

## PUBLIC NOTICE

### REQUEST FOR PROPOSALS FOR PROFESSIONAL SERVICES TO PROVIDE TAXPAYER ALIAS MATCHING SERVICES ISSUED BY STATE OF DELAWARE, DEPARTMENT OF FINANCE, DIVISION OF REVENUE

Public Notice is hereby given that the State of Delaware, Department of Finance, Division of Revenue (the "Division"), is soliciting Request for Proposals ("RFP") responses for professional services to perform alias matching services with respect to taxpayers whose accounts will be submitted to the United States Department of the Treasury Offset Program (the "TOP").

This project involves the provision of all labor and materials necessary to perform the alias-matching services more fully described in the RFP. The Scope of Services includes the furnishing by the selected vendor of all labor, equipment and costs associated with the secure File Transfer Protocol ("FTP") site and the vendor's FTP process used to transmit the data files between the Division and the vendor. The vendor shall, through proper and lawful means, retrieve and update taxpayer alias matches for accounts selected by the Division for referral to the TOP operated by the United States Treasury Department. The vendor will accept and process files in electronic format, as provided by the Division. The vendor shall process and return processed, updated data as required to prevent disruption or delay in assignment of accounts to TOP. The vendor shall create a name score indicator that meets selection criteria defined by the Division and that will prioritize matches.

This RFP is available in electronic form through the State of Delaware, Division of Revenue website at: <http://www.revenue.delaware.gov/contracting.shtml>

Paper copies of this RFP will be available by contacting Edward Zielinski by e-mail at [fasnotify@state.de.us](mailto:fasnotify@state.de.us).

Interested firms shall submit 2 paper copies and 1 electronic copy of their proposals by CD in a PDF format. All proposals are to be sent to the State of Delaware and received no later than **3:00 PM EDT on September 4, 2008**. The Proposals may be delivered by Express Delivery (e.g., FedEx, UPS, etc.), Certified or Registered US Mail, or by hand to:

Department of Finance  
Division of Revenue  
Attn: Edward Zielinski, Assistant Director  
820 N. French St., 8<sup>th</sup> Floor  
Wilmington, DE 19801

The criteria for selection of a successful bidder are:

- Experience and Reputation
- Demonstrated Ability (processes and systems)
- Financial Condition
- Cost of Service
- References
- Statement of Management Standards, using ISO 9001: 2000 as a guideline.
- Provide a SAS 70 Statement of Auditing or equivalent

The Division's Proposal Evaluation Team will evaluate the proposals by assigning each proposal up to five points for each of the above stated criteria. The Division reserves the right to award this project to a bidder with neither the lowest cost nor the highest points score or to two or more bidders. The above criteria will be used to select a firm to perform these services. Selected firms who reply will be given notice of times and dates for scheduled interviews. Facsimile submittals are not acceptable. Respondent bears the risk of late delivery. Any proposals received after the stated time will be returned unopened.

This Public Notice is qualified in its entirety by reference to the terms of the complete RFP, which interested parties may obtain as noted above.

END OF PUBLIC NOTICE

**REQUEST FOR PROPOSALS FOR PROFESSIONAL SERVICES  
TO PROVIDE TAXPAYER ALIAS MATCHING SERVICES  
ISSUED BY STATE OF DELAWARE, DEPARTMENT OF FINANCE,  
DIVISION OF REVENUE**

**I. Overview**

The State of Delaware, Department of Finance, Division of Revenue (the “Division”) seeks professional services to perform alias matching services with respect to taxpayers whose accounts will be submitted to the United States Department of the Treasury Offset Program. 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	Date: August 4, 2008_
Deadline for Receipt of Proposals	Date: September 4, 2008__3pm EDT____
Notification of Award	Date: November 5, 2008_____

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. Furthermore, the transmittal letter must attest to the fact that no activity related to this proposal contract will take place outside of the United States. The Division reserves the right to deny any and all exceptions taken to the RFP requirements.

## II. Scope of Services

The selected vendor shall furnish all labor and materials necessary to perform the alias-matching services described in this RFP and in the contract to be executed by the Division and the selected vendor. The Scope of Services includes the furnishing by the selected vendor of all labor, equipment and costs associated with the File Transfer Protocol (“FTP”) site and the vendor’s FTP process used to transmit the data files between the Division and the vendor. The services to be provided are as follows, subject to supplementation by the terms of the final contract:

A. General Procedures. The vendor shall, through proper and lawful means, retrieve and update taxpayer alias matches for accounts selected by the Division for referral to the Treasury Offset Program (“TOP”) operated by the United States Treasury Department. The vendor will accept and process files in electronic format, as provided by the Division. The vendor shall process and return processed, updated data as required to prevent disruption or delay in assignment of accounts to TOP. The vendor shall take the following steps to implement TOP alias matches:

1. Obtain from the Division and process the weekly “Master TOP” file in the file format required for submission to TOP. The file from the Division will contain accounts selected by the Division with the name, Social Security Number (SSN) or Federal Employer Identification Number (FEIN), and addresses
2. Compare data using alias records where the last names have changed due to marriage, divorce, spelling errors, different last names, incorrect suffixes or prefixes, different middle initial formats or different last name formats.
3. Identify alias records.
4. Manually verify that the alias records identified are accurate prior to their release to the Division.
5. Provide the Division with a file containing only updated, verified alias records. The update file, which must be in the format acceptable to TOP, may contain up to nine (9) alias records per debtor. The Division will be responsible for sending the case balance and other updates to TOP.
6. The Division will compare TOP payment files with the vendor’s alias match files and provide the vendor with only the name and last four digits of the TIN for any TOP payment based on the alias name record provided by the vendor.
7. The vendor will create an invoice and quarterly bill to the Division based on information provided by the Division.

B. FTP Process. All data files transmitted between the Division and the vendor shall be transferred using a secure FTP site provided by Vendor. Accessing the files on the site shall require a unique identification and password and shall provide for encrypted data transfer using either SSL or SFTP standard protocols.

C. Name Score Indicator. The vendor shall create a name score indicator that meets selection criteria defined by the Division. The name score indicators will prioritize matches. The vendor shall obtain the Division's approval for name scores and validation process prior to the start of the contract, and the name score process will be valid through the contract period unless the Division and the vendor mutually agree to change it.

D. Payment. The vendor's sole payment for services will be in the form of a pricing fee per successful TOP payment based on alias match records processed by vendor. The vendor will receive payments based solely on successful alias account offset match payments to the Division from TOP.

E. Vendor-Attributable Delay. Delays in processing, of more than 30 days, caused by unforeseen processing or equipment failures attributable to vendor or other vendor errors may result in the Division's termination of the contract.

F. Confidentiality Requirements. At the time of the award of the contract and at later times, if vendor changes personnel working on the contract, vendor and all of its employees, subcontractors or other agents who may receive taxpayer information in connection with the contract shall execute a statement certifying that they understand and shall adhere to the applicable laws regarding the confidentiality and unauthorized disclosure of tax return information. The vendor shall assure the confidentiality of tax return information at all times, including by implementing the following procedures:

G. Vendor shall not share, sell or otherwise allow information obtained from the Division to be used, viewed or distributed to any other agency, organization, contractor or other person. The vendor shall ensure that information obtained from the Division is not retained in any format whatsoever, including in the form of paper or electronic records (including backup data systems).

H. Vendor shall meet all security requirements to protect all information obtained from the Division and provide information on the results of internal audits for data and physical security to the Division. The vendor shall permit Division representatives to conduct on-site security visits to any facility that handles, utilizes or processes any information obtained from the Division at any time throughout the contract period and for a period of one year after termination of the contract.

I. Vendor will ensure that a police criminal background check has been performed on all of the vendor's employees who will handle, view or have access to information obtained from the Division under the contract. This requirement also extends to any new, substitute, contract or temporary employees who will handle, view or have access to information obtained from the Division under the contract.

1. Vendor will obtain from all persons as to whom it causes a police background check to be performed valid releases that will enable vendor to provide the results of all criminal background checks to the Division.

2. Vendor shall provide the Division with copies of the results of all criminal background checks to the Division before the employee or other vendor agent who is the subject of the criminal background check has access to information obtained from the Division. Unless agreed to in writing by the Division, vendor's employees or other agents who have been convicted of a felony, other serious crime, or any offense involving theft or fraud shall not be permitted access to any information obtained from the Division or to perform any services under the contract. If the employee or other agent has been convicted of offenses other than those set forth in the preceding sentence, the Division shall have sole discretion as to whether the employee or other agent may be permitted access to any information obtained from the Division or to perform any services under the contract.

### 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 Division.

#### A. Minimum Requirements

1. Delaware business license:  
Provide evidence of a Delaware business license or evidence of an application to obtain the business license.
2. Professional liability insurance:  
Provide evidence of professional liability insurance in the amount of \$1,000,000.00
3. The successful bidder will obtain a Delaware business license within 30 days of award of contract, meet all other State of Delaware legal registration obligations and current or future tax filing requirements

#### B. General Evaluation

Evaluation Item	Maximum points
Experience and Reputation	5
Demonstrated Ability (processes and systems)	5
Financial Condition	5
Cost of Service	5
References	5
Statement of Management Standards, using ISO 9001: 2000 as a guideline.	5
Provide a SAS 70 Statement of Auditing or equivalent	<u>5</u>
TOTAL POINTS	35

#### IV. Professional Services RFP Administrative Information

##### A. RFP Issuance

###### 1. Obtaining Copies of the RFP

This RFP is available in electronic form through the State of Delaware, Division of Revenue website

<http://www.revenue.delaware.gov/contracting.shtml>

and/or the State of Delaware Procurement website at

<http://www.delaware.gov/egov/portal.nsf/portal/doingbusiness>

Copies of this RFP will be available for printing on the above websites as a PDF document. Paper copies of this RFP will also be available by contacting Edward Zielinski through the contact information shown below.

###### 2. Public Notice

Public notice has been provided in accordance with 29 *Del. C.* § 6981.

###### 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 in writing to the Division. Address all communications to the person listed below; 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 contact.

**NAME:** Edward Zielinski, Assistant Director

**DEPARTMENT:** Delaware Division of Revenue

**ADDRESS:** 820 N. French St., Wilmington, DE 19801

**EMAIL ADDRESS:** [fasnotify@state.de.us](mailto:fasnotify@state.de.us)

To ensure that written requests are received and answered in a timely manner, electronic mail (e-mail) correspondence is acceptable, but other forms of delivery, such as postal and courier services can also be used.

**5. Consultants and Legal Counsel**

The Division 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 Division'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 Division's 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:

- 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) Knowing 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, if any, and has fully informed itself as to all existing conditions and limitations.

**2. Proposals**

To be considered, all proposals must be submitted in writing and respond to the items outlined in this RFP. The Division reserves the right to reject any non-responsive or non-conforming proposals. Each proposal must be submitted with 2 paper copies and 1 electronic copy on CD as a PDF Document.

All properly sealed and marked proposals are to be sent to the Division and received no later than **September 4, 2008**, 3:00 P.M. EDT. The Proposals may be delivered by Express Delivery (e.g., FedEx, UPS, etc.), Certified or Registered US Mail, or by hand to:

**DEPARTMENT** Delaware Division of Revenue  
Attn: Edward Zielinski, Assistant Director  
**ADDRESS** 820 N. French St. 8th Floor  
Wilmington, DE 19801

Any proposal received after this date shall not be considered and shall be returned unopened. The proposing vendor bears the risk of delays in delivery. 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 made in writing, submitted in the same manner as the original response and conspicuously labeled as a change, amendment or modification to a previously submitted proposal. 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**

The Division 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 March 2, 2009. The Division reserves the right to ask for an extension of time if needed.

**6. Late Proposals**

Proposals received after the specified date and time will not be accepted or considered. To guard against premature opening, sealed proposals shall be submitted, plainly marked with the proposal title, vendor name, and time and date of the proposal opening. 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.

**7. Proposal Opening**

The Division will receive proposals until the date and time shown in this RFP. Proposals will be opened only in the presence of the Division's personnel. Any unopened proposals will be returned to Vendor.

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 to competing vendors prior to contract award.

**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 Division.

**9. Concise Proposals**

The Division 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 Division's interest is in the quality and responsiveness of the proposal.

**10. Realistic Proposals**

It is the expectation of the Division 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 Division 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.

**11. Confidentiality of Documents**

All documents submitted as part of the vendor's proposal will be deemed confidential during the evaluation process. Vendor proposals will not be available for review by anyone other than the Division/Proposal Evaluation Team or its designated agents. There shall be no disclosure of any vendor's information to a competing vendor prior to award of the contract.

The Division is a public agency as defined by state law, and as such, it is subject to the Delaware Freedom of Information Act, 29 *Del. C.* Ch. 100. Under the law, all the Division's records are public records (unless otherwise declared by law to be confidential) and are subject to inspection and copying by any person. Vendor(s) are advised that once a proposal is received by the Division and a decision on contract award is made, its contents will become public record and nothing contained in the proposal will be deemed to be confidential except proprietary information.

Vendor(s) shall not include any information in their proposal that is proprietary in nature or that they would not want to be released to the public. Proposals must contain sufficient information to be evaluated and a contract written without reference to any proprietary information. If a vendor feels that they cannot submit their proposal without including proprietary information, they must adhere to the following procedure or their proposal may be deemed unresponsive and will not be recommended for selection. Vendor(s) must submit such information in a separate, sealed envelope labeled "Proprietary Information" with the RFP number. The envelope must contain a letter from the Vendor's legal counsel describing the documents in the envelope, representing in good faith that the information in each document is not "public record" as defined by 29

*Del. C. § 10002(d)*, and briefly stating the reasons that each document meets the said definitions.

Upon receipt of a proposal accompanied by such a separate, sealed envelope, the Division will open the envelope to determine whether the procedure described above has been followed.

**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 Division and be responsible for the joint venture’s performance under the contract, including all project management, legal and financial responsibility for the implementation of all vendors’ 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 Division, 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 Division 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 costs included in the cost summary. Where necessary, RFP response pages are to be duplicated for each vendor.

**a. Primary Vendor**

The Division expects to negotiate and contract with only one “prime vendor”. The Division 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 Division as a result of this procurement. The Division 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 Division from the full exercise of its options under Section IV B, 17 of this RFP, regarding multiple source contracting.

**b. 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**

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 subcontractors must be identified by name. Any sub-contractors must be approved by the Division. **The prime vendor shall be wholly responsible for the entire contract performance whether or not subcontractors are used.**

**14. Discrepancies and Omissions**

Vendor is fully responsible for the completeness and accuracy of its 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 Division'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, no later than ten (10) calendar days prior to the time set for opening of the proposals.

**RFP Question and Answer Process**

The Division will allow written requests for clarification of the RFP. All questions will be consolidated into a single set of responses and posted on the Division's State's website at:

<http://www.revenue.delaware.gov/contracting.shtml> by 12:00 PM each Friday. Vendors' names will be removed from questions in the responses released. Questions should be framed by the following manner. Deviations from this format will not be accepted.

Section number

Paragraph number

Page number

Text of passage being questioned

Question

Questions not submitted electronically shall be accompanied by a CD and questions shall be formatted in Microsoft Word.

**15. Division's Right to Reject Proposals**

The Division 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 Division'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 Division may deem necessary in the best interest of the State of Delaware.

**16. Division's Right to Cancel Solicitation**

The Division reserves the right to cancel this solicitation at any time during the procurement process, for any reason or for no reason. The Division 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 Division. Vendor's participation in this process may result in the Division's 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 Division to execute a contract nor to continue negotiations. The Division may terminate negotiations at any time and for any reason, or for no reason.

**17. Division's Right to Award Multiple Source Contracting**

Pursuant to *29 Del. C. § 6986*, the Division 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. 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 Division 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 Division at the proposal submission deadline. All proposals received are considered firm offers at that time.

**19. Revisions to the RFP**

If it becomes necessary to revise any part of the RFP, an addendum will be posted on the Division's website at:

<http://www.revenue.delaware.gov/contracting.shtml>

The Division is not bound by any statement related to this RFP made by any State of Delaware employee, contractor or its agents.

**20. Exceptions to the RFP**

Any exceptions to the RFP, or the Division's terms and conditions, must be highlighted and included in writing in the proposal. Acceptance of exceptions is within the sole discretion of the evaluation committee.

**21. Award of Contract**

The final award of a contract is subject to approval by the Division. The Division 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 Division 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.

**RFP Award Notifications**

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

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

**C. RFP Evaluation Process**

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

The Division 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 Division may deem necessary to make a decision.

**1. Proposal Evaluation Team**

The Proposal Evaluation Team shall be constituted of representatives of the Division. 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*. 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, who shall have final authority, subject to the provisions of this RFP and *29 Del. C. § 6982*, 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 all 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 Division 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 or the highest points.
- 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. Such selection will be based on the following criteria:
  - (list criteria for multiple vendor award selection)

**a. Criteria Weight**

All proposals shall be evaluated using the same criteria and scoring process. The evaluation criteria are shown as evaluation items in Section III B. Page 5 of this document.

**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 Division 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 Division will pay travel costs only for Division personnel for these visits.

**5. Oral Presentations**

Selected vendors may be invited to make oral presentations to the Evaluation Team. 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 Division are the vendor's responsibility.

## **D. Contract Terms and Conditions**

### **1. General Information**

- a.** The term of the contract between the successful bidder and the Division shall be for one year with three extensions for a period of one year for each extension agreed upon in writing and each extension added as an addendum to the original contract.
- b.** The selected vendor will be required to enter into a written agreement with the Division. The Division reserves the right to incorporate standard State of Delaware 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 Division. Vendors will be required to sign the contract for all services, and may be required to sign additional agreements.
- c.** The selected vendor or vendors will be expected to enter negotiations with the Division, 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.
- d.** The successful vendor shall promptly execute a contract incorporating the terms of this RFP. No vendor is to begin any service prior to receipt a State of Delaware purchase order signed by two authorized representatives of the agency requesting service, properly processed 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.
- e.** 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.

### **2. 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.

**3. 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 Division 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.

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.

**4. 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 Division'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.

## 5. General Contract Terms

### a. 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.

### b. Non-Appropriation

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 of Delaware 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.

### c. 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 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.* § 2301.

Prior to receiving an award, the successful vendor shall either furnish the Division with proof of State of Delaware Business Licensure or initiate the process of application where required. An application may be requested in writing to: Delaware 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.

Failure to comply with the State of Delaware licensing requirements may subject vendor to applicable fines and/or interest penalties.

**d. Notice**

Any notice to the Division required under the contract shall be sent by registered mail to:

<b>NAME</b>	Patrick T. Carter, Director
<b>DEPARTMENT</b>	Delaware Division of Revenue
<b>ADDRESS</b>	820 N. French Street Wilmington, DE 19801

**e. Indemnification**

**1. 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 agencies and instrumentalities, 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, regardless of whether such suits, actions, claims or liabilities are based upon acts or failures to act attributable, in whole or part, to the State, its employees or agents.

**2. 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 Division 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 constitute an infringing product, vendor shall at its expense and option either:

- (a) Procure the right for the Division to continue using the Product(s);

- (b) Replace the product with a non-infringing equivalent that satisfies all the requirements of the contract; or
- (c) 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 Division agrees to and accepts in writing.

**f. Insurance**

1. 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.
2. 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.
3. During the term of this contract, the vendor shall, at its own expense, carry insurance minimum limits as follows:

a.	Comprehensive General Liability	\$1,000,000
b.	Professional Liability/Misc. Error & Omissions/Product Liability	\$1,000,000/\$3,000,000

If the contractual service requires the transportation of departmental clients or staff, the vendor shall, in addition to the above coverage’s, secure at its own expense the following coverage:

a.	Automotive Liability (Bodily Injury)	\$100,000/\$300,000
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b.	Automotive Property Damage (to others)	\$ 25,000
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4. The vendor shall provide a certificate of insurance as proof that the vendor has the required insurance.

**g. 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.

**h. 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.

**i. Costs and Payment Schedules** All contract costs must be as detailed specifically in the Vendor's cost proposal and comport with the requirements of section II. D. of this RFP. No charges other than as specified in the proposal shall be allowed without written consent of the Division. The Division will require a payment schedule based on defined and measurable milestones. Payments for services will not be made in advance of work performed

**j. Liquidated Damages**

The Division may include in the final contract provisions for non-performance, such as liquidated damages.

**k. Termination for Cause.**

If for any reasons, or through any cause, the Vendor fails to fulfil in timely and proper manner his obligations under the contract, or if the Vendor violates any of the covenants, agreements or stipulations of the contract, the Division shall thereupon have the right to terminate the 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 finished or unfinished documents, data, reports or other material prepared by the Vendor under the contract shall, at the option of the Division, 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 useable to the Division.

**l. Termination for Convenience**

The Division may terminate the 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, reports or other material prepared by the Vendor under the contract shall, at the option of the Division, become its property, and the Vendor shall be entitled to compensation for any satisfactory work completed on such documents and other materials which is useable to the Division.

**m. Non-discrimination**

In performing the services subject to this RFP the vendor will agree that it will not discriminate against any employee or applicant for employment because of race, creed, color, sex 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.

**n. 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 Division 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.

**o. Vendor Activity**

No activity is to be executed in an off shore 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.**

**p. Work Product**

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

**p. Contract Documents**

The RFP, the purchase order, the executed contract and any supplemental documents between the Division and the successful vendor shall constitute the contract between the Division 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, Division's RFP, Vendor's response to the RFP and purchase order. No other documents shall be considered. These documents will constitute the entire agreement between the Division and the vendor.

**q. Applicable Law**

The laws of the State of Delaware shall apply, without regard to the principles of conflicts of laws thereof, except where Federal Law has precedence. The successful vendor consents to jurisdiction of and venue in the courts of the State of Delaware in New Castle County.

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

- (1) the laws of the State of Delaware;
- (2) the applicable portion of the Federal Civil Rights Act of 1964;
- (3) the Equal Employment Opportunity Act and the regulations issued there under by the federal government;
- (4) a condition that the proposal submitted was independently arrived at, without collusion, under penalty of perjury; and
- (5) 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 (1) through (5) of this paragraph, the Division 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.

**r. 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.

**s. Other General Conditions**

- (1) **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.
- (2) **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.
- (3) **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.
- (4) **Regulations** – All equipment, software and services must meet all applicable local, State and Federal regulations in effect on the date of the contract.
- (5) **Changes** – No alterations in any terms, conditions, delivery, price, quality, or specifications of items ordered will be effective without the written consent of the Division.
- (6) **Additional Terms and Conditions** – The Division reserves the right to add terms and conditions during the contract negotiations.

**E. RFP Miscellaneous Information**

(1) **No Press Releases or Public Disclosure**

Vendors may not release any information about this RFP. The Division reserves the right to pre-approve any news or advertising releases concerning this RFP, the resulting contract, the work performed, or any reference to the Division with regard to any project or contract performance. Any such news or advertising releases pertaining to this RFP or resulting contract shall require the prior express written permission of the Division.

(2) **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.

### **(3) Production Environment Requirements**

The Division 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.