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Secretary

MARYLAND DEPARTMENT OF GENERAL SERVICES
OFFICE OF THE SECRETARY

QUESTIONS AND RESPONSES # 3
RFP NO. 001B0600234
Department of General Services
Audit Services for Maryland State Agencies
March 25, 2020

Ladies/Gentlemen:

This List of Questions and Responses #3, questions #25 through #28, is being issued to clarify certain information contained in the above named RFP.

In most instances, the submitted questions and the Department of General Services' ("Department") 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.

25) Section 29 provides that the contractor has unlimited liability for all claims in any way related to the contract. This is not reasonable considering the auditor's role and responsibilities in relation to the size and scale of the State's activities subject to the audit services. Additionally, this is not consistent with market terms in the accounting industry. **Since this is a contract for commercial services, will the State agree to include a commercially-reasonable limitation on liability in the contract that applies to all claims except for claims resulting from (i) infringement of patents, trademarks, trade secrets and copyrights, (ii) damages for bodily injury (including death), (iii) damage to real property and tangible personal property, (iv) willful misconduct of the contractor or its personnel.**

Response

The State's standard contract terms and conditions apply to all contracts across all industries, and exceptions must be noted in the Executive Summary of the Offeror's proposal, clearly labeled as such.

26) Section 5.3.2 K Financial Capability



Our firm is a limited liability partnership. Our firm policy is to not publicize our internal financial statements outside of our partner group. We can provide our Dun & Bradstreet Rating, reference information for you to contact the financial institutions as well as our historical ranking among top CPA firms. Will this be acceptable documentation to access our financial condition outside of providing our financial statements?

Response

Section 5.3.2.K (Financial Capability) requires the Offeror to include Financial Statements (audited or unaudited), if available. The Offeror may supplement its response by including their Dun & Bradstreet Rating and reference information for the State to contact financial institutions.

Instructions provided under Section 4.8.1 (Public Information Act Notice) provides the Offeror the ability to identify those portions of its Proposal that it considers confidential and/or proprietary. Thus, the portions of the Proposal which should not be disclosed by the State under the Public Information Act. Thus, it is typical for an Offeror to mark their Financial Statements as “confidential”. Please see instructions in this Section and also in Section 5.3.2.B (Claim of Confidentiality) for how to apply this designation.

27) Would any of the assignments be in the area of performance audits or other types of audits that border on consulting engagements?

Response

Yes, a Task Order Request for Proposal may include assignments in the area of performance audits or other types of audits that may be considered consulting engagements.

28) Can you please let us know what standards the audits need to be performed under?

Response

Each Task Order Request for Proposal will identify under which standards, that engagement must be performed.