

**STATE OF WASHINGTON
Washington Student Achievement Council**

**ADDENDUM
TO
RFP NO. 23RQ191**

DATE: November 9, 2021

PART ONE: RFP No. 23RQ191 Amendments

- In section **1.3 MINIMUM QUALIFICATIONS**, the penultimate list item (*top of page three*) that reads: “Bidder must be insured to the extent required by state law, including obtaining and maintaining Errors and Omissions insurance in an amount not less than \$10,000,000.” **is deleted in its entirety.**
- In subsection **3.3 MANAGEMENT PROPOSAL, B. Experience of Bidder**, subitem 1.e.i. (*middle of page 11*) that reads: “Must include obtaining and maintaining Errors and Omissions insurance in an amount not less than \$10,000,000.” **is deleted in its entirety.**
- In **EXHIBIT B – SAMPLE CONTRACT, INSURANCE** section (*top of page five in Exhibit B*):
 - List item #5 regarding professional liability errors and omissions is **replaced in its entirety with the following:**
 - 5. Professional liability errors and omissions, with a deductible not to exceed \$25,000, and coverage of not less than \$2 million per occurrence/\$5 million general aggregate; and
 - List item #7 regarding cyber-security and privacy breach is **replaced in its entirety with the following:**
 - 7. Cyber-security and Privacy Breach coverage of not less than \$1 million per occurrence/ claim and \$5 million aggregate annual.

PART TWO:

Answers to questions received from potential bidders through November 5, 2021

Question: The contract terms in Exhibit B (page 5 of 15 #7), states the following requirement: “Cyber-security and Privacy Breach coverage of not less than \$25 million per occurrence/claim and \$75 million aggregate annual.” We have never encountered amounts at this level for actuarial audit services. Procuring this level of coverage for the Washington Student Achievement Council (WSAC) is unforeseen based on the typical industry standard, potentially resulting in a cost prohibitive fee proposal. If we offer an exception to this requirement, is the WSAC able to reduce these amounts?

Answer: The “Cyber-security and Privacy Breach” coverage amounts included in this Sample Contract (Exhibit B) are the AGENCY’s standard coverage amounts for larger and more complex procurements. In the case of this RFP for actuarial services, however, **the AGENCY has reconsidered the coverage amounts and will be reducing them to \$1 million per occurrence/\$5 million aggregate** (see *PART ONE of this addendum*). Bidders must state their cyber-security and privacy breach coverage amounts in their proposal. If bidders take exception to these revised minimum amounts, such exception must be stated, and can be a subject of negotiation during the contracting phase.

Question: Which part of the RFP has the correct error and omissions coverages?

- a. **Contract Terms Exhibit B (page 5 of 15 #5) states: “Professional liability errors and omissions, with a deductible not to exceed \$25,000, and coverage of not less than \$1 million per occurrence/\$2 million general aggregate.”**
- b. **1.3 Minimum Qualifications (page 3 of 17) states: “Bidder must be insured to the extent required by state law, including obtaining and maintaining Errors and Omissions insurance in an amount not less than \$10,000,000.”**

Answer: The amount stated in the Sample Contract (Exhibit B) are the AGENCY’s minimum standard coverage amounts. When procurements require a higher level of insurance than our minimum standard, we specify the amount in main body of the RFP. Therefore, it was the AGENCY’s intent to seek Errors and Omissions coverage of \$10,000,000 as stated in Section 1.3 Minimum Qualifications and Section 3.3. Management Proposal. **However, the AGENCY has reconsidered the coverage amounts and hereby removes them from sections 1.3 and 3.3** (see *Part ONE of this Addendum*). **The updated, lower coverage amounts of \$2 million per occurrence/\$5 million aggregate are reflected in an amendment to the sample contract language** (see *PART ONE of this Addendum*). Bidders must state their professional liability errors and omissions coverage amounts in their proposal. If bidders take exception to these revised minimum amounts, such exception must be stated, and can be a subject of negotiation during the contracting phase.

Question: Is the WSAC willing to remove the Errors and Omissions requirement as a minimum requirement to bid and instead allow bidders to make an exception as a contract item?

Answer: Yes. See the AGENCY's response to the prior question.

Question: 1.2 Objectives and Scope of Work (page 2 of 17 item d) includes the bullet "Other Review Items". What potential items could AGENCY/OSA Staff require the Contractor to review that could classify as "other"?

Answer: The "Other Review Items" section of the report is to be reserved for any material items identified in the course of the audit that do not fit into one specific section of the report, if applicable, such as general procedural issues that may cut across multiple work products. Per the language of Section 1.2, alternative report layouts can be discussed between the AGENCY and the CONTRACTOR if necessary.

Question: Has an actuarial review/audit been performed in the past? If yes, could you please provide the last actuarial audit report?

Answer: Yes, an actuarial audit similar in nature to the audit described in this RFP was last conducted in 2015 for the GET program. A summary presentation of that report provided to the Committee on Advanced Tuition Payment and College Savings at their December 3, 2015 public meeting can be found on page 23-35 of the document found at this URL:

<https://wsac.wa.gov/sites/default/files/2015.12.3.GET.Committee.Meeting.pdf>.

Question: If the proposing entity currently or in the recent past has had a contract in place with WSAC, would it be acceptable to provide a redline of that contract in lieu of a redline of the provided sample contract?

Answer: To ensure consistency among all potential bidders, any exceptions to the terms of the sample contract are to be made in reference to the sample contract provided in Exhibit B of this RFP No. 23RQ191, and as amended by this Addendum, only. The AGENCY will not accept a redline of a prior contract for consideration in this RFP.

Question: According to Section 2.4 Submission of Proposals, the 3rd paragraph "The cover submittal letter and the Certifications and Assurances form must have a scanned signature of the individual within the organization authorized to bind the Bidder to the offer." Given that proposals are required to be submitted as an attachment sent via email, would WSAC accept electronically generated, un-scanned signatures for the Cover Submittal Letter and Certifications and Assurances Form?

Answer: The AGENCY is currently reviewing its electronic signature policies. While these policies are under review, and until further notice, the AGENCY will continue to require RFP bidders to submit signed and scanned signatures.