

# **PUERTO RICO DEPARTMENT OF EDUCATION**

## ***ANSWERS TO QUESTIONS SUBMITTED BY PROPOSERS REGARDING THE REQUEST FOR PROPOSALS FOR THIRD-PARTY FIDUCIARY AGENT SERVICES***

**Office of the Secretary Number OS-2019-001**

**OCTOBER 30, 2019**

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## **INTRODUCTION**

This document contains PRDE's answers to all of the questions submitted by organizations currently considering a response to the *Request for Proposals for Third-Party Fiduciary Agent Services, Office of the Secretary Number OS-2019-001* (the RFP). Such answers are presented and ordered by topic area, thus maximizing the context within which each given topic is addressed, and more efficiently.

Proposers are advised to review the contents of this document and factor the answers provided herein into their respective proposal preparation processes.

**ANSWERS TO QUESTIONS****QUESTIONS REGARDING THE DETAILED SCOPE OF TPFA AND PRDE RESPONSIBILITIES**

Directly and indirectly, several of the questions submitted by proposers were related to the specific activities that are to be performed by the TPFA and its personnel, versus those performed by PRDE and its personnel. The following statements answer all such questions, and offer additional perspective to proposers that should support a responsible proposal development process:

- PRDE has developed and implemented several structures, regulations, policies, procedures, information systems, internal controls and personnel in order to execute its financial management responsibilities pertaining to USDE grant funds. In general, the agency's going-in position regarding the operational model to be followed once the TPFA is contracted is that PRDE internal resources will continue to perform their assigned duties in line with such mechanisms. Using this model as a starting point, the TPFA and its personnel shall engage with PRDE and its personnel in order to assess current practices, identify gaps that need to be addressed, establish the corresponding strategies and, in applicable cases, assist in their implementation, all the while fulfilling the TPFA duties established in pages 109-113 of the RFP (pages 30-33 in the USDE Specific Conditions Letter). The TPFA shall assume the duties established therein, yet in alignment with PRDE and USDE expectations related to building PRDE capacity in order to, eventually, transfer TPFA process functions back under PRDE control.
- Hence, the detailed scope of the support services to be provided by the TPFA, while generally defined in Appendix B of the USDE Specific Conditions Letter, shall be further calibrated in line with the results obtained via the TPFA's SOW Item #1 services.
- Depending on the outcome of the SOW Item #1 service, both the TPFA and PRDE may jointly determine that detailed support will be required in some areas, while only general guidance will be required in others. For example, it may be that the grants management area is deemed to require expert support in the development of work programs and the definition and administration of allowable versus non-allowable costs, while the procurement area may only require general oversight of its structures, regulations, policies, procedures, information systems, internal controls and personnel. Proposers are expected to possess the capabilities required to adjust to such variations in the level of support to be provided to PRDE, as required.
- The TPFA's role and level of involvement relative to each of the TPFA Subservices comprising SOW Item #2, work plans, procurement, disbursements, time distribution and payroll accounting, fixed assets and bookkeeping and financial reporting, would be further refined in line with the statements above. And, even though the scope of the support services to be provided by the TPFA in the execution of the structures, regulations, policies, procedures, information systems, internal controls and personnel is yet to be defined in detail, PRDE's expectation is that proposers experienced in the delivery of the services should be able to define and propose a sensible service approach to fulfill them.
- If, in light of the results of SOW Item #1, the parties sense the need to adjust the stated and agreed-upon service prices, the parties shall be able to carry out any corresponding price adjustment processes accordingly.

- Grant application and submission activities shall remain a PRDE responsibility. PRDE expects assistance from the TPFA, in line with the descriptions provided in the USDE Specific Conditions Letter.

#### **QUESTIONS REGARDING THE INITIATION OF TPFA SERVICES AT PRDE**

Proposers submitted several questions related to the 45-day period established in the RFP. Regarding such topic, proposer shall consider the following response statements:

- PRDE is expecting the selected TPFA to spend a maximum of 45 days establishing “*the steps that need to be taken by the parties in order to transfer responsibilities covered by the agreement from PRDE to the TPFA...*” (see page 13 of the RFP first paragraph). The corresponding deliverable shall be the *TPFA Service Initiation and Transition Plan*.
- PRDE also expects the TPFA to, upon approval of such plan “*execute the TPFA Service Initiation and Transition Plan within the established timeframe of 45 calendar days...*” (see page 13 of the RFP, last bullet).
- Given its current situation and needs, PRDE deems this total maximum of 90 days to be adequate and viable for any qualified TPFA proposer.

#### **QUESTIONS REGARDING PROPOSER MINIMUM QUALIFICATIONS AND REQUIREMENTS**

Several proposers submitted questions asking for further clarification from PRDE regarding proposer and subcontractor eligibility, particularly in light of the RFP section titled PROPOSER MINIMUM QUALIFICATIONS AND REQUIREMENTS (PRIOR TO PRESENTING A PROPOSAL). The following statements address all such questions comprehensively:

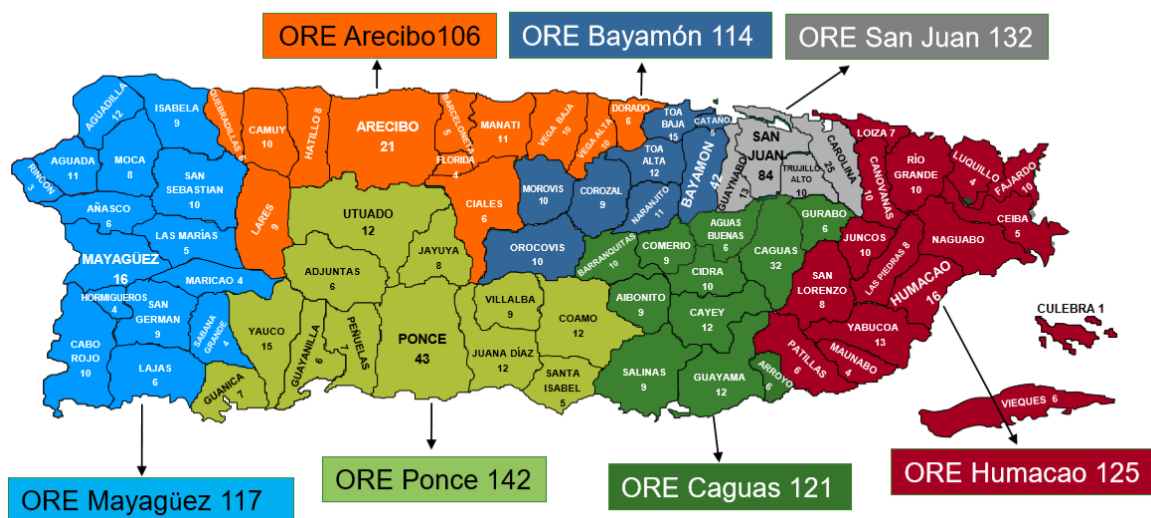
- The requirement stating that the “*organization must not have been involved with any initiative aimed at evaluating, reevaluating or restructuring PRDE as an agency during the last 10 years, directly or indirectly*” applies to organizations globally. That is, PRDE will not apply this requirement any differently to any global proposer organization that claims that its previous involvement (of this nature) with PRDE was limited to a given geography, office, division, department, group or other organizational subdivision.
- This same requirement applies to all intended subcontractors as well, regardless of subcontractor qualifications. Hence, any proposer intending to use a subcontractor is advised to vet such subcontractor’s previous involvement with PRDE, if any, prior to submitting a proposal including such subcontractor.
- The “*directly or indirectly*” reference (see the above requirement), specifically and exclusively refers to all USDE grants granted to and administered by PRDE.
- The requirement stating that the “*organization must not possess, have, or have had access to any PRDE financial or operational information that could be deemed to provide an “unfair advantage” over other potential proposing organizations*” also applies to organizations at a global level. That is, PRDE will not apply this requirement differently to any global proposer organization that claims that its access to such PRDE information was limited to a given geography, office, division, department, group or other organizational subdivision.

- Again, this same requirement also applies to subcontractors, regardless of subcontractor qualifications. As such, proposers should heed this criterion in their subcontractor vetting processes.
- PRDE expects all proposers to, prior to presenting a Letter of Intent and/or a proposal, self-assess their level of compliance with this section, and independently decide whether to submit the Letter of Intent and/or proposal. For proposals submitted to and received by PRDE, in those cases in which the Evaluation Committee suspects that a proposer may not be in full compliance with all of the requirements stated in the aforementioned section of the RFP, the Committee will conduct its own vetting process. Such vetting process would be based on confirmed information and knowledge independently available to PRDE. If the Evaluation Committee were to deem such information and knowledge to be insufficient for a determination, it may decide to seek collaboration from the proposer.
- PRDE will not provide a list of potential proposers and/or subcontractors that are deemed eligible or ineligible.
- Proposers are advised that all of its subcontractors must also be authorized to do business in Puerto Rico by the Puerto Rico Department of State.

**QUESTIONS REGARDING THE PRDE ORGANIZATION AND ITS OPERATIONS**

All proposers submitted questions concerning general information about PRDE as a government and educational agency. The following statements address all such questions at their desired level of detail:

- PRDE is currently in the process of developing a new organizational chart that addresses the entire agency. The last official organization chart is included in Appendix A of this document.
- The map included below represents the regions comprising PRDE, the municipalities they include, and the number of schools that are currently operated by PRDE within them:



- PRDE's regions are not Local Educational Agencies (LEAs). As per page 10 of the RFP, PRDE is an SEA that has a single LEA—itself. Hence, USDE grant funds are allocated to PRDE, not to any region, LEA or internal organization. In addition, PRDE's lone charter school is not part of a separate LEA.
- PRDE is currently in the process of developing a new organizational chart that addresses the entire agency, including the regions. The last official organization chart is included in Appendix A of this document, and the last official organization chart pertaining to regions is included in Appendix B of this document.
- Currently, PRDE's federal affairs operations are entirely centralized. The agency is currently in the process of developing a new organizational chart for said operations. The last official organization chart is presented in Appendix C.
- PRDE herein provides a report listing all current grants received (including the special grants for hurricane relief, which are within the scope of the RFP), per the Grant Award Notification (GAN) for fiscal year 2018-2019:

| <b>Programa Federal</b>                             | <b>Propósito</b>  | <b>Grant Award</b> | <b>FY 18-19</b> |
|---|---|--------------------|-----------------|
| Title I Part A                                      | Fondos para servicios para que los estudiantes con riesgo a fracaso para que alcancen los estadares académicos del estado.                  | S010A180052        | 396,257,109     |
| Neglected and Delinquent Program                    | Fondos para servicios educativos a estudiantes en instituciones juveniles y correccionales.   | S013A180052        | 576,247         |
| Supporting Effective Instruction State Grant        | Fondos para incrementar la cantidad de educadores efectivos.  | S367A180052        | 59,343,302      |
| 21st Century Comunnity Learning Centers             | Fondos para crear centros comunitarios de aprendizajes  | S287C180039        | 30,310,621      |
| State Assessment                                    | Fondos para desarrollar los estándares académicos y administrar las pruebas sobre los estándares, requeridas por la reglamentación federal. | S369A180040        | 4,964,999       |
| Student Support and Academic Enrichment State Grant | Fondos para proveer una educación equilibrada, mejorar las condiciones del aprendizaje y el uso de la tecnología.                           | S424A180040        | 5,308,325       |
| English Language Acquisition                        | Fondos para servicios a estudiantes inmigrantes y para enseñanza del español como segundo idioma.   | S365A180052        | 3,386,765       |
| Homeless Education Program                          | Fondos para servicios educativos a niños y jovenes sin hogar definido.  | S196A180052        | 2,070,617       |

| <b>Programa Federal</b>                          | <b>Propósito</b>   |               | <b>Grant Award<br/>FY 18-19</b> |
|--|--|---------------|---------------------------------|
| Impact Aid Program                               | Fondos para servicios educativos a estudiantes provenientes de familias cuyos padres estan relacionados a empleos federales. | S041B20195689 | 1,061,999                       |
| Special Education                                | Fondos para proveer servicios educativos apropiados a niños y jovenes (3 a 21 años) con necesidades especiales.              | H027A180003   | 127,835,370                     |
| Preschool Program                                | Fondos para proveer servicios educativos apropiados a niños (3 a 5 años) con necesidades especiales.                         | H173A180002   | 3,118,865                       |
| Adult Education                                  | Fondos para subvencionar programas de educación y alfabetización para adultos.   | V002A180053   | 11,037,254                      |
| Vocational Education                             | Fondos para servicios de educación vocacional y técnica a nivel secundario y postsecundario.                                 | V048A180053   | 18,458,484                      |
| Federal Supplemental Education Opportunity Grant | Asistencia financiera a estudiantes matriculados en las instituciones post secundarias.                                      | P007A184591   | 123,458                         |
| Federal Work - Study Program                     | Asistencia financiera a estudiantes matriculados en las instituciones post secundarias.                                      | P022A184591   | 257,096                         |
| Federal Pell Grant Program                       | Asistencia financiera a estudiantes matriculados en las instituciones post secundarias.                                      | P063P184014   | 8,355,931                       |
| <b>Subtotal Formula</b>                          |  |               | <b>672,466,442</b>              |
| Hurricane Education Recovery                     | Elementary and Secondary Educ, Hurricane Relief-Inmediate Aid Restart School Operation                                       | S938A180002   | 589,170,000                     |
| Hurricane Education Recovery                     | Emergency Assistance to Institutions of Higher Education Program   | P938T180044   | 664,500                         |
| Hurricane Education Recovery                     | Emergency Assistance to Institutions of Higher Education Program   | P938T180042   | 596,750                         |
| Hurricane Education Recovery                     | Emergency Assistance to Institutions of Higher Education Program   | P938T180045   | 826,500                         |
| Hurricane Education Recovery                     | Emergency Assistance to Institutions of Higher Education Program   | P938T180043   | 1,566,750                       |
| Hurricane Education Recovery                     | Emergency Assistance to Institutions of Higher Education Program   | P938T180046   | 147,500                         |
| <b>Subtotal Restart</b>                          |  |               | <b>592,972,000</b>              |

- Only after a TPFA is selected and the corresponding contract is signed by the parties, PRDE intends to disclose additional information related to items such as audits pertaining to USDE grant funds, and any related audit findings, recommendations and responses.



- Currently, PRDE does not have a Corrective Action Plan (CAP) that is aligned with the USDE Specific Conditions Letter. Hence, it cannot provide access to such information.

**QUESTIONS REGARDING THE USE OF SIFDE, PRIFAS AND PRDE INFORMATION SYSTEMS IN GENERAL**

Despite the statements made in pages 11 and 18 of the RFP about the role and use of the SIFDE system, and PRDE's stated position that it "*would not necessarily be open to replacing SIFDE altogether*," several questions touched on diverse angles of this subject. The following statements address all such questions and further clarify PRDE's position:

- PRDE uses the SIFDE system (PeopleSoft 9.1) to run all of its internal finances, including all of its assigned local and federal funds. Implemented software functionality includes modules such as Commitment Control, General Ledger (and financial statements), Accounts Receivable, Billing, Accounts Payable, Purchasing (Requisitions, Request for Quotations, Purchase Orders, Receipts, Procurement Contracts), *eSettlement* (vendor online invoicing), Security, Query Manager and Reporting Tools (Crystal & BI Publisher). PRDE is also planning to implement the Strategic Sourcing module in the near future.
- PRDE has not effectively implemented the grants management functionality available in SIFDE. Instead, the agency is using budget control functionality available in the Commitment Control (and related) modules. PRDE expects the TPFA to identify areas of opportunity and assist in the design and implementation of any required and desired grants management mechanisms.
- The Puerto Rico Treasury Department currently uses the PRIFAS system (PeopleSoft 8.1) to run all state finances. Because Treasury needs to have visibility over PRDE's finances in order to fulfill its duties, the financial results registered in SIFDE are continuously interfaced to PRIFAS, albeit at a higher level of detail than that maintained by PRDE in SIFDE.
- PRDE does not have its own cash accounts. Its disbursement transactions are authorized in SIFDE, and are electronically transmitted to Treasury's PRIFAS in order to effect the final disbursement transaction (Treasury exclusively administers Puerto Rico's state-level cash accounts). When completed, disbursements made by Treasury are interfaced back to PRDE (SIFDE), for internal use and recordkeeping purposes.
- PRDE is not interested in having the TPFA use a separate financial system. PRDE expects TPFA users to use SIFDE to effect whichever transactions are within their scope, within the established applications architecture model. As such, no separate financial system acquisition or implementation process is required or expected from the TPFA, nor any off-island hosted platforms will be considered.
- If, as a result of the SOW Item #3 services that shall be delivered by the TPFA, a strategy to use a different financial system is suggested, such strategy would be evaluated on its merits, at such time. Such process would be entirely independent from SOW Item #2 services.
- All SIFDE support functions at PRDE are carried out at the central level.

**QUESTIONS REGARDING THE STATE AND NATURE OF THE PRDE PROCUREMENT FUNCTION**

Proposers submitted several questions related to the nature and operations of PRDE's procurement function. The following statements address all such questions:

- Regardless of funding source, the Central Purchasing Office is the office that administers all of PRDE's procurement processes. All procurement processes are subject to a PRDE-level regulatory framework, which is in line with state law. Such framework includes the *Reglamento* cited in page 24 of the RFP (under which this process is being carried out) and in other *Reglamentos*, such as *Reglamento para la Adquisición, Ventas y Subastas de Bienes, Obras y Servicios no Personales* as amended. These and other *Reglamentos* are available at the PRDE website, [www.de.pr.gov](http://www.de.pr.gov), the Puerto Rico Department of State website, [www.estado.pr.gov](http://www.estado.pr.gov), and [app.estado.gobierno.pr/ReglamentosOnLine/ReglOnLine.aspx](http://app.estado.gobierno.pr/ReglamentosOnLine/ReglOnLine.aspx). Finally, when PRDE purchases are made with funds provided by USDE, the established federal regulatory framework applies as well.
- The procurement function is primarily handled at the PRDE central level. However, there are Buyers at the regional offices (close to 20 Buyers in total) that make non-equipment purchases, purchases for miscellaneous materials and services, and some specialty items (e.g. glasses for certain students). Some of the stated purchases are made with USDE grant funds. These Buyers have Purchase Order issuing authority and, operationally, report to the Central Purchasing Office.

**QUESTIONS REGARDING THE PRDE PAYROLL PROCESS**

Some proposers submitted questions related to the nature of PRDE's payroll operations. The following statements address all such questions:

- PRDE's payroll process is executed by the Puerto Rico Treasury Department. Treasury starts the process by using PRDE's last payroll changes data (new employees, employee exits, promotions, changes in deductions and/or benefits, others), which is sent periodically by the agency. Treasury runs the payroll calculation, cuts payroll (and related) checks and generates the resulting accounting entries. Such accounting entries are sent back to PRDE, which eventually reviews, adjusts and uploads them into SIFDE (as deemed necessary).
- Employee time and attendance data is captured throughout PRDE, and processed in the TAL system (centrally). TAL (Kronos) is the system of record for employee license information. Time and attendance adjustments occur both at regions and at the central level. However, such adjustments occur after the corresponding payroll has been processed and disbursed.
- The PRDE Human Resources function is responsible for establishing the accounts from which employees draw their salaries, when they are newly hired and when they change positions within the agency. This is an important aspect of the payroll process, as it drives payroll expense allocations to the correct local and/or USDE grant funds.
- PRDE expects the TPFA to assess the current payroll scenario (described above), identify areas of opportunity and assist in the design and implementation of any required and desired mechanisms.

**QUESTIONS REGARDING PRDE'S PROPERTY AND FIXED ASSETS OPERATIONS**

Several questions sought additional details regarding the state of PRDE's fixed assets operations and corresponding dataset. The following statements address all such questions:

- The fixed assets function is entirely managed and controlled by PRDE at the central level. There is an internal *Reglamento* that governs all relevant operations, and which heeds the fixed assets accounting and operational directives established at the state level by the Puerto Rico Treasury Department. Such *Reglamento* is currently under review.
- There are no formally assigned fixed asset receiving and/or warehousing locations at PRDE, neither at the central level nor at the regional levels.
- Some fixed asset purchases (usually large block purchases) are received and processed centrally (although without a designated warehousing location), then distributed to their eventual destination via internal mechanisms. Other fixed assets (most of them) are received directly at their final point of use, where the corresponding receipt transaction into the SIFDE system is made. When fixed assets are received in the SIFDE system, this systematically triggers a task for the central fixed assets function to go to the location, tag the asset, and complete the related tasks in the system.
- Regardless of funding source (e.g. state vs. federal), fixed assets are usually received at the location in which they are to be used (e.g. a regional office, a school, etc). Every PRDE location has a designated Receipt Processing Officer (this is not a role or a position; it is a task officially assigned to a given employee that has other responsibilities). Such person assumes custody of the items received and coordinates (and formalizes) delivery to the corresponding person at the location.
- Small fixed assets (e.g. laptops and iPads) are not stored in a vault of similar location, yet there is always somebody (the Receipt Processing Officer) under whose custody such items are assigned, until delivery to the eventual user.
- Regardless of asset funding source, PRDE keeps a single fixed assets ledger (funding source is a readily available parameter for each asset). PRDE has a fixed asset inventory report that it can produce on demand. Limited testing of the latest such report suggests the need for reconciliation. Historically, validating and reconciling the report has been a challenge for PRDE. The last independent fixed asset inventory process was conducted at PRDE in 2009-2010, by a private contractor.
- As the Receipt Processing Officer performs the tasks mentioned above, PRDE currently does not have a presence of the fixed assets function at the regional level (or others). PRDE does not have a preconceived expectation regarding this topic. Its main expectation is for the fixed assets function to operate adequately, and to, consistently, produce the fully reconciled fixed asset inventory report.

**QUESTIONS REGARDING PSCs, PROSCs, SEPI AND THE RELATED SYSTEMS**

There were a few specific questions seeking additional details about PSC and ProSC operations, as well as the SEPI and related systems and repositories. The following statements address all such questions:

- PRDE uses PSCs to contract individuals that provide diverse personal services needed at the agency, such as supporting teaching processes at schools, providing required assistance to Special Education students, and processing existing work overflows (e.g. processing invoices).
- Procurement and awarding of PSCs is not part of the PRDE procurement process (it is more of a PRDE recruiting process). The term “*Pre-SEPI*” (used in the USDE Specific Conditions Letter) refers to the process related to, within PRDE, applying for authorization for funding for a PSC-sourced service (as identified above), obtaining said authorization, and carrying out the corresponding contracting processes. Per page 90 of the RFP (page 11 of the USDE Specific Conditions Letter), “*PRDE must obtain assistance from the Agent*” regarding this.
- SEPI system functionality begins once the contract is formalized between the parties (PRDE and the individual). SEPI and SIFDE do not truly integrate electronically. First, contracts and their corresponding vouchers for payment are entered in the SEPI system. Second, SEPI sends the information electronically to the PRIFAS system at the Puerto Rico Treasury Department. Third, PRIFAS cuts and sends the payments, and sends a journal entry file back to PRDE. Finally, such file is uploaded electronically to SIFDE.
- ProSCs refer to contracts that are usually awarded to businesses, for services such as professional development seminars for teachers, special instructional courses, legal services, consulting services, information systems services, and other professional services. Procurement of ProSCs is a function that has recently been assigned to the Central Purchasing Office. As such, PRDE is currently assessing current processes, with the objective of designing, developing and implementing a revised model.
- PRDE does not have a reliable centralized registry specifically concerning ProSCs. In SIFDE, PRDE registers the related encumbrance and expense activities (at the vendor level) for all ProSCs, but a greater level of information or integration does not exist.
- For fiscal year 2018-2019, PRDE had approximately 3,000 PSCs, amounting to approximately \$22,000,000. For ProSCs, PRDE had 1,681 ProSCs, adding up to \$202,280,615.

**QUESTIONS RELATED TO THE GANTT CHART ON PAGE 23 OF THE RFP**

Another group of questions made reference to the Gantt chart on page 23 and challenged the positioning of the bars presented therein, the length of such bars, and/or the assumed sequence of activities itself.

Regarding such questions, as stated in page 22 of the RFP, the Gantt chart “*establishes agency estimates and expectations regarding when each SOW item (and related activities) should take place (the exact dates may vary...*”. Any graphical inaccuracies, real or perceived, that proposers find in the Gantt chart should consider this statement. Finally, it must be made clear to all proposers that TPFA services shall begin upon culmination of SOW Item #1.

**QUESTIONS RELATED TO BONDING AND INSURANCE REQUIREMENTS**

Despite the bonding and insurance requirements explicitly stated in pages 37, 39, 46, 47, 48, 49, 50, 51, 62, 113 and 114 of the RFP, PRDE received numerous questions challenging them. The following statements address all such questions and further confirm PRDE’s position about these topics:

- Regardless of the corporate insurance capabilities and coverages that any proposer may have, bonding requirements shall be as established in page 37 of the RFP.
- Regardless of the corporate insurance capabilities and coverages that any proposer may have, insurance requirements shall be as established in pages 46, 47, 48, 49, 50 and 51 of the RFP.
- Regardless of the corporate insurance capabilities and coverages that any proposer may have, PRDE will not grant any exceptions or waive any requirements. Neither a proposer's volume nor its scope of international presence are qualities that shall imply the recalibration of the stated requirements. All proposers are asked to refer to pages 46, 47, 48, 49, 50 and 51 of the RFP.
- Regarding potential changes to the performance bonding, indemnification, risk provisions and insurance requirements established in the RFP, and whether they may be negotiated between the parties, proposers are advised to refer to pages 28, 29, 33, 34, 38 and 77 of the RFP, among others.

#### **QUESTIONS REGARDING SUBMITTAL OF PROPOSALS AND LETTERS OF INTENT**

PRDE received a great many questions concerning submittal of Letters of Intent and proposals. The following statements address all such questions:

- Aside from that which is stated in page 31 of the RFP, there are no additional requirements regarding the Letter of Intent. Hence, there is no specific required format, nor does it need to address issues such as bonding, insurance, proposer (and/or subcontractor) qualifications, compliance with the section titled PROPOSER MINIMUM QUALIFICATIONS AND REQUIREMENTS (PRIOR TO PRESENTING A PROPOSAL), or preliminary proposal economics.
- PRDE will not consider joint bids in this procurement. By "joint bids," PRDE specifically refers to proposals presented by 2 or more organizations under a teaming agreement (or similar mechanism), whereby any given organization assumes less than 100% of the responsibility for all procured services. That is, PRDE is seeking a sole organization to assume entire responsibility for the services to be provided. As implied throughout the RFP, in this context, the term "joint bids" does not refer to proposals presented by a single organization assuming 100% of the responsibility, yet subcontracting other organizations. Such proposals are allowed (and expected and encouraged).
- Per page 73 of the RFP, all tables "*must be compatible and transferable to Microsoft Excel.*" This means that PRDE should be able to access a given proposal file, paint all of the text on a particular table, hit "Copy", move to Microsoft Excel (or equivalent), hit "Paste," and obtain an exact replica of the displayed table contents. PRDE acknowledges that, in certain scenarios (like when using a PDF file as a source), an intermediate step requiring the table to be pasted to Microsoft Word (or equivalent), only to then be copied again and pasted to Microsoft Excel (or equivalent), is acceptable. This requirement applies to all three proposal packages (Transmittal, Technical and Price).

#### **QUESTIONS REGARDING SERVICE TEAM STAFFING**

Several proposers sought clarification about the personnel to be assigned to the TPFA service team and their qualifications. The following statements address them:

- Page 25 of the RFP uses the term “sufficient” when referring to the number of professionals with Spanish language skills. Proposers are reminded that, as stated in page 10 of the RFP, “*Spanish is, by far, the main language used by Puerto Ricans and Puerto Rican government agencies on a daily basis of the RFP.*” Proposers shall heed this statement as they build and propose their service team. PRDE’s underlying intention is that of ensuring that language is, under no circumstance, a barrier or inconvenience for its and the TPFA’s personnel when delivering the services. As a general rule, proposers shall ensure that the members of its service team that directly interact with PRDE personnel shall be able to do so in a language with which both parties can communicate with each other effectively and consistently. There may be non-Spanish speakers in the service team, yet only if such personnel’s responsibilities are non-PRDE facing.
- When referring to potential service team personnel, the term “professional profile” in the RFP shall be construed to mean “résumé.” This applies to service team members participating in any proposed services (from SOW Item #1 to SOW Item #5).
- When submitting professional profiles for known key personnel, such personnel (and profiles) shall only be presented for the service team(s) in which they are planned to be assigned. That is, if a given professional will be able to, concurrently, fulfill two or more roles, such professional’s profile may be included in more than one instance in the proposal. Otherwise, the professional’s profile shall only be included under the team in which such professional will be working. PRDE will assess and keep an eye on this issue as part of the proposal evaluation process.

#### **QUESTIONS REGARDING PRDE’S MANAGEMENT OF THE TPFA CONTRACTOR**

PRDE received a handful of questions specifically asking for more information regarding the expected interaction between PRDE and the TPFA at the management level. They are answered by way of the following statements:

- PRDE has not established a formal policy or internal directive regarding the experience level, rank or title that the TPFA Program Manager shall have, nor has it yet defined in greater detail the scope of responsibilities that each party shall have towards each other in terms of relationship management and transactional events.
- PRDE reserves the right to determine if and when it will retain the services of a third party to assist in the tasks related to monitoring TPFA service and performance, consulting with PRDE management and the PRDE Program Manager, or similar functions.
- PRDE also reserves the right to define, agree to, and implement any key performance indicators that may be directly or indirectly applicable to TPFA activities.
- PRDE affirms that, yes, it affords the bandwidth and skillset necessary to address TPFA issues as foreseen, and to implement the related programs.

#### **QUESTIONS REGARDING PRDE BUDGETING AND TPFA PROPOSAL PRICING**

PRDE received a few questions regarding its budget for the requested services, and regarding proposal pricing. The following statements address such questions:

- PRDE will not publish its expectations or limitations regarding the budget to be appropriated for the TPFA contract.
- As evidenced in pages 75 and 76 of the RFP, this procurement process is cost-competitive. As such, proposers are advised to provide their prices based on whichever rates are the best possible for the services to be delivered to PRDE. Whether such rates are the same as those provided to GSA and whether such rates shall be the rates to be applied in the pricing process is a proposer prerogative. All prices submitted by proposers will be assessed and evaluated by PRDE, exclusively addressing its best interests.
- Page 37 of the RFP states that “*Compensation for services performed under the contract shall not exceed the maximum compensation authorized by PRDE therein or applicable federal regulation.*” The “*maximum compensation authorized...*” refers to the amount established and agreed upon between the parties in the contract for TPFA services. “*Applicable federal regulation*” refers to any federal regulation that may exist that would require PRDE to limit proposer compensation to a specified maximum, currently or during the contract term.
- Regarding price flexibility over a multiyear term, and topics related to yearly price adjustments, CPI increases (and other similar topics), proposers must note that, as stated in page 76 of the RFP, “*PRDE intends to enter into a multiyear contract (subject to annual appropriations) with the qualified and responsible proposer that submits a proposal for the most responsive solution that meets PRDE’s needs.*” Proposers must also refer to the negotiation clauses in pages 28, 29, 33, 34, 38 and 77 of the RFP, among others. Finally, proposers must keep in mind that the scope of services to be rendered year after year will likely evolve, and may naturally give way to pricing adjustments, year after year.
- PRDE will not cover any expenses incurred by the TPFA in relation to proposal preparation or service delivery.
- Regarding details related to how and/or when to bill for the work performed, proposers are free to specify this in their proposals. This may become a contract negotiation and specification item. As a starting point, refer to the statement in pages 21-22 of the RFP, addressing the fact that invoice acceptance procedures will also need to be established between the parties.
- The TPFA must present invoices via PRDE’s established electronic billing process, using SIFDE’s *eSettlements* module. Typically, invoices are required to be presented before the 10th day of each month. PRDE will pay for all approved invoices sustained by a properly executed contract between the parties. Actual disbursements will be effected through the Puerto Rico Treasury Department.
- Regarding expected time delay between invoice submission and payment, please refer to page 43 of the RFP.

**OTHER SUBMITTED QUESTIONS**

Following are the remaining questions submitted (mainly) by a proposer, which do not map to any of the topics or groups of questions itemized above:

- **The PRDE website shows 15 grants currently managed by the OAF, although the RFP shows 16. Is there an additional grant?**

The correct information is included in page 11 of the RFP.

- **Why has PRDE used less than 15% of its grants for disaster recovery?**

The amounts stated in page 11 of the RFP are as of the end of fiscal year 2018-2019. Currently, amounts disbursed are higher. As well, additional amounts are currently encumbered and planned.

- **What is the detail of the over \$1.535 billion in frozen federal funds that was highlighted in a recent newspaper article in El Nuevo Día and why does that amount differ from the dollar amount of grants awarded to PRDE by USDE, i.e., \$672,466,442?**

Refer to page 11 of the RFP in order to obtain the correct amounts.

- **Will there be time scheduled for oral presentations and, if so, what are the approximate dates that proposal responders are expected to attend?**

The issue regarding whether oral presentations will be held or not is effectively addressed in pages 27 and 75 of the RFP. Regarding potential approximate dates for oral presentations, PRDE is currently unable to specify them. Proposers should refer to Table 1 in page 7 of the RFP, where the established proposal evaluation period is defined.

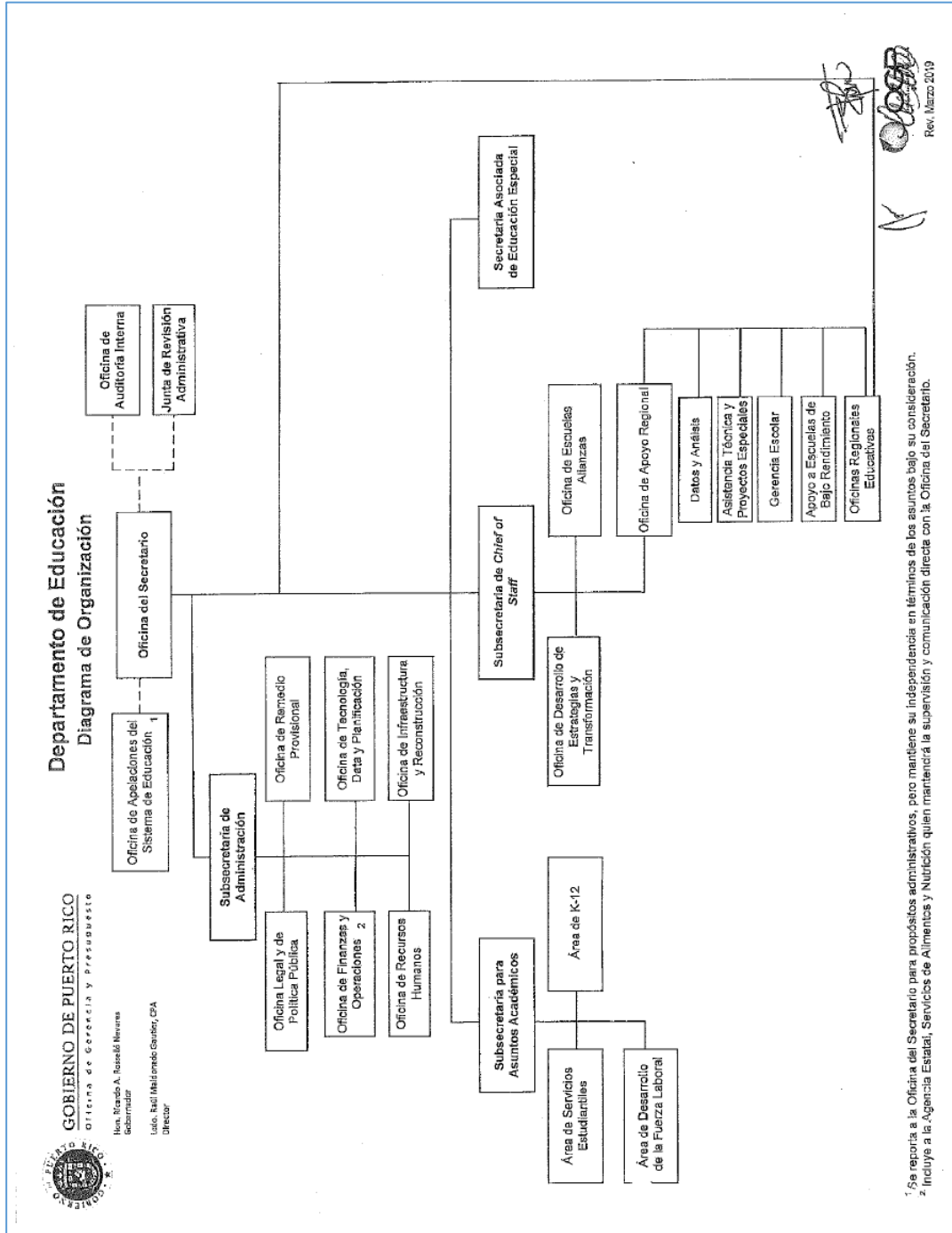
- **Appendix VII, subsection I, Pg. 83...states that “structural issues lie at the heart of PRDE’s administrative and educational under performance...” and these include insufficient numbers of experienced and trained staff charged with program administration and near absence of rigorous procurement practices and staffing. As TPFA tackles primarily the fiscal aspect of the program administration, to what extent will the TPFA’s role allow the TPFA to address these structural issues?**

The TPFA is expected to assist in the identification and address of such issues, mainly by way of the services described in SOW Item #3 and SOW Item #4.



APPENDIX

APPENDIX A: LATEST OFFICIAL PRDE ORGANIZATIONAL DIAGRAM





APPENDIX C: LATEST OFFICIAL FEDERAL AFFAIRS ORGANIZATIONAL DIAGRAM

