

Request for Proposals

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RFP Acquisition Process

- Three Phases



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graph TD; A[• Three Phases] --> B[Pre-Award (Planning)]; B --> C[Solicitation and Award]; C --> D[Post Award (Administration)]; D --> E[ ];
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Pre-Award (Planning)

Solicitation and Award

Post Award (Administration)

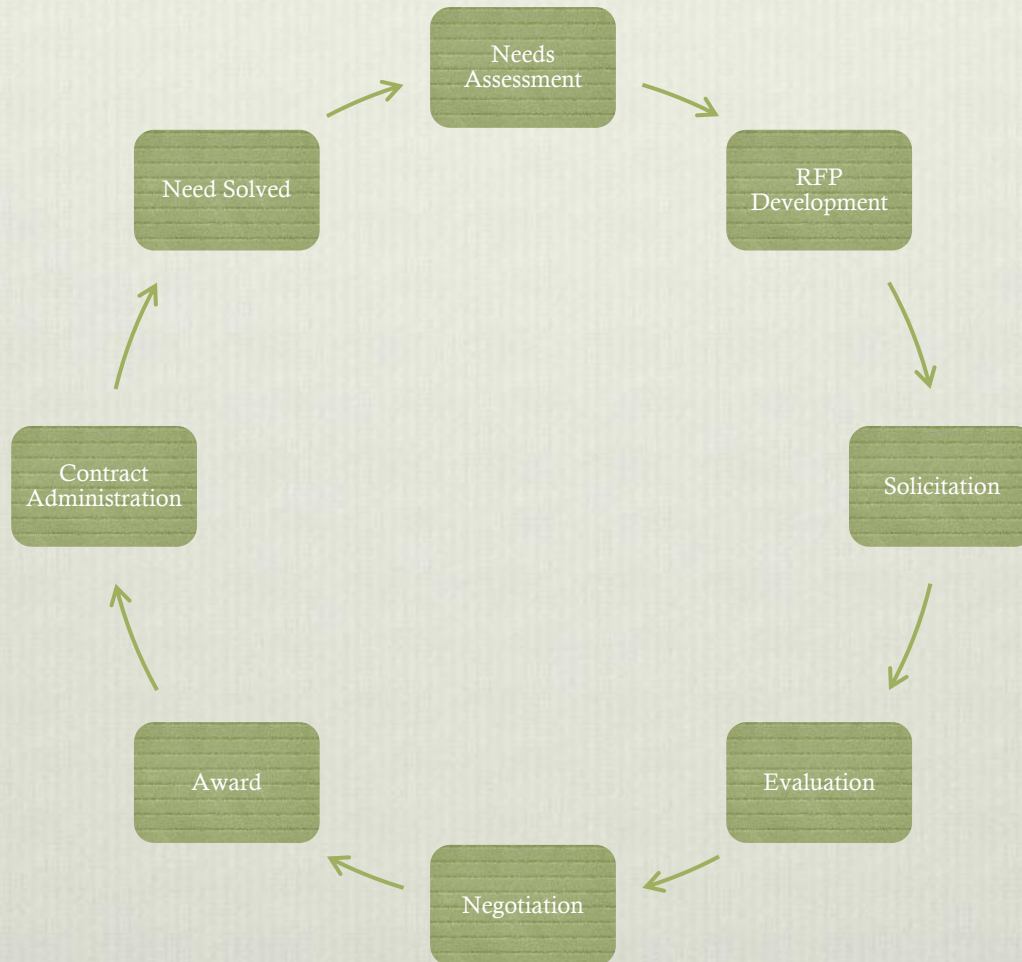
Preferred Procurement Method?

- ❖ **Competitive Bidding** - According to NIGP

Legal Basis for Using Competitive Sealed Proposals

- ❖ State and local governments must have enabling legislation before competitive sealed proposal can be used
- ❖ South Carolina Consolidated Procurement Code
 - ❖ Section 11-35-1520(1)
- ❖ Local Ordinance

Procurement/RFP Process



Conditions for Use

Section 11-35-1530(1)

- ❖ South Carolina Consolidated Procurement Code
- ❖ If a purchasing agency determines in writing that the use of competitive sealed bidding is either not practicable or not advantageous to the State, a contract may be entered into by competitive sealed proposals subject to the provisions of Section 11-35-1520 and the ensuing regulations, unless otherwise provided in this section

Competitive Sealed Bidding

Formal sealed bid sometimes called an Invitation for Bid or (IFB)

- ❖ The IFB process is used when we can define clearly the good or service required
- ❖ Award is made to the low responsive and responsible bidder without negotiations

Request For Proposals

- ❖ The RFP process is used when we are precisely certain of our needs and are looking to the offeror/proposer to offer solutions
- ❖ Comparative analysis of different technical solutions must be made
- ❖ Price is not the sole consideration for award
- ❖ Award is based on best value, not low price

How is the RFP Method Similar to Formal Sealed Bidding?

- ❖ Both require well-described specifications and/or statement of work (SOW)
- ❖ Both describe the method of selection and must be fair and equitable to all vendors

IFB vs. RFP

Invitation For Bids (IFB)	Request For Proposals (RFP)
Evaluated against specifications	Evaluated against criteria
Public opening – Vendors and prices	Public Closing – Vendors only*
Bid opening date – time and place	Proposal closing date – time & place
Price	Highest ranked/Negotiations
Results in means of acquiring good value	Results in means of acquiring best value

What is the Preferred Procurement Method?

- ❖ According to NIGP the preferred method for public procurement officials is **Competitive Bidding**

Written Determination

11-35-1530(1)

- ❖ Written justification is required to use the RFP procurement method
- ❖ Statement that says the competitive sealed bidding method is neither practical or advantageous
- ❖ Explanation should also include why Best Value and Fixed price bidding procurement methods are not suitable

Contents of an RFP

- ❖ Examples
 - ❖ General terms and conditions
 - ❖ Specific terms and conditions
 - ❖ **Statement of work or performance requirements**
 - ❖ Required completion dates
 - ❖ Evaluation criteria
 - ❖ Pricing requirement
 - ❖ Closing date

Contents of an MMO RFP

- ❖ **I. SCOPE OF SOLICITATION**
- ❖ **II. INSTRUCTIONS TO OFFERORS - A. GENERAL INSTRUCTIONS**
- ❖ **II. INSTRUCTIONS TO OFFERORS -- B. SPECIAL INSTRUCTION**
- ❖ **III. SCOPE OF WORK/SPECIFICATIONS**
- ❖ **IV. INFORMATION FOR OFFERORS TO SUBMIT**
- ❖ **V. QUALIFICATIONS**
- ❖ **VI. AWARD CRITERIA**
- ❖ **VII. TERMS AND CONDITIONS -- A. GENERAL**
- ❖ **VII. TERMS AND CONDITIONS -- B. SPECIAL**
- ❖ **VIII. BIDDING SCHEDULE / PRICE-BUSINESS PROPOSAL**
- ❖ **IX. ATTACHMENTS TO SOLICITATION**

Proposal Format

Format in Scope of work should match format in
**Information for offeror to Submit and Award
Criteria**

- Scope of Work (3)
- Information for Offeror to Submit (4)
- Award Criteria (6)

III. SCOPE OF WORK/SPECIFICATIONS

- ❖ Developing the scope of work (SOW), also known as the statement of work is an important and difficult challenge in procurement planning
- ❖ The SOW maybe prepared by a group of people from the purchasing, legal, and end user departments, and others in the organization with technical expertise in the field
- ❖ Other sources – NIGP/ISM and the internet
- ❖ The quality of responses received from the RFP is directly related to the quality and completeness of the document itself
- ❖ The RFP must provide offerors with a clear understanding of the need and how to submit a proposal

Preparing Good Specifications (SOW)

- ❖ Identifies minimum requirements
- ❖ Allows maximum competition
- ❖ Identifies the test methods to be used to verify compliance with the requirements
- ❖ Contributes to obtaining the best values test methods

Pre-Bid Conference

- ❖ Pre-solicitation conference
- ❖ Fact finding
- ❖ Answer questions
- ❖ Mandatory or non-mandatory
- ❖ Answers all whether present or not
- ❖ Amendment or addenda

IV. INFORMATION FOR OFFERORS TO SUBMIT

- ❖ The first step in developing evaluation/award criteria is to identify the parameters that will be used to measure the competence of the proposal and the worth of responses
- ❖ Should include information you want the offeror to include in the proposal response
- ❖ Will be used to determine which response best meets the solicitation requirements

IV. INFORMATION FOR OFFERORS TO SUBMIT

Continued



- ❖ Mandatory evaluation criteria identify those factors that are essential to the requirement
- ❖ Be careful - Criteria must be clearly identified in the solicitation document by using the words, shall, must, or will
- ❖ Failure to meet any of the mandatory criteria makes the response non-compliant and removes the offeror/proposer from further consideration

IV. INFORMATION FOR OFFERORS TO SUBMIT

Continued

- ❖ Some examples of mandatory evaluation criteria are:
 - ❖ Financial stability
 - ❖ Demonstration of compliance with licensing requirements
 - ❖ Satisfaction of security requirements
 - ❖ Meeting of essential performance standards or service levels
 - ❖ Essential minimum qualifications or years of experience of personnel
 - ❖ Compliance with certain certifications
 - ❖ Meeting the delivery deadline



V. QUALIFICATIONS

- ❖ Number of years of experience
- ❖ Required License, certifications, etc
- ❖ Subcontractors

VI. AWARD CRITERIA

- ❖ The Evaluation/Award criteria should clearly identify:
 - ❖ The evaluation criteria or rating factors assigned that reflect the relative importance of the award criteria and help ensure that the most significant factors drive the choice of the recommended proposal/offeror
 - ❖ The respective weighting factors - Relative weighting of components will change for each requirement
- ❖ The Scoring method - Score grid against which they will be evaluated
- ❖ The selection method that will be used to determine which response best meets the solicitation requirements

VII. TERMS AND CONDITIONS - B. SPECIAL

- ❖ Term of the contract
- ❖ Multi-term

Evaluation Factors

- ❖ 11-35-1530(5)
- ❖ The request for proposals must state the relative importance of the factors to be considered in evaluating proposals but may not require a numerical weighting for each factor
- ❖ Price may, but need not, be an evaluation factor

Public Notice

11-35-1530(2)

- ❖ Adequate public notice of the request for proposals must be given in the same manner as provided in Section 11-35-1520(3)
- ❖ 11-35-1520 (3) Notice. Adequate notice of the invitation for bids must be given at a reasonable time before the date set forth in it for the opening of bids.
- ❖ The notice must include publications in "*South Carolina Business Opportunities*" (SCBO) or a means of central electronic advertising as approved by the designated board office.

Public Opening

19-445-2095(1)

- ❖ Proposals shall be opened publicly by the procurement officer or his designee in the presence of one or more witnesses at the time and place designated in the request for proposals
- ❖ Proposals and modifications shall be time-stamped upon receipt and held in a secure place until the established due date.

Public Opening 19-445-2095(1)

Continued

- ❖ After the date established for receipt of proposals, a Register of Proposals shall be prepared which shall include for all proposals:
 - ❖ the name of each offeror
 - ❖ the number of modifications received, if any, and
 - ❖ a description sufficient to identify the item offered
- ❖ The Register of Proposals shall be certified in writing as true and accurate by both the person opening the proposals and the witness.

Public Opening 19-445-2095(1)

Continued

- ❖ The Register of Proposals shall be open to public inspection **only after** the issuance of an award or notification of intent to award, whichever is earlier
- ❖ Proposals and modifications shall be shown only to State personnel having a legitimate interest in them and then only on a "need to know" basis
- ❖ Contents and the identity of competing offers shall not be disclosed during the process of opening by state personnel

Receipt of Proposals

- ❖ 11-35-1530(3) - Proposals must be opened publicly in accordance with regulations of the board
- ❖ A tabulation of proposals must be prepared in accordance with regulations promulgated by the board and must be open for public inspection after contract award

Responsible and Responsive

- ❖ **Responsive** bidder is one who is in substantial conformance with requirements of the IFB
- ❖ **Responsible** bidder is one who has all of the capabilities to provide good or service desired



Point-Rated Evaluation Criteria

- ❖ Pointed-rated evaluation criteria are used to establish the relative merits of one bid over another
- ❖ Examples of point-related criteria and objectives are:
 - ❖ Understanding the scope and objectives of the project
 - ❖ Proposed risk management approach
 - ❖ Demonstrated expertise
 - ❖ Qualifications of management team
 - ❖ Experience with similar projects
 - ❖ Reporting and documentation arrangements
 - ❖ After sales warranty and service
 - ❖ Proposed level of effort
 - ❖ Past performance record

Evaluation Committee/Panel

The RFP Evaluation

- ❖ Who
- ❖ How Many
- ❖ Chairperson
- ❖ Roles and Responsibilities
- ❖ Sample Guidelines
- ❖ Receives instructions

Evaluation Committee Rules of Conduct

- ❖ Maintain confidentiality of proposals
- ❖ Does not discuss committee actions outside of committee
- ❖ Individually read and score all proposals
- ❖ Attends all committee meetings
- ❖ Is included in all committee votes

Evaluation of Proposals

- ❖ Steps – Overview
- ❖ Gather RFP Evaluation Committee
- ❖ Distribution of instructions/proposals
- ❖ Individual reading of proposals
- ❖ Collection of individual scores
- ❖ Determination of short list
- ❖ Discussions/interviews (if necessary)
- ❖ Recommendation

Discussion with Offerors

11-35-1530(6)

- ❖ As provided in the request for proposals, and under regulations, discussions may be conducted with offerors who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements
- ❖ All offerors whose proposals, in the procurement officer's sole judgment, need clarification must be accorded that opportunity

Selection and Ranking

11-35-1530(7)

- ❖ Proposals must be evaluated using only the criteria stated in the request for proposals and there must be adherence to weightings that have been assigned previously
- ❖ Once evaluation is complete, all responsive offerors must be ranked from most advantageous to least advantageous to the State, considering **only the evaluation factors stated in the request for proposals**
- ❖ If price is an initial evaluation factor, award must be made in accordance with Section 11-35-1530(9)

Negotiations

11-35-1530(8)

- ❖ Whether price was an evaluation factor or not, the procurement officer, in his sole discretion and not subject to review under Article 17, may proceed in any of the manners indicated below, except that in no case may confidential information derived from proposals and negotiations submitted by competing offerors be disclosed:
 - ❖ (a) negotiate with the highest ranking offeror on price, on matters affecting the scope of the contract, so long as the changes are within the general scope of the request for proposals, or on both.

If a satisfactory contract cannot be negotiated with the highest ranking offeror, negotiations may be conducted, in the sole discretion of the procurement officer, with the second, and then the third, and so on, ranked offerors to the level of ranking determined by the procurement officer in his sole discretion;

Award

11-35-1530(9)

- ❖ Award must be made to the responsible offeror whose proposal is determined in writing to be the most advantageous to the State, taking into consideration price and the evaluation factors set forth in the request for proposals, unless the procurement officer determines to utilize one of the options provided in Section 11-35-1530(8)
- ❖ The contract file must contain the basis on which the award is made and must be sufficient to satisfy external audit
- ❖ Procedures and requirements for the notification of intent to award the contract must be the same as those provided in Section 11-35-1520(10)

Questions?

