

**STATE OF NEW HAMPSHIRE
DEPARTMENT OF EDUCATION
25 Hall Street
CONCORD, NEW HAMPSHIRE 03301**

DATE OF CHANGE: 2/25/2025

**ADDENDUM #1
RFP NHED-BSF-2025-1 – Accounting Services**

DATE OF BID CLOSING: 3/17/2025

TIME OF BID CLOSING: 4:00 P.M.

FOR: Accounting firm to serve as a consultant for a special project of revising and updating New Hampshire’s Accounting Handbook, last published in 1999.

CLARIFICATIONS:

Question 1:

Section 2 B. 5. Under Scope of Work indicates “Write certain sections of the Accounting Handbook that exceed the technical expertise of the NH Education Department, as deemed necessary”. Would this be during or after the review and work being conducted by a Focus Group? What specifically would those sections be? Please clarify the expectations of the firm and if 100 hours are reasonable for this project.

Answer:

The Bureau of School Finance would like to establish a relationship with an accounting firm for updates to the NH Accounting Handbook such that this firm would be available to 1) answer periodic questions, 2) attend monthly 2-hour focus group meetings to provide technical expertise, 3) review certain sections of the handbook written by NHED (e.g. sections on governmental accounting and balance sheet accounts).

Although not identified yet, throughout the process of updating the handbook, it may be determined that new sections of the handbook need to be written to provide clarification and consistency in accounting practices across the State of New Hampshire. The Accounting firm may be asked to play an active role in writing and/or reviewing these sections for technical expertise.

It was determined that 100 hours would be adequate for the first year of the contract, with an option to renew the contract for a second year, as necessary, with another 100 hours.

Question 2:

Please clarify what is meant under Section 8 – Proposal Content and Requirements, Technical Proposal, as follows:

1. Willingness to formally sanction a revised Accounting Handbook for all accounting topics.
What does it mean to formally sanction?

2. Willingness to entertain future, potentially annual revisions of the Accounting Handbook. Would that role be more of in a reviewer capacity, one of making actual revisions or a combination of the two?

Answer:

1. The Bureau of Finance believes that engaging in conversations with an accounting firm during the project of updating the NH Accounting Handbook will add accuracy and legitimacy to the Accounting Handbook. During the publishing phase of the project, we would like to include a list of all people and organizations that participated in the project. Formally sanction would mean that a firm/individual is comfortable with being listed as one of these participants.
2. The Bureau of School Finance recognizes that a periodic review process needs to be instituted after publishing the Accounting Handbook such that it is maintained and continues to be a useful and updated resource. The frequency of this updating process and the responsibilities and process are not yet determined; however, any outside help would likely be in a reviewer capacity. For now, the Bureau of School Finance is looking for a firm that is willing, interested, and available to engage in discussions over this future work and demonstrates a long-term interest in this resource for New Hampshire school finance.

Question 3:

Please clarify what is meant under Section 8 – Proposal Content and Requirements, Qualifications and Experience, as follows:

1. List of names of clients who have terminated the Vendor's services in the last three years and reasons why. Since we work under annual contracts with the clients which are annually renewed, are you looking for clients that did not renew the contract or those who "fired" the firm before the completion of the contract?

Answer:

Please include those entities that stopped using the firm's services before the completion of the contract.

Question 4:

P-37, Section 8.2.1 states that a cure period may be less than 30 days. Would the State agree to provide a minimum cure period, as set forth in the contract resulting from DHHS-RFP-2019-043, of 30 days?

With regards to P-37, Section 8.1.1., would the State agree to change this provision, as previously agreed to be the State in the contract resulting from DHHS-RFP-2019-043, to the more objective "failure to perform the Services in accordance with the Agreement satisfactorily or on schedule,"?

Answer:

This is negotiable at the time of contract.

Question 5:

With regard to P-37, Section 13, would the State consider adding the following to this section, as similarly included in DHHS-2021-068, Contract Amendment #1?

Subject to applicable laws and regulations, in no event shall the Contractor be liable for any consequential, special, indirect, incidental, punitive or exemplary damages and the Contractor's liability to the State for any claims, liabilities, or expenses relating to this Contract shall not exceed two times (2X) the total Contract price set forth in Contract Agreement - P-37, General Provisions, Block 1.8. Notwithstanding the foregoing, this limitation of liability shall not apply to any third-party claims for bodily injury, death, or damage to real or tangible personal property to the extent caused by the Contractor's negligence or willful misconduct. Notwithstanding the monetary limitation contained in this paragraph, in the event a claim or action is brought against the State in which infringement, and/or any third party claims for bodily injury, death, or damage to real or tangible personal property to the extent caused by the Contractor's • negligence or willful misconduct are alleged, the Contractor, at its own expense, shall defend, indemnify and hold harmless the State against all such claims or actions for any expenses, costs or damages, including legal fees and expenses, incurred by the State in connection with such claims or actions.

Answer:

This is negotiable at the time of contract.

Question 6:

With regards to Appendix B, Section A.2 which modifies P-37 Section 9, would the State agree that it would be responsible for the cost of incomplete services for any termination for convenience, as the Contractor should be paid for services actually performed?

Answer:

This is negotiable at the time of contract.

Question 7:

With regards to Appendix B, Section A.3, which modifies P-37 Section 10, as well as Exhibit G, would the State agree to clarify that the Contractor would retain ownership of any intellectual property that was created prior to or separately from, the Services provided under the Agreement, plus any tools it may use in performance of the Services?

Answer:

This is negotiable at the time of contract.

Question 8:

Would the State agree to the following changes to Exhibit H?

Data Protection

Protection of personal privacy and data shall be an integral part of the business activities of the Contractor to ensure there is no inappropriate or unauthorized use of State information at any time. To this end, the Contractor shall safeguard the confidentiality, integrity and availability of State information referenced below received from, or on behalf of, State by Contractor and under Contractor's control and comply with the following conditions:

1. The Contractor shall implement and maintain appropriate administrative, technical and organizational security measures to safeguard against unauthorized access, disclosure or theft of Personal Data and non-public information. Such security measures shall be in accordance with recognized industry practice and not less stringent than the measures the Contractor applies to its own Personal Data and non-public data of similar kind.
2. All data obtained by the Contractor in the performance of this contract and all Personal Data shall be encrypted at rest and in transit with controlled access. Unless otherwise stipulated, the Contractor is responsible for encryption of the Personal Data under its control.
3. Unless otherwise stipulated, the Contractor shall encrypt all non-public data at rest and in transit. The State shall identify data it deems as non-public data to the Contractor. The level of protection and encryption for all non-public data shall be identified and made a part of this contract.
4. At no time shall any data or processes – that either belong to or are intended for the use of the State or its officers, agents or employees – be copied, disclosed or retained by the Contractor or any party related to the Contractor for subsequent use in any transaction that does not include the State.
5. The Contractor shall not use any information collected in connection with the service issued from this Contract for any purpose other than fulfilling the service.

Data Location

The Contractor shall provide its Services to the State and its end users solely from data centers within the Continental United States. All storage, processing and transmission of State data shall be restricted to information technology systems within the Continental United States. The Contractor shall not allow its personnel or sub-contractors to store State data on portable devices, including personal computers, except as specified and allowed by the contract, and then only on devices that are used and kept at its data centers within the Continental United States. The Contractor shall permit its personnel and Contractors to access State data remotely only to provide technical support and as specified or required by the contract.

Answer:

This is negotiable at the time of contract.

Question 9:

Would the State consider deleting this section of Exhibit H as inapplicable to the services? This section is focused on Security Breaches which per the statutory reference below only relate to certain types of sensitive personal information and we do not require, and do not expect to receive, any State personal information as part of the services.

Security Incident or Data Breach

The Contractor shall inform the State of any security incident or Data Breach in accordance with NH RSA Chapter 359-C:20: Notice of Security Breach.

1. Incident Response: the Contractor may need to communicate with outside parties regarding a security incident, which may include contacting law enforcement, fielding media inquiries and seeking external expertise as mutually agreed upon, defined by law or contained in the Contract. Discussing security incidents with the State should be handled on an urgent as-needed basis, as part of the Contractor communication and mitigation processes as mutually agreed upon, defined by law or contained in the contract.
2. Security Incident Reporting Requirements: the Contractor shall report a security incident to the State identified contact immediately if it reasonably believes there has been a security incident.
3. Breach Reporting Requirements: If the Contractor has actual knowledge of a confirmed data breach that affects the security of any State content that is subject to applicable data breach notification law, the Contractor shall (1) promptly notify the appropriate State identified contact immediately, unless shorter time is required by applicable law, and (2) take commercially reasonable and consistent with industry best practices measures to address the data breach in a timely manner.

Breach Responsibilities

1. This section only applies when a Data Breach occurs with respect to State data within the possession or control of the Contractor and/or the third-party designee hosting the data as agreed upon by the Contractor and the State.
2. The Contractor, unless stipulated otherwise, shall immediately notify the appropriate State identified contact by telephone in accordance with the agreed upon security plan or security procedures if it reasonably believes there has been a security incident.
3. The Contractor, unless stipulated otherwise, shall promptly notify the appropriate State identified contact within 24 hours or sooner by telephone, unless shorter time is required by applicable law, if it confirms that there is, or reasonably believes that there has been a Data Breach the Contractor shall:
 - a) cooperate with the State as reasonably requested by the State to investigate and resolve the Data Breach.
 - b) promptly implement necessary remedial measures, if necessary; and
 - c) document responsive actions taken related to the Data Breach, including any post-incident review of events and actions taken to make changes in business practices in providing the services, if necessary.
4. Unless otherwise stipulated, if a Data Breach is a direct result of the Contractor's breach of its contract obligation or the third-party hosting company to encrypt Personal Data or otherwise prevent its release, the Contractor and/or the third-party hosting company shall bear the costs associated with:
 - a) the investigation and resolution of the Data Breach.
 - b) notifications to individuals, regulators or others required by State law.
 - c) a credit monitoring service required by State (or federal) law.

- d) a website or a toll-free number and call center for affected individuals required by State law — all not to exceed the average per record per person cost calculated for Data Breaches in the United States (currently \$201 per record/person) in the most recent Cost of Data Breach Study: Global Analysis published by the Ponemon Institute at the time of the Data Breach; and
- e) complete all corrective actions as reasonably determined by the Contractor based on root cause; all [(a) through (e)] subject to this Contract's limitation of liability.

Answer:

This is negotiable at the time of contract.