

Purchasing Supplement to State of Colorado Guidelines for Preparing RFPs

Purpose of this Guide: The State of Colorado Guidelines for Preparing RFPs provides detailed information about the RFP process. This supplement condenses the more important information from the State guide and provides information not addressed in the State Guide, incorporates department and purchasing agent tasks, and serves as a checklist. It does not repeat information from the Procurement Rules or Boilerplate

RFP CHECKLIST ITEMS ARE IN BOLD TYPE

_____ Determination if RFP is appropriate

Sealed RFP's are required when the total value of the project exceeds \$25,000 and must be advertised on the State website for a minimum of thirty calendar days.

_____ Project leader (committee chair person) selected. The project leader is the coordinator of all tasks at the department level and is the sole point of contact with the purchasing agent. The agency's project leader (evaluation committee chairperson) will be the point of contact with the responsible purchasing office. The project leader's responsibilities will include the development of the RFP, including the evaluation factors and points. Before the project begins, a person within the agency, preferably a key member, should be assigned to serve as project manager.

_____ Project leader contacts responsible purchasing office to obtain information regarding RFP process. Departments are provided the State Guidelines for Preparing RFPs and AHEC Purchasing Supplement, and the current Purchasing boilerplate of administrative information. Sample copies of similar or previous projects are provided upon request.

APPROVAL BY OTHER DEPARTMENT/DIVISION: Before an RFP can be issued, it must be determined that the requested product or service cannot be provided by another state agency-

_____ Purchasing office makes determination if RFP process is appropriate. The Purchasing office will determine if an RFP process is the appropriate process to be used. The responsible purchasing office will provide assistance in making practicable use of these guidelines.

_____ Project leader prepares/submits draft of RFP to the responsible purchasing office.

The documents the project leader sends to the Purchasing office, and the preferred transmission methods are:

Fax a completed, signed purchase requisition with the description block noted "RFP for (brief description) Department requirements are to be sent via email to agent's name, via attached disk, etc. and any comments on the purchasing boilerplate.

The agency must provide a draft copy of the RFP to purchasing office for review and possible modification.

The RFP format should consist of the following minimum sections:

- ADMINISTRATIVE INFORMATION
- BACKGROUND, OVERVIEW AND GOALS
- STATEMENT OF WORK
- OFFEROR RESPONSE FORMAT
- EVALUATION

BACKGROUND, OVERVIEW, GOALS: This section includes a general explanation of the agency's involvement in the project, the need for the project, the specific goals or results to be achieved by the project and how the Statement of Work will be incorporated into the agency's on-going program.

The using agency may specify that the dollar amount available for the project cannot be exceeded and that proposals in excess of that amount will not be considered. It is advisable to indicate the funds available only when the Statement of Work is so broad, or the work requirements so great, that most offerors would overbid the project if this information were not furnished. In this case, the agency is limiting the range of the project to within the limits of the available funds.

STATEMENT OF WORK: The most important section of the RFP is the Statement of Work, it is the foundation of the development of any resulting contract. The contents of the Statement of Work are not only specifications, but also a well thought out, complete effort to clearly understand all elements of the project. The Statement of Work is both results and procedures oriented. The RFP needs to have a clear statement of the contractor's responsibilities, which may include, but are not limited to:

- Work to be completed
- Listing of items to be furnished
- Schedule of activities
- Completion date of the project
- Personnel to be utilized

The agency should determine and incorporate in the RFP such items as:

- Personnel available to be assigned by the agency to work with the contractor.
- Existing State facilities that may be used by the contractor.
- Responsibility for printing of reports by contractor or agency.
- The utilization of new research and/or analysis of existing data.
- Minority owned business participation goals.
- Woman owned business participation goals.
- Whether the agency and/or the contractor is to provide data.
- Travel and per diem charges to be included in the total cost. Travel and per diem to be paid in addition to total cost.
- When a survey is to be taken, specify whether the contractor develops the questionnaires, conducts the surveys, correlates the data, makes recommendations based on the survey, determines the population to be surveyed, etc.
- The agency's responsibilities; e.g., will the agency offer counsel to the contractor, arrange for needed interviews, provide clerical help, liaison personnel, computer time, programming aid, office space, copy service, telephone service, etc.
- How the resulting contract can be amended to take advantage of product price reductions, options and updates.
- Bonds that may be needed.
- Insurance that may be needed.

NOTE: DEFINE QUANTITY! If training is to be provided by the contractor, specify how many people are to be trained, how often, where they are located, etc. If presentations are to be made, specify how often, how many, where located, duration, etc. If reports are to be required, how many, how often, extent of detail required.

NOTE: DEFINE QUALITY! If research or analysis is required from the contractor, indicate the level of accuracy or validity that is required. If recommendations are to be made by the contractor, indicate how specific.

A schedule of activities and the completion date of the project should be specified. An expeditious completion date may require a contractor to assign more people to the project to meet the schedule. It also may be more costly.

A contract can only be monitored and enforced to the degree that the agency has defined the responsibilities of the contractor. Many conflicts may be avoided "up front" by carefully defining the work to be completed by the contractor. The agency can easily monitor the contractor's performance when reports, schedules and specific tasks are clearly specified.

OFFEROR RESPONSE FORMAT: Offerors should be given detailed instructions as to the manner and format that should be followed in responding to the RFP. The requesting agency may require that a specific outline be followed in responding to the RFP. A specific outline will be of assistance to the agency in comparing proposals. Offeror responses may include, but are not limited to:

- A detailed explanation of how the offeror is to respond to the RFP.
- Proposed methods needed to complete the project.
- Personnel to be assigned to the project.
- Experience of the offeror relevant to the project.
- Experience of the personnel that will be assigned.
- Financial stability.
- Specific budget showing how costs were determined.
- Total cost.

If travel and per diem expenses are involved in the project, the RFP should specify whether or not these costs are to be included in the total cost or if they will be reimbursed to the contractor over and above what has been quoted. The established State travel and per diem rates should be used if travel/per diem expenses are to be reimbursed.

The information that is submitted by the offeror is the only information that will be evaluated. It is therefore important that whatever information is submitted be directly related to the stated evaluation factors. Do not ask for information that will not be evaluated.

GENERAL EVALUATION FACTORS AND POINTS:

The project leader must prepare the general evaluation factors that will be included in the RFP and will be used in the evaluation process. The general evaluation factors must directly reflect and must be used in evaluating the information submitted in response to the Offeror Response Format section (Exhibit 2). The general evaluation factors must be established and furnished to the responsible purchasing office for inclusion in the RFP. The points for the general evaluation factors MAY be included, but some offerors may take advantage of this information in structuring their proposal. General evaluation factors should be listed in order of importance.

The general evaluation factors are comprised of those factors that are considered to be of general importance and relevance to the evaluation process. Such factors may include but are not limited to:

- Technical content of the proposal, methods proposed to complete the project.
- Qualification and experience of personnel assigned to this project.
- Previous experience and performance on projects of similar scope and size.
- Veteran's preference.
- Minority owned business enterprises.
- Woman owned business enterprises.
- Financial stability.
- Total Cost.

Cost will be a consideration in award of any contract, and will be used in analyzing proposals. The cost provided must be a total cost and not an estimate. Estimates cannot be considered. A proposal price should be considered to be a best and final offer, unless the RFP specifically states that best and final offers will be considered. The proposal price will be considered in determining the apparent successful offeror.

SPECIFIC EVALUATION FACTORS AND POINTS:

Prior to opening the proposals, the project leader can prepare more specific evaluation factors and points. Specific evaluation factors are developed from, and are sub-headings of the general evaluation factors. The responsible purchasing office may require that the specific evaluation factors and points be established and furnished prior to issuance of the RFP. Factors should be listed in order of importance. Further, the responsible purchasing office may require that specific evaluation factors be stated in the RFP. The points may also be included in the RFP, however, by doing so, some offerors may tailor their proposals precisely to the point value of the evaluation factors.

A minimum passing score or point value may be established by the project leader. This minimum score would be the minimum level of acceptance that a proposal would need to achieve in order to be accepted by the evaluation committee as being technically able to fulfill the Statement of Work.

_____ **Responsible purchasing office reviews draft RFP.**

_____ **Responsible purchasing office and project leader modify draft RFP.**

Purchasing will work with the department regarding any suggested changes to the department requirements.

_____ **Project leader submits final draft of RFP to responsible purchasing office with the following information and documents:**

- (1) Evaluation factors
- (2) Weighing points

_____ **Responsible purchasing office assigns RFP number.**

Purchasing will then complete the boilerplate portion specifically tailored to your project, produce the final version, and publish the solicitation for 30 days. The responsible purchasing office will assign the RFP number and issue all RFP's.

_____ **RFP issued by responsible purchasing office.**

_____ **Responsible purchasing office receives/responds to written inquiries or an Offeror's conference is held.**

There are a number of methods and ways to handle vendor inquiries to the RFP.

- **OFFERORS' CONFERENCE:** This conference can be either mandatory or non-mandatory and is scheduled about ten days after issuance of the RFP. If mandatory, vendors must sign in. Written offeror inquiries can be sent to the responsible purchasing office prior to the conference and/or verbal questions can be made at the conference. In the event that some questions cannot be answered at the conference, an RFP modification must be published on BIDS. In the event the conference is mandatory and all questions are answered at the conference, a written addendum does not need to be issued by the responsible purchasing office. If not mandatory, an RFP modification with all questions and responses must be published on BIDS. **This process is to be stated in the RFP.** Modifications should be issued or conferences held no later than fourteen days prior to RFP due date.
- **ESTABLISH A DATE FOR A RECEIPT OF WRITTEN INQUIRIES BY THE RESPONSIBLE PURCHASING OFFICE:** Offerors are to be given an opportunity to submit written inquiries. The due date for submitting inquiries should be no sooner than ten days after issuance of the RFP. After the established due date for inquiries has passed, no additional inquiries are accepted. Purchasing will consolidate all questions and submit them to the Project Leader for a response via email to be answered. Project Leader should fill in the answers (don't retype or change the format) and respond to Purchasing in 48 hours. Purchasing will publish a modification on BIDS. The source of the inquiries is not identified. Notifications are done 14 days before the RFP due date.

It is mandatory that all prospective offerors have the same information in order to respond to the RFP.

Do not provide verbal responses to questions that can affect an offeror's proposal outside of the preproposal conference or the written question/answer process.

_____ **Purchasing office receives/opens proposals to determine if submitted properly (signature, etc).** All proposals are time stamped, publicly opened. The name of the proposers are read and recorded.

_____ **Purchasing office reviews proposals, and makes a written determination, if required.**

_____ **Project leader gives instructions to evaluation committee regarding evaluation process. Evaluation committee members individually score proposals and then convene to discuss proposals and to individually adjust their scores.** Copies of the received vendor responses will be given to the project leader for the evaluation committee. Evaluation Committees must use 1 of the 3 accepted evaluation methods used by the State unless they received prior approval from Purchasing. Care must be taken by the responsible purchasing office that no confidential/proprietary information be disclosed at **ANY** time. Proposals are subject to the terms of public (open) records statutes.

¹**ESTABLISHMENT of Evaluation Committee:** An evaluation committee, comprised of a minimum of three qualified individuals, will be established by the project leader prior to receiving and opening of the proposals. Evaluation committee members are to understand that they must make a time and effort commitment to the evaluation of the proposals. Purchasing may approve evaluation committee members, evaluation committee members that do not participate in the entire evaluation process may be disqualified by the responsible purchasing office, and their scores removed from the evaluation. Evaluation committee members are not to discuss the RFP or the proposals with anyone outside of the committee until the entire RFP process, including the time for protest and appeal, has elapsed. The names of the evaluation committee member are not to be revealed until the responsible purchasing office has officially notified all offerors as to the results of the RFP process and of the apparent successful offeror.

- **COMPOSITION:** The committee should be knowledgeable personnel on the subject. They can be from government or private industry. They serve to the agency' benefit and consist of an odd number of members.
- **Evaluation Committee Member Rules.** Members are to be unbiased, follow the established evaluation format, and be able to objectively evaluate all proposals. No conflicts of interest may exist. Purchasing may attend all evaluation meetings. Members of appointed or elected state boards or commissions should not be considered for evaluation committee membership, except on an individual basis. An entire board or commission should not function as an evaluation committee, as this moves beyond their oversight and/or policy making authority. The most important element is that each offeror is treated fairly and equally.
- Once the evaluation committee has been established, their review of the individual proposals must be conducted **INDEPENDENTLY**. The evaluation committee may elect to hold discussions or to ask for answers to specific questions from an offeror in order to clarify the offeror's proposal. Any discussion is to be held strictly between the evaluation committee and offeror. Any clarifications to the proposal must be submitted/confirmed in writing by the offeror.

The evaluation committee may also elect to have those offerors, whose proposals are determined to be most responsive, give oral presentations. The purpose of the oral presentation is to give the offeror the opportunity to further promote or "sell" their proposal and to develop a better understanding of both the agency's requirements and the offeror's proposal. Oral presentations may be limited to those offerors who have achieved an initial passing technical score or the top, pre-determined number of offerors. Offerors who will not be considered for further evaluation are to be notified in writing, and informed that all documents pertaining to the RFP will be made available for public inspection after the

¹ 24-72-201 et. seq., C.R.S.

"Notice of Intent to Make an Award" has been issued by the responsible purchasing office. Some degree of flexibility may be stated in the RFP in order to give the evaluation committee a greater degree of control of the evaluation process.

- **SCORING:** The evaluation must follow the evaluation factors stated in the RFP in a summarized form. Only after each individual committee member has scored each proposal should the committee gather for a common discussion. On the basis of this discussion or after oral presentations, individual scores may be adjusted if a committee member feels it is necessary, but under no circumstance should scores be adjusted at the insistence of other committee members.

Cost/Value Method - Once the scores are finalized, they are to be collected, averaged and a total technical score assigned to each proposal. The technical score should then be divided into the offeror's total cost to arrive at a cost value ratio. The evaluation must show how total cost was determined. The total cost must not be an estimate. This is an objective method of evaluating cost.

By using this scoring method, a technically superior proposal with a moderately higher cost will generally rank better than a lower cost proposal with a lower technical score. Through the use of this technique you assure yourself of maximizing the return per dollar for the project. This also tends to place into appropriate perspective a low cost, but technically less competitive proposal. When using this method of scoring, cost is not assigned any points.

Technical Score Method - The use of a technical score method to rank proposals, where cost is assigned points, is appropriate when all proposals are expected to show the same or approximately the same cost, when the State has indicated the amount of money that is available, or when the State is distributing funds to a number of vendors until available funds have been distributed. In the last case the State is more interested in evaluating the offerors proposed cost budget in order to determine how funding will be spent. This is a subjective method of evaluating cost.

Cost-Technical Score Method - Points may also be assigned to cost evaluation factors by using a method where the lowest offered cost receives the maximum number of points and all other proposals receive a lesser point ratio. This is calculated by multiplying the lowest proposed cost by the maximum number of points assigned to cost and dividing by the proposed cost submitted for each proposal. Caution must be exercised in assigning points to a cost evaluation factor, so that such points are not given a relatively low weight. A weight of less than 50% of the total score must first be approved by the responsible purchasing office. This is an objective method of evaluating cost.

Other scoring methods may also be utilized, but should first be reviewed and approved by the responsible purchasing office. The written recommendation of the evaluation committee will be forwarded to the responsible purchasing office for review, approval and award.

Any tie between offerors will be broken by awarding the contract to the offeror utilizing the greatest quantitative (numerical) preference for veterans in hiring offeror's employees.²

_____ **Evaluation committee evaluates proposals and makes written recommendation to responsible purchasing office.** After evaluations are completed, the Project Manager forwards the individual signed evaluations, a summary of the evaluations, the recommended vendor with concurring signatures from each committee member, the final scope of work and related costs to Purchasing for final review and approval. The Project Manager will be contacted to resolve any problems.

_____ **Responsible purchasing office reviews, approves / disapproves recommendation.**

_____ **Responsible purchasing office notifies all offerors, in writing, regarding the results of the**

² R-24-103-203-09 (d)

RFP evaluation. The responsible purchasing office issues a "Notice of intent to make an Award" letter to the apparent successful offeror.

The purchasing office is the official document custodian and sole point of contact for inspection and/or copying of any such documents. RFP documents will become part of the public record and open to public inspection upon issuance of the "Notice of Intent to Make an Award" letter. If an RFP is cancelled, purchasing makes the determination and sends notice; all RFPs then remain confidential and are not open for public inspection. The purpose is not to allow any future potential offerors an opportunity to review other offerors' proposals and to gain an advantage in submitting future proposals.

_____ **Protest process.** Any actual or prospective offeror can protest the solicitation or award of a contract. The purchasing office will advise the vendor, department and contract manager in the event of a protest. Protests must be received within seven (7) working days. A contract cannot be awarded until the time for protests has been completed.^{3 4}

_____ **OFFEROR DEBRIEFING**

Offerors may request a debriefing with the agency in order to determine the reasons why its proposal was not selected after the time for protests and appeals has elapsed. Purchasing agent may elect to attend.

_____ **Agency and offeror negotiate and develop a written contract.** A Purchase Order will be the final contract form whenever possible. If a contract is required, Purchasing will forward the necessary documents to the applicable contracts officer. The agency, dept and contract offeror will develop a written contract limited to the Statement of Work as defined in the RFP in accordance with applicable Colorado Contract Management Manual, and authoritative guidance. See Fiscal Rules Chapter 3 regarding when contracts are required. Services of \$25,000 or more typically require a contract. The Purchasing Director must sign off on the contract routing slip.

_____ **Contract is routed and signed by appropriate state agencies.**

_____ **Agency monitors contractor performance.**

The employment of an outside contractor or consultant does not in any way lessen the responsibility of the agency for the goals of the project, for the way it is carried out, or for its ultimate results. Getting good results, therefore, demands a clear definition of the role played by agency personnel in working with the contractor toward achieving the objectives of the project

_____ **Agency/contractor see contract through to term or agency/ contractor cancel contract.**

The project manager's responsibilities include, (1) evaluate and follow up on the work of the contractor, (2) provide genuine management backing for the project (3) maintain a communication channel for the contractor during the entire project, (4) periodically measure anticipated benefits and objectives to ensure they are reasonable and attainable, and/or progressing. Contractor should present agency management with final report before concluding payments are made. The project manager may be responsible for preparing a written report to management, contract officer, or Purchasing evaluating the contractor's performance, future recommendations. etc.

CANCELLATION OF CONTRACT

If cancellation of the contract is being considered, the agency must contact both the responsible purchasing office and the agency's legal office before the contractor is advised. A cancellation clause shall be included in both the RFP and the contract. Potential reasons for cancellation should be stated in the RFP. For

³ 24-109-101 et.seq., C.R.S.

⁴ R-24-109-102-01 through R-24-109-103, Colorado Procurement Rules

example: Failure to meet schedules, poor performance, etc. Prior to contract cancellation, written notice must be given to the contractor, indicating the reasons for the proposed cancellation, procedures to correct problems, if any, and date contract will be canceled. Due process must be allowed prior to cancellation of the contract. In the event of contract cancellation, the agency should only reimburse the contractor for acceptable work or deliverables received to date.