**9/14/2009 Q&A Set 1 - General Questions for ETJ0001-ETF0005**

1. **Please indicate why this contract is out to bid; for example, whether vendor re-procurement is required every X years (state number of years), dissatisfaction with the current vendor, or other reasons.**
   1. These contracts go out to bid at the end of the contract term per Section A, Part 1.8.
2. **Do you have funding allocated for the requested services under this RFP? If yes, what is the budgeted amount?**
   1. Funding is available as needed. For the most recent audits, the following amounts were committed: ICI/LTDI $25,000, Group Health $$61,142, Pharmacy Benefit Management $45,000, Group Life $20,000, and ERA & Commuter Benefits $26,000.
3. **Who is the current audit firm and have there been previous audits?**
   1. Previous compliance audits were completed by outside contractors as follows: ICI/LTDI by Grant Thornton in 1992-1997, Group Health (including pharmacy benefits) by Claim Technologies Incorporated in 2000-2007, ERA & Commuter Benefits by Williams Young in 2000-2006, and Group Life by Williams Young in 2000-2006.

Relevant audit summaries have been posted in the Reference Materials on the Employee Trust Funds web site at <http://etfextranet.it.state.wi.us>.

1. **Are there any changes to the audit scope for the period under proposal that you are aware of?**
   1. No changes have been made.
2. **Are there issues or concerns regarding the current firms work, and are they eligible to propose again?**
   1. No firms have been deemed ineligible to submit proposals for ETJ0001, ETJ0002, ETJ0003, ETJ0004, or ETJ0005.
3. **Have there been any significant findings in the previous period for the plans?**
   1. Significant findings have been disclosed in the audit summaries posted in the Reference Materials on the Employee Trust Funds web site at <http://etfextranet.it.state.wi.us>.
4. **Do the service organizations have existing internal controls documented, and are there any deficiencies?**
   1. Yes the service organizations have existing internal control documented, and any deficiencies will be disclosed in the audit summaries posted on the Employee Trust Funds web site at <http://etfextranet.it.state.wi.us>.
5. **What areas of the vendors Recordkeeping are subject to audit?**
   1. All areas of Recordkeeping are subject to audit. See audit requirements in Section C.
6. **Is the Reporting portion of the audit focused on the accuracy of reporting by the vendor to the State?**
   1. Yes.
7. **In the past when does preliminary field work generally take place, and how many hours do firms spend on the audits for the plans?  How many auditors are on site?**
   1. Section C addresses the functions and services that must be provided. Prospective vendors will need to determine the amount of field work, time and the number of on-site auditors that are necessary to complete the audit.
8. **Please describe the role ETF staff will have in the rate development, including project organization, data analysis, and other, as appropriate.**
   1. ETF Staff will act as a liason with the Third Party Administrators to ensure all the necessary information to perform the required audits is made available in a mutually agreed upon format.
9. **When would you like the entrance conferences to take place?**
   1. Attendance at entrance conferences is upon request.
10. **Do each of your TPAs have SAS #70 reports? Can we get copies of the reports?**
    1. Yes, SAS 70 Types 1 and 2 are utilized and may be made available to the winning bidder.
11. **For each RFP please specify what kind of service do you require: an audit in accordance with GAAS or, an examination or an agreed upon procedures in accordance with Statements on Standards for Attestation Engagements (SSAE).**
    1. The audit would be based on Standards for Attestation Engagements (SSAE).
12. **Section B. Vendor Qualifications: Part 1.3 (page 13). It is our understanding that the firm needs to be registered to practice in Wisconsin and not the staff. Is our understanding correct?**
    1. Yes, the firm needs to be registered to practice in Wisconsin.
13. **Section C, Contract Compliance Audit Requirements: Should the reference to Part 1.1.b be 1.1. “a”?**
    1. Each of the 5 RFPs listed in Section C should be referenced to the corresponding program introductions in Section A, Part 1.1.
14. **Bidders are asked to submit a Cost Proposal using the “attached spreadsheet”.  However, there is no attachment.  If there is a form that ETF wishes bidders to use, please supply it.**
    1. See number 18 below.
15. **Section D, Cost Proposal:  The format of the Cost Proposal requires both hourly rates and hours by year for the work to be performed, along with a subtotal for staff costs.  It is unclear, however, whether the Contract that results from this RFP will be a time and materials contract, with a not to exceed amount based on the total in the Cost Proposal solely for purposes of determining a purchase order and contract value amount (with the possibility that the Contractor could bill and be paid more than the total in Section D should the work required exceed the estimated hours) OR whether the State will take the Total Cost in the bidder's proposal and use that as a firm, fixed price.  Can the State clarify this ambiguity?**
    1. The Total Cost specified in the Cost Proposal, posted on the Employee Trust Funds web site at <http://etfextranet.it.state.wi.us>, will be used to score the proposals. The Department reserves the right to negotiate contract terms, including the award amount.
16. **Appendices: Please confirm that the primary contractor, rather than subcontractors (if used), must complete the required forms.**
    1. Yes, the primary contractor must complete the required forms.
17. **Appendix B, Question 6:  What is meant by "any disciplinary action or inquiry during the past five years"?**
    1. Any and all disciplinary actions should be self identified in the transmittal letter per Section A, Part 2.4(b).