actual change may only be implemented via a formal amendment to the RFP. In this situation the answer provided will reference the amendment containing the RFP change.

1. *Can MBE and VSBE goals in TORFPs vary up or down from the overall goals in RFP?*

RESPONSE: Yes. The 30% MBE participation goal and the 5% VSBE participation goal contained in the RFP are overall aggregate goals for all TORFPs issued for the RFP. The MBE and/or VSBE participation goals contained in future TORFPs will be set on a case-by-case basis and may exceed or be lower than the aggregate goals.

2. *At the Pre-Proposal Conference, Mr. McLamore stated that the MDOT's NAICS code for CPA firms, 541211, is the code for MBE subcontractors being utilized under a TORFP. Does the same code apply to a VSBE subcontractor? What about labor categories that do not require an MBE to be a CPA firm?*

RESPONSE: (The following response supersedes the response provided at the Pre-Proposal Conference.) The Certified Public Accountant (CPA) NAICS code applies to six of

~Effective Resource Management~

45 Calvert Street • Annapolis, MD 21401-1907

Tel: (410) 260-2053 • Fax: (410) 974-3274 • Toll Free: 1 (800) 705-3493 • TTY Users: call via Maryland Relay

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

the nine labor categories that require a licensed CPA. See RFP §3.8. The MBEs or VSBEs proposed on a future TORFP for a CPA-required labor category must have the NAICS code 541211 for CPAs, whether operating as a firm or a sole proprietorship.

The other three labor categories, i.e. Staff Auditor, Subject Matter Expert, and Business Process Consultant, may be performed by MBEs or VSBEs certified in those other NAICS codes. As part of the evaluation of the TORFP, an agency will determine if the MBE or VSBE proposed is appropriate for the work requested in the TORFP.

3. Is an Offeror required to submit all MBE and VSBE documentation listed as attachments with its RFP proposal?

RESPONSE: An Offeror is required to submit Attachment D-1 Master, Offeror's Acknowledgement of TORFP MBE Participation Requirements and Attachment M-1 Master, Offeror's Acknowledgement of TORFP VSBE Participation Requirements, with its Proposal to the RFP. See RFP §1.33.2 and §1.41.2.

The other MBE and VSBE attachments are provided as a reference for what is to be submitted in response to future TORFPs at the time of Task Order Proposal submission. See RFP §1.33.3 and §1.41.3.

4. Must all Master Contractors and subcontractors be CPA firms?

RESPONSE: Offerors responding to this solicitation must hold a current permit to practice Certified Public Accountancy in accordance with Title 2 of the Annotated Code of Maryland, Business Occupations and Professions Article, Section 2-401. See RFP Section 2 – Minimum Qualifications. Offerors awarded a Master Contract (Master Contractors) may utilize subcontractors for any of the labor categories set forth in the RFP. Not all labor categories require a Certified Public Accountancy license. See Response to Question 2 and RFP §3.8.

5. Can Master Contractors self-certify as an MBE in meeting the MBE goal? Can a firm that is an MBE get credit for themselves?

RESPONSE: All MBEs including prime contractors that are MBEs, must be certified by the Maryland Department of Transportation (MDOT) under COMAR 21.11.03 to perform the proposed work.. Maryland's MBE program does not allow a firm to "self-certify." However, as per COMAR 21.11.03.12-1.D.(2) "Subject to the requirements of §B of this regulation and Regulation .09C of this chapter, when a certified MBE participates as a prime contractor on a contract, a procurement agency may count the distinct, clearly defined portion of the work of the contract that the certified MBE performs with its own forces toward fulfilling up to 50 percent of the MBE participation goal and up to 100 percent of not more than one of the MBE participation subgoals, if any, established for the contract, provided that the certified MBE prime contractor is:

(a) Identified on the MBE participation schedule pursuant to Regulation .09C(3)(b) of this chapter, including the certification category under which the MBE prime is self-performing and the percentage of the contract value attributed to that work; and

(b) Certified by the certification agency to provide the services, materials, or supplies that it has committed itself to self-perform on the MBE participation schedule.”

So a certified MBE Master Contractor can self-perform by proposing to use its own forces up to 50% of the TORFP MBE participation goal and up to 100% for one MBE participation subgoal, if any.

6. *Can Master Contractors perform as a subcontractor?*

RESPONSE: There is nothing in the RFP that prohibits a Master Contractor from performing as a subcontractor for another Master Contractor. See also Response to Question 5.

7. A. *Can the same firm be used to meet both MBE and VSBE requirements?*

RESPONSE: Regulations are currently being considered to address this issue. The Department will clarify the policy at the TORFP level.

7. B. *Was this issue – using the same firm to meet MBE and VSBE requirements- an issue with the current Audit Services Contract?*

RESPONSE: There was no issue since the VSBE requirement did not exist at the time the current Audit Services Master Contract was awarded.

8. *Since there would be multiple deliverables for a TORFP, is it possible for a firm to be counted as an MBE on one and a VSBE on another?*

RESPONSE: See Response to Question 7.A.

9. *In terms of meeting the MBE and VSBE goals within the NAICS code, can you use a subcontractor for a category such as printing?*

RESPONSE: (The following response supersedes the response provided at the Pre-Proposal Conference.) While the RFP does not restrict a Master Contractor from using specific NAICS codes in order to meet the MBE and VSBE participation goals for the future TORFPs, a procurement agency may count participation of a certified MBE contractor toward an MBE participation goal only if the certified MBE is performing a commercially useful function on that contract. See COMAR 21.11.03.12-1.B. Printing and other ancillary activities would not normally be considered a commercially useful function for the TORFPs and would not count towards meeting the MBE and VSBE participation goals for Audit Services. If the Master Contractor wants to use an MBE or VSBE firm for these ancillary functions, it would be considered separate and in addition to the overall MBE and VSBE participation goals. See also Response to Question 2.

10. *In responding to the Minimum Qualifications Section, are extra points given for submitting more than five (5) audits with the Proposal?*

RESPONSE: The Department does not assign points. The Minimum Qualifications only requires five (5) audits; however, an Offeror may submit more than five (5) audits in response to the RFP if it believes it may help with its overall proposal submission.

11. *Are VSBE subcontractors required to meet the Minimum Qualifications stated in RFP Section 2?*

RESPONSE: No. Minimum Qualifications apply only to Offerors submitting proposals that are seeking to be awarded a Master Contract.

12. *If an Offeror currently has a contract with the State of Maryland that required Criminal background checks to be performed for its staff and subcontractors, would they still be good or would they have to be redone if the Offeror is awarded a Master Contract as a result of this solicitation?*

RESPONSE: (The following response supersedes the response provided at the Pre-Proposal Conference.) This question seems to reference RFP §3.10.3, which pertains to Master Contractors obtaining a Criminal background check on all new employees. On request, the Contract Manager would determine whether the criminal background checks on the Master Contractor's current employees satisfy the RFP's requirements.

13. *Are Offerors required to provide a narrative of Economic Benefit Factors that will accrue to the Maryland economy as a direct or indirect result of its performance of the Master Contract in its proposals to the RFP?*

RESPONSE: No. See Amendment #3, item 3, issued March 3, 2015, which removes RFP §5.2.4 from the Technical Proposal Evaluation Criteria. As stated in RFP §4.4.2.15, an Offeror is not required to provide a Proposal narrative describing benefits that will accrue to the Maryland economy as a direct or indirect result of its performance of this Master Contract. Only Task Order Proposals will be evaluated to assess the benefit to Maryland's economy specifically offered. See also RFP §3.2.3J.

14. *Are Offerors required to provide a complete list of all subcontractors that will work on TORFPs at the time of submission of its Proposals to this solicitation? Reference made to RFP Section 4.4.2.13.*

RESPONSE: RFP §4.4.2.13 is referencing subcontractors that may be utilized by an Offeror as part of its team to be awarded a Master Contract. If your firm will be utilizing other firms to meet the RFP requirements in order to be considered for award of a Master Contract, then the subcontractors would be listed within the Technical Proposal in response to the RFP. MBE and VSBE subcontractors that will fulfill the participation goals at the task order level are not required to be identified in the proposal response to this RFP.

15. Are MBE subcontractors required to be CPA firms?

RESPONSE: Yes, if the MBEs are committed to perform work for one of the six labor categories that require a licensed CPA. No, if the MBE is committed to perform work in one of the labor categories that does not require a CPA license for performance. See Response to Question 4.

16. Can a firm that is a VSBE get credit for using themselves to meet the VSBE goal?

RESPONSE: (The following response supersedes the response provided at the Pre-Proposal Conference.) A certified VSBE Master Contractor may propose to use its own forces for up to 100% of the TORFP's VSBE participation goal.

Remember proposals are due on March 20, 2015, no later than 2:00 p.m. If there are questions concerning this solicitation, please contact me via e-mail at james.adelman@maryland.gov or call me at (410) 260-4053 as soon as possible.

Date Issued: 3/3/2015

By:



James Adelman
Procurement Officer