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A Guide to RFPs For Procurement Professionals



April 30 – May 1, 2019

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Today's Speakers

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Agenda

- Housekeeping
- RFP Overview
- Information Gathering
- Prepare and Publish the RFP
- Evaluate the Proposals
- Award
- Resources
- Questions

We'll be happy to answer questions at the end of the presentation.

RFP Overview

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Authority to Conduct an RFP

State Finance Law Section 163.7 Method of Procurement.

State agencies shall select among permissible methods of procurement including, but not limited to an invitation for bid, **request for proposals**, or other means of solicitation pursuant to guidelines issued by the state procurement council.

Authority to Conduct an RFP

General Municipal Law, Article 5-A, Section 103

Advertising for bids and offers; letting of contracts;

“Advertising for bids and offers... may be awarded on the **basis of best value**, as defined in section one hundred sixty-three of the state finance law, to a responsive and responsible bidder...”

General Municipal Law, Article 5-A, Section 104-B

Procurement Policies and Procedures

“...proposals or quotations for goods and services shall be secured by use of written **requests for proposals**...”



What is an RFP?

- A formal request from an organization to suppliers to submit a proposal that will provide a solution to the identified problem or a need.
- A procurement process in which the supplier's experience, qualifications, and solution may take precedence over the price.
- A process for obtaining proposals against stated requirements, and using pre-defined evaluation criteria to evaluate those requirements.





Why Use an RFP?

- Your agency is procuring services or technology, and price is not the sole determining factor.
- Award will be based on a combination of cost and technical factors.
- RFPs can allow agencies flexibility in evaluation through weighted criteria.
- Through RFPs, agencies can acquire innovative solutions which leverage the expertise of the supplier community.





Advantages

- Promotes better understanding
- Reduces risk
- Standardizes the evaluation
- Promotes open and fair competition
- Potential for overall savings in the long run

Disadvantages

- Increases time
- Increases costs at the outset for agencies and vendors



RFP Process is a Project

- Stakeholders
 - Subject matter experts
 - Procurement staff
 - Evaluation committee
 - Executive sponsor
 - Legal
- Project Lead
- Timelines
- Deadlines

Major Milestones of RFP Process

- Define requirements & needs
- Construct RFP
- Release the RFP
- Supplier Meeting (Pre-bid Meeting and Q&A period)
- Receive Proposals
- Complete evaluation (administrative, technical, and financial)
- Finalize contract
- Manage contract

Characteristics of a Successful RFP

- Vendors understand the needs or problems identified
- Vendors understand how to meet the needs, solve the problem, and offer a successful proposal
- Awarded Vendor is qualified to meet the needs and solve the problem
- Awarded Vendor's price is reasonable and consistent with the RFP's requirements and scope

Information Gathering

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Create Your Business Case

- What is the identified need? Opportunity?
- Is there a current contract?
- Who are the stakeholders involved?
- What risk factors are there?
- Mitigation strategies?
- Estimated timeline? Is there a time constraint?

**Your
Procurement
Record starts
here!**

Create your Business Case

- Are there budgetary implications?
- Are there technology implications?
- What savings opportunities are there?
- What is the historical spending?
- Is there a statute or regulation that governs the subject of your procurement?
- Who are your SMEs and proposed evaluation team?



Gain Approvals

- Internal agency approvals
- ITS – Need a PTP?
- MWBE and SDVOB Goals
- Division of Budget approval – B1184
- Legal approval
- Additional approvals required

Prepare and Publish the RFP

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Essential Sections of RFP Document

1. General Information
2. Statement of Need (includes Statement of Work)
3. Submission Requirements
4. Evaluation and Award Criteria
5. General Terms and Conditions
6. Appendix A
7. Attachments (as applicable)

1. General Information

- Purpose/Objective
- Key Events
- Contract term
- Location of work

2. Statement of Need

- Statement of work
- Requirements
- Specific tasks



Statement of Work

This the foundation of your RFP.

A Statement of Work is a narrative description of a contract's goals. It is the key in the evaluation of proposals received and final selection. It also serves as the standard against which you will measure a vendor's performance. It should include measurable objectives.





Statement of Work

Background: Describes current environment, may note past contracts and may contain statutory authority.

Objective(s): Provides well-defined statement of the results to be achieved. Should be **SMART:**

Specific

Measurable

Attainable

Realistic

Time-Limited





Requirements

- List requirements – What is it you are looking to purchase?
- Are there steps? Phases?
- Location of where the work is to be performed
- Reporting requirements
- Identify known risks



Specific Tasks

- Are there specific requirements you need met?
- Specific tasks you need accomplished?
- Timeframes and Deliverables
 - Is there a particular schedule? Phases?
 - End date?
 - Dates should be aligned to deliverables.

3. Submission Requirements

- **Administrative submission** – Format, additional documents, copies, etc.
- **Technical submission** – Format, copies, templates, etc.
- **Financial submission** – Format, submitted separately from Technical submission, copies, etc.

4. Evaluation and Award Criteria

Percentage Split of Scoring

- **Administrative** – Pass/Fail – Did the vendor submit all required documentation?
- **Technical** – Scored – Evaluation team reviews the proposals and provides a score.
- **Financial** – Scored – Separate evaluator scores the cost proposals based on a pre-defined formula.

Scores can be weighted and/or normalized to meet your final score.

Evaluation and Award Criteria

- At a minimum, SFL requires agency to disclose in the RFP the **relative weights** applied to the **cost and technical** components of the proposals.

Example: 30% - financial/cost and 70% - technical.

- An agency may include in the RFP a more detailed breakdown of the evaluation criteria, such as specifying the relative weights for detailed categories

(e.g. Experience = 20 percent, Staffing = 15 percent, Energy Efficiency = 10 percent, and so forth).

Evaluation and Award Criteria

The RFP should specify which aspects or features of the requested deliverables are critical to the agency, and therefore to the response the proposer provides, based on the following categories:

- **Mandatory** – Minimum required goods or services that the agency deems essential to the program including, but not limited to, the M/WBE goals, service disabled veteran's goals, small business goals, local foods, and environmental attributes.
- **Desirable** – Goods or services that the agency prefers above and beyond the minimum specifications.
- **Additional** – Goods or services that the agency may or may not purchase.

5. General Terms and Conditions

6. Appendix A

7. Attachments (as applicable)

Things to Consider Prior to Publishing

- Pre-Bid Conference (webinar, in-person, mandatory)
- Keep a good procurement record
- Demonstrations or interviews required
- Checklists can be beneficial
- Check and double-check your document
- Adequate timeline
- Evaluation tools are developed and sufficient
- Advertising the RFP

Evaluate the Proposals

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Evaluation Process

- Evaluators must adhere to the steps of evaluation outlined in the RFP. Contract(s) are awarded to the responsive and responsible bidder(s).
- Important to have evaluation tools developed prior to bid release.
- Mandatory to have evaluation tools finalized prior to bid opening.
- Administrative – Pass/Fail
- Technical – scored according to requirements in the RFP
- Financial – scored according to requirement in the RFP.

Evaluation Process

Responsive and Responsible:

Is Bid Responsive?

- Meets the requirements of the RFP
- Has submitted all necessary paperwork/forms

Is Bidder Responsible?

- Vendor responsibility review to determine **Financial Capacity, Legal Authority, Integrity and Past Performance**

Evaluation Process – Administrative

- Pass/Fail
- Checklist in the RFP can be beneficial
- Be sure to communicate in the RFP specifics of how you want to receive the proposal.

	Yes	Comments
<p>Is a cover sheet labeled with the official name of the Bidder’s organization, name of the RFP and number of the RFP included within each Administrative Proposal?</p> <p>If any part is in a loose-leaf binder, does the information appear on the spine of the binders as well?</p>		
Have we verified that the response to this RFP does not include any pricing information within the Administrative Proposal?		
Is the Cover Sheet (Page 1) completed and signed?		
Is the Acknowledgement Page (Page 2) completed, signed and notarized?		
Is the Proposal Checklist (Attachment 8) completed?		
Is the NYS Required Certifications Document (Attachment 9) completed and signed?		
Is the Encouraging Use of New York State Businesses in Contract Performance (Attachment 10) completed and any necessary identifying documentation attached?		

Evaluation Process – Technical

Requirement #	Requirement Description	Point Value 0, 1, 2 or 3	Evaluator Comments
1	Ability to integrate with PeopleSoft 9.x and establish a node-to-node interface with PeopleSoft Integration Broker using encrypted HTTP protocols (SSL/TLS) - (current is PeopleTools 8.53)		

- Have a scoring document created prior to bid release
- What you're evaluating should align with RFP specifications
- Scores can be weighted and/or normalized for a final score
- Check the math!!

Points	Criteria
3	The response thoroughly describes how the solution meets the requirement, is feasible and highly likely to result in the successful implementation of the solution.
2	The response adequately describes how the solution meets the requirement, is feasible and likely to result in the successful implementation of the solution.
1	The response minimally or inadequately describes how the solution meets the requirement and is unlikely to result in the successful implementation of the solution.
0	The solution does not meet the requirement.

Evaluation Process - Financial

LOT 1 -		
<u>Implementation</u>		
		Max Points 15
Bidder #1	<i>Implementation Costs</i>	
Bidder #2	<i>Implementation Costs</i>	
Bidder #3	<i>Implementation Costs</i>	
Bidder #4	<i>Implementation Costs</i>	
Bidder #5	<i>Implementation Costs</i>	
<u>Ongoing Costs</u>		
		Max Points 15
Bidder #1	<i>Ongoing Costs</i>	
Bidder #2	<i>Ongoing Costs</i>	
Bidder #3	<i>Ongoing Costs</i>	
Bidder #4	<i>Ongoing Costs</i>	
Bidder #5	<i>Ongoing Costs</i>	

- Scored separately from the Technical evaluation.
- Create scoring template in Excel – let it do the work.
- Blind scoring – do not include bidder names.
- Use point and/or percentage system.

Evaluation Best Practices

- Have the evaluation process and instructions to the evaluators clearly written out
- Carefully choose your evaluators and hold a “kick-off” meeting with them
- Have an evaluation schedule for your evaluators
- Have one objective staff member be the point of contact for the evaluation teams (not an evaluator)
- Test your evaluation tools prior to bid opening

Evaluation Best Practices

- Follow the evaluation methodology that was determined prior to bid opening (evaluate independently before meeting as a team, evaluate as a team, etc.).
- Stated evaluation methodology may include seeking bidder clarifications if appropriate.
- Have evaluators record their rationale for scores.
- Keep accurate evaluation documents for the Procurement Record.

Award

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Contract Award

- Develop Contract
- Award and Non-Award Notification
- SFS Vendor ID Number
- Public Notification
- Debriefings/Protests
- Attorney General and OSC Approval

Resources

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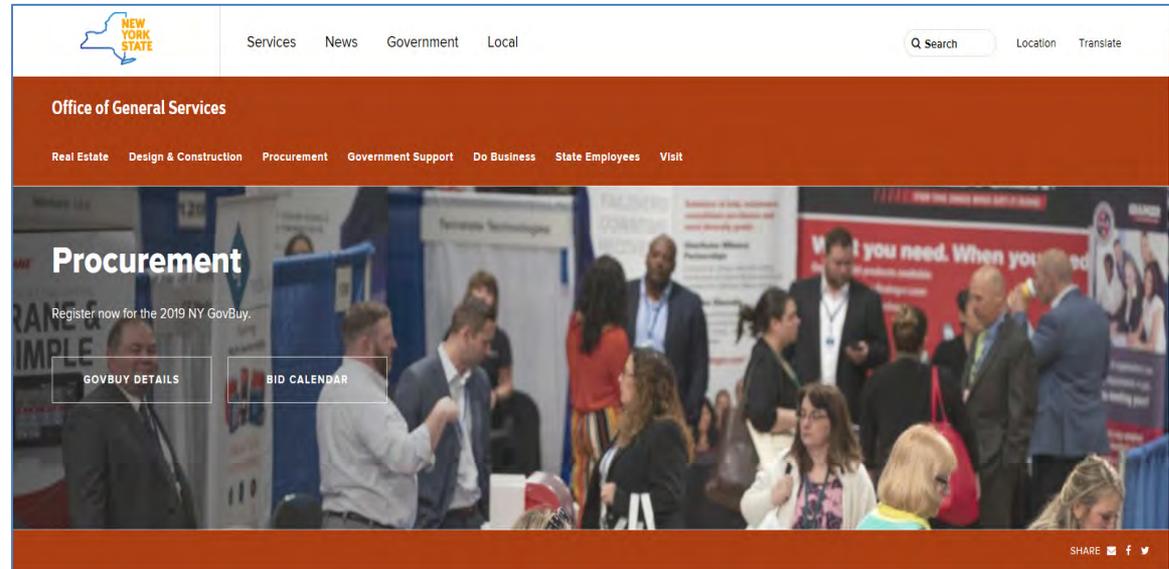
Resources

- [New York State Procurement Guidelines](#) (OGS)
- [Request For Proposal Basics – The Road To Success](#) (OSC)
- [Dispute Resolution Policy](#) (OGS)
- [How to Protest a Contract Award](#) (OSC)
- [Test Your Request For Proposal Knowledge](#) (OSC Training)
- [The Request For Proposal Handbook](#) (Michael Asner)
- [General Municipal Law](#) (New York State Legislature)
- [Contract Administration, *Second Edition*](#)
(William D. Davidson, CPPO and Elisabeth Wright, Ph.D., CPCM)

Procurement Services Website

What it offers:

- Information for buyers
- Information for business
- Contracts portal
- Contact information
- Links to other websites



Where to find it:

- <https://ogs.ny.gov/>
- <https://ogs.ny.gov/procurement>

We are here to help!

Contact us:

(518) 474-6717

customer.services@ogs.ny.gov



Questions

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