

Request for Offers (RFO) Addendum

RFO Number: RFO0053

Addendum Number: 1

Date of Addendum: 4/30/2015

Original Due Date, Time: 5/4/2015 2:00PM

Revised Date, Time: NA

Title: MNLARS Annual Audit and Review

SCOPE OF ADDENDUM

The following are changes to the RFO: Answering questions received and adding the link for the attachment referenced on Page 1 of the RFO.

Questions/Answers

PMP/ PgMP Certification

Q. The RFO specifically states that the audit could be performed by an individual or a team. It is also stated in the Required Skills that a person with PMP certification is required. Given that this is an audit, that requires both business and technical evaluation, what is the reason for the PMP requirement as a Required Skill? Could this become a "Desired Skill"? Did you intend this skill to be used in the management of the Audit?

Q. Under the required skills section, can you elaborate why having a PMP and/or PgMP certification is important for an audit position?

A. The state is looking for a highly skilled and knowledgeable person to audit our program. Much of the audit involves looking at various management elements. The certification brings with it confirmation that the individual is knowledgeable about PMBOK standards and will be able to evaluate to a standard.

A. If a team is proposed, only one person needs to have the certification.

Checklist

Q. Can you please advise as to where we can find the attachment (Project Audit Checklist) referenced at the bottom of page 1 of the RFO?

A. The checklist is attached to this addendum. Though it was used last year, it should be viewed as a sample. The project has moved from a waterfall to an agile approach. One of the first steps in this engagement will be to work with the state to finalize the content of the checklist.

Liability

Q. Is the State of MN willing to consider responses that include limited liability version 4 (rather than the standard indemnification clause)?

A. No.

Hours/Timeframe

Q. How do you anticipate the required hours to be divided over multiple quarters? As the requirements are spelled out it would appear that work would take place intermittently over the required number of quarters....would we be correct in that assumption?

Q. Is this position full-time for the duration of the project (through Dec 2017)? Or will they come in for annual and quarterly audits?

Q. Do you have date ranges the candidate is expected to be engaged with the project (assuming the hours can be worked nonconsecutively)?

Q. When do you expect the annual and quarterly reviews to be conducted? (e.g. would the annual audit be conducted at the end of each fiscal year, calendar year, or some other timing? Would the quarterly reviews be conducted at the end of each quarter?) We would like to get a sense of the expected timelines. Based on the estimated hours and duration of project, you are looking for a part time resource to perform this audit. Correct?

Q. Is there an anticipated due date for the first audit? How many annual audits? Does the state have a preference for the timing of the annual audit(s)? Will the annual audit be performed at the State of Minnesota's fiscal year-end or calendar year-end?

A. For a project of this size, the state is required to perform an annual audit. The RFO is structured so that we will have in place a vendor that can complete the audit and perform quarterly reviews over the life of the project.

This is not a full time commitment. As stated in the RFO, the audit is estimated at 400-600 hours. To clarify, that would be the contract's first audit in 2015. Since the same vendor will be performing subsequent audits and doing quarterly reviews, we would expect that the 2016 and 2017 audits would take less time.

Quarterly reviews are estimated in the RFO at less than 80 hours. Again, to clarify, it is expected that these reviews, or check-ins, would be 40-80 hours each.

The first audit would be expected to start as soon as the contract is in place.

The next year's audit would be expected to start at the same time next year.

Three quarterly reviews would take place between each annual audit. One more may take place after the 2017 audit.

The State would expect the first audit to be completed by mid to late August.

There is not a mandated time frame for the audits or quarterly reviews.

The RFO requests that the vendor provide a timeline or time frame for completion of these activities.

Q. The timeframe for the quarterly report is stated as "80 hours." Does the State anticipate the data gathering and analysis and the development of the quarterly report would take 80 hours with no work performed during other project intervals?

A. Correct.

Cost

Q. The RFO refers to a cost sheet. Is there a required form or desired format required for the cost detail information?

A. Include the name of the resource and the hourly rate for each resource. If there are multiple resources, please indicate approximate time (hours or percentage) each would be working on the project.

Q. Would it be acceptable to blend a rate and rotate staff in and out on a needs basis? For example, bill a very senior person at \$230/hour to be responsible for the delivery but surround that person with an analyst or two at **no cost** to perform functions like documentation, interviews...?

A. Each person would need his/her own billing rate. It is the best way for us to fairly compare cost and award points.

Q. Will payments be made on a time and materials basis or on an approved deliverable basis?

A. We would expect that a time and materials budget will be negotiated in the contract. Payment will be made upon completion of each deliverable and acceptance by the state.

Location

Q. Could MN.IT please define its minimum on-site expectation for this project? Can the work be done remotely for the annual audit? Either part or full time.

A. Because the people and resources needed for the audit and reviews will be on site, it is expected that project time will be spent on site. Off-site time would need to be negotiated with the project director and would be expected to be very limited.

Incumbent

Q. Has an outside vendor been conducting the previous audit(s)? If so, who is the vendor? Are they eligible to propose on this opportunity?

A. There is no incumbent. An audit was completed in 2014 by MACRO Group. Yes they are eligible to respond. No quarterly reviews have been done.

Number of Submission

Q. Can a vendor submit more than one candidate? If so, is there a maximum number of candidates that can be submitted?

A. Submit no more than two highly qualified candidates or teams.

Other

Q. Are copies of prior audits available for review?

A. The previous audit is not available for this posting, but will be available to selected vendor's resource(s) at the start of project.

Q. What Category does this position fall into? Project Manager?

A. Yes.

Q. Since we are working on this initiative and plan to continue working on it, will that preclude us from submitting a resource for this? To confirm, that if a firm is selected to perform this audit, they cannot participate in any other opportunities on the MNLARS program, is this correct?

A. As long as the vendor and its audit resources can independently conduct the audit, there is not a prohibition involving current or future work.

Q. The RFO references "Annual Project Audits as required by statute." Is the relevant statute available?

A. MN Statute 16E.01

(e) For any active information and telecommunications technology project with a total expected project cost of more than \$10,000,000, the state agency must perform an annual independent audit that conforms to published project audit principles promulgated by the office.

Q. Pg-2 Auditor Notes: Can the State provide examples of what it might consider as "auditor's notes?"

A. Notes will summarize data collection and findings for each item in the audit. It will serve as a foundation for the recommendations and written report on the overall progress of project. It is not the raw data collected during interviews, etc.

Q. Is the MNIT @ DPS willing to award one vendor for both RFO0053 & RFO0054 engagements?

A. There will be separate contracts. The state will select the best candidates for each. If a single vendor scores highest on both RFOs they would be able to be awarded contracts for both. However, the same resources could not be used for both.

Q. Can MN.IT please confirm that this is not an audit that results in an attestation as would be provided by a CPA?

A. Confirmed.

Q. Can you extend the deadline for response since questions will be answered only two days prior to the due date?

A. No.

Q. The SOW specifies for Annual Audits that, "The Auditor will conduct one-on-one interviews and group meetings with project staff, stakeholders and contractors for the Annual Project Audit." Can MN.IT provide an approximate number of interviews and group meetings expected?

A. Not at this time. This will depend on the auditor's approach in consultation with project leaders.

Q. On page 2, should the sentence 'One-on-one interviews, focus groups, document review and other data collection may be done to complete the quarterly review' read '...may be done to complete the annual audit'?

A. The sentence is correct in the RFO.

Q. Under "Overall Experience":

1. ".....include companies and contacts..."
4. "provide two references..."

Is there a difference between contacts and references? Am I to assume that contacts AND references will (or may be) contacted? Further, can I assume a contact can also be a reference?

A. A contact may be used to verify work at a location or for a company. A reference can speak to specifics of the work that was done, its quality and the working relationship with the resource. The reference could have moved on to another company or retired and still be a reference. A contact and a reference could be the same person.

Link to Attachment Referenced on Page 1 of the RFO:

The attachment can be found at: <http://mn.gov/buyit/14atm/rfo/RFO0053b.pdf>

This addendum shall become part of the RFO and should be returned with, or acknowledged in, the response to the RFO.

RESPONDER NAME:

SIGNATURE:

TITLE:

DATE: