

Request for Information

Fraud and Abuse Prevention Services

OVERVIEW

The State of South Carolina is seeking information related to any software or other services related to implementing reasonable safeguards to prevent fraud and abuse related to the federal Education Freedom Tax Credit.

From the Department of the Treasury and the US Department of Education: *Beginning January 1, 2027, the new federal tax credit provides up to \$1,700 per individual (up to \$3,400 for married couples filing jointly) for qualified cash contributions to a Scholarship Granting Organization (SGO). SGOs are nonprofits that accept qualified contributions from individuals and use the funds to provide scholarships to students for education-related services, including tuition, fees, academic tutoring, extended day programs, and supplies.*

The Department of the Treasury issued [temporary regulations](#) stating the following: *Section 1.25F-5T(e) provides guidance on State administrative requirements. Section 1.25F-5T(e)(1) provides that a State must require that SGOs meet all generally applicable State requirements for charitable organizations, including any State requirements that any organization must satisfy to be authorized to do business in the State and to solicit charitable contributions in the State. Additionally, States are required to impose certain application, documentation and financial reporting requirements that are reasonably tailored to support the State's determination that the organization satisfies the operational requirements in section 25F(d), and to facilitate the prevention and detection of fraud or abuse, including the misuse of scholarship funds such as through the duplication of scholarship awards to the same student for the same qualified elementary or secondary education expense.*

South Carolina seeks information from the industry, vendors, and other states that are also participating in the credit on any software or other services that are available in facilitating the prevention and detection of fraud or abuse as it relates to this federal credit.

GENERAL SCOPE

This solicitation aims to understand more about the services currently available for fraud and abuse prevention and detection as it relates to the requirements of the new federal Education Freedom Tax Credit as well as the cost of such services.

DISCLAIMER

This RFI is issued solely for information and planning purposes and does not constitute a solicitation for future business, an offer for procurement, or any other type of current or future procurement or contractual action and is only intended to gather input. The SC Department of Revenue (SCDOR) will not award a contract based on this RFI, nor will it pay for the information it receives. Responses to this notice are not offers and cannot be accepted by the SCDOR to form a binding contract. No party is bound by the information provided in response to this RFI.

Respondents may provide market-based pricing structures and describe potential services or solutions for planning purposes only.

Respondents are solely responsible for all expenses associated with responding to this RFI. The SCDOR is not liable for any costs or fees incurred by the respondent in preparing its responses.

CONFIDENTIALITY

If any of the information in the vendor response is considered confidential, proprietary, or a trade secret, it must be clearly indicated on the appropriate page of the vendor response. Release of such materials is governed by the South Carolina Freedom of Information Law, which in pertinent part requires the requester to provide specific justification as to why disclosure of particular information in the response would cause substantial injury to the competitive position of the vendor. It is incumbent upon the vendor to specify company-specific trade secrets in need of protection where public disclosure of said trade secrets would harm the company.

PUBLIC ACCESS TO PROCUREMENT INFORMATION IN SOUTH CAROLINA

<http://www.scstatehouse.gov/code/t11c035.php>

SECTION 11-35-410. Public access to procurement information.

(A) Procurement information must be a public record to the extent required by Chapter 4, Title 30 (The Freedom of Information Act), except as otherwise provided by this code, and with the exception that commercial or financial information obtained in response to a request for proposals or any type of bid solicitation that is privileged and confidential need not be disclosed.

(B) Privileged and confidential information is information in specific detail not customarily released to the general public, the release of which might cause harm to the competitive position of the party supplying the information. Examples of this type of information include:

- (1) customer lists;
- (2) design recommendations and identification of prospective problem areas under an RFP;
- (3) design concepts, including methods and procedures;
- (4) biographical data on key employees of the bidder.

(C) The board shall promulgate regulations directing the public availability and disposition of documents submitted in response or with regard to a solicitation or other request where no award is made.

(D) For all documents submitted in response or with regard to any solicitation or other request, the person submitting the documents shall comply with instructions provided in the solicitation for marking information exempt from public disclosure. Information not marked as required by the applicable instructions may be disclosed to the public.

(E) A governmental body, with the approval of the appropriate chief procurement officer, may keep portions of a solicitation confidential and release the information to prospective offerors only upon execution of a nondisclosure agreement, provided the information is otherwise exempted from disclosure by law.

(F) If requested in writing before a final award by an actual bidder, offeror, contractor, or subcontractor with regard to a specific intended award or award of a contract, the procurement officer shall, within five days of the receipt of any such request, make documents directly connected to the procurement activity and not otherwise exempt from disclosure available for inspection at an office of the responsible procurement officer. Without otherwise limiting any other exemptions granted by law, and except as provided herein, documents of and documents incidental to proposed contractual arrangements, including those used for contract negotiations, are not exempt from disclosure after the date notice of intent to award is posted, unless the notice is subsequently canceled.

GENERAL INFORMATION

The intended audiences for this RFI are service providers, vendors, and other state governments with experience as described in the Overview and General Scope sections of this RFI.

The RFI schedule of events is included below. The SCDOR reserves the right to change the dates.

Event	Date
RFI is Published	Tuesday, October 27, 2026
Q&A Period	October 27, 2026 – November 2, 2026
RFI Responses Due	Monday, November 9, 11:00 AM EST

The sole point of contact for this RFI is Matthew Warren who can be reached as follows:

Matthew Warren - Procurement Manager

SC Department of Revenue

Matthew.Warren@dor.sc.gov

Respondents shall make no contact with other SCDOR personnel, except as permitted by the point of contact, concerning this RFI.

QUESTIONS FOR RESPONSES

1. What products, software, online platforms, or other services are currently available to meet the requirement of implementing reasonable safeguards to prevent fraud and abuse as it relates to the federal Education Freedom Tax Credit?
2. What resources from the state may be needed for the product, software, online platform, or other service?
3. What is the cost of these products or services?

RESPONSE INSTRUCTIONS

Respondents should provide their responses in native Microsoft Office formatted documents (e.g., Microsoft Word or PowerPoint) via email to the point of contact listed above.

The response must be received by email on or before the date and time of the RFI Response Due listed above. The time of receipt shall be the time recorded by the SCDOR email system as received.

Please adhere to the following convention for subject lines in emailed RFI Responses:

[Company Name] – RFI Response – Fraud and Abuse Prevention Services

In order to facilitate the review of the responses content, please provide the information in exact order as listed below. Responses should be provided within the document directly below each question.

Questions for Responses:

1. What products, software, online platforms, or other services are currently available to meet the requirement of implementing reasonable safeguards to prevent fraud and abuse as it relates to the federal Education Freedom Tax Credit?
2. What resources from the state may be needed for the product, software, online platform, or other service?
3. What is the cost of these products or services?