

Office of the Illinois State Treasurer  
Michael W. Frerichs

Request for Proposals Examination Services  
370-400-19-005

Addendum 1  
June 12, 2019

Below are the questions received by the Office of the Illinois State Treasurer (“Treasurer”) and the Treasurer’s responses. Any capitalized terms that are not defined herein have the meaning set forth in the Request for Proposals Examination Services (370-400-19-005) (“RFP”) published by the Treasurer on May 29, 2019.

1. Section 3.2.6 and 3.2.7 state: *“Contractor may inform Holder about Illinois law regarding penalties and interest; however, only the Treasurer may assess penalties and interest against an examined Holder. All findings relating to the examination of Holders and the demands for payment of the presumptively abandoned property shall be made pursuant to the laws of Illinois. Only the Treasurer may make final determinations and issue demands for payment”*

The contractor should identify and collect from the holder property subject to reporting and delivery under RUUPA. Please clarify if penalties and interest will be calculated by the state once the property has been delivered to the state by the contractor or if it will be included in the demand for payment issued by the Treasurer.

Penalty and interest calculations will be performed by the Treasurer on a case by case basis. The timing of the calculation will vary based upon each audit’s unique circumstances.

2. Section 3.4.2 states “The Treasurer will direct Holders or transfer agents to remit all other presumptively abandoned property to the Treasurer”

Please clarify what “all other presumptively abandoned property” entails? Does it include all property except for security certificates and safe deposit box contents?

Generally, the holder remits to the auditor who will in turn file the report and remit the presumptively abandoned property [less the auditor’s fees]. As such, “all other presumptively abandoned property” includes any type of property uncovered during the course of an audit.

3. Section 3.7.1 states: “Contractor shall confirm that the owner notification/due diligence requirements of the Act have been carried out prior to Contractor reporting and remitting property to the Treasurer or Contractor.”

Please confirm who will be reporting and remitting property to the Treasurer. Is it the holder or the contractor?

Per RUUPA, the Treasurer has the authority to direct holders to report and remit property directly to the contractor, who will then forward the report and property to the Treasurer.

4. Appendix A: Billing (p. 29) states: “The Treasurer, in his sound discretion, will determine whether full, partial, or no compensation will be paid to the auditor in cases where a holder has remitted property directly to the Treasurer.”

Please clarify if this includes past due property escheated by the holder to the Treasurer after receiving the notice of examination.

This provision includes all property, including property reported and remitted to the Treasurer after receiving notice of examination. Provided the examination was performed in good faith and in accordance with standard auditing procedures, the Treasurer should generally include all properties identified in the scope of an audit in the calculation of the auditor compensation.

5. If the Proposal is based on a contingent fee, does the above deduction mean the Contractor will not receive any fee for audits conducted on Illinois-domiciled Holders, even if delivery of that property to the Treasurer is obtained by the audit?

No. The Treasurer anticipates that Contractor will still receive a fee, as it is the Treasurer’s intention to pay for services rendered.

6. Can a Contractor request initiation of an examination by written request to the Treasurer which does not first name a Holder, but instead to obtain a letter of authorization to request information from state and local agencies pursuant to 765 ILCS 1026/15-504, which Contractor believes will lead to Holders of presumptively abandoned property?

No. Requests for Examination must specifically name a holder.

7. Does the netting of fees reduce a fee if the Proposal is based on an hourly fee?

No; the Treasurer will pay Contractor based on the terms of the contract at the time the audit was initiated.

8. If the “service contract may provide for compensation based on a fixed fee, hourly fee, or contingent fee” may a Proposal include a mix of these fee types depending if the audit is of an Illinois domiciled Holder or an out-of-state Holder?

Yes

9. Regarding the initiation of the audit, can a Contractor request initiation of an examination by written request to the Treasurer which does not first name a Holder, but instead to obtain a letter of authorization to request information from state and local agencies pursuant to 765 ILCS 1026/15-504, which Contractor believes will lead to Holders of presumptively abandoned property?

No. Requests for Examination must specifically name a holder.

10. Beyond the mandatory scope of services outlined in Section 3.0 of the RFP, will the Treasurer entertain the inclusion of program descriptions and pricing schedules for additional services that would assist the Division of Unclaimed Property in increasing compliance with the Illinois Revised Uniform Unclaimed Property Act?

No. This request for proposal is specifically related to those services expressly outlined in the request. Vendors should routinely visit the procurement section of our website for any future procurement opportunities.