

## **DHHS POLICIES AND PROCEDURES**

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<b>Chapter VII:</b>	<b>Procurement and Contracts Services</b>
<b>Title:</b>	<b>Requests for Applications, Request for Information and Requests for Proposals</b>
<b>Effective Date:</b>	<b>12/18/03</b>
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### **Definitions**

#### Request for Applications:

A Request for Application (RFA) is a competitive process that usually results in the award of more than one contract. Unlike a Request for Proposal (RFP), the applicants are knowledgeable of the award amount and are asked to submit an application that includes a description of services to be performed and a budget narrative of the potential award amount. Although the contract format may be used, a preprinted application is usually provided by the funding source and is completed by the potential applicant. The application outlines the services to be provided to recipients by specialized vendors such as private non-profit organizations, colleges and universities, or local units of government. An RFA may be used when the funding source--an agency of the North Carolina Department of Health and Human Services (NC DHHS) is acting as a flow-through for grant funding, and there are no true deliverables.

#### Request for Information:

Informal method of soliciting general information to aid in later planning of specification writing. (No contract award results from this process). This is used to obtain technical information only and not pricing information.

#### Request for Proposals:

A RFP is a competitive process that consists of a purchase description of the time and/or service required, information on quantities, required delivery schedules, special terms and conditions, and standard terms and conditions. Unlike an RFA, the applicants are not informed of the award amount. RFPs are currently handled as a two-step process. When the offeror submits a separate sealed technical proposal and a separate sealed cost proposal, the cost proposal shall be opened only if the technical proposal is determined to be acceptable and has met all mandatory requirements. An award will be made to the offeror presenting the most advantageous overall proposal to the state.

## Organization of this Chapter

This chapter consists of separate sections devoted in turn to RFAs, Request for Information (RFI)s, and RFPs. Much of the information is similar. Please refer to the appropriate part depending upon the type of request being developed. RFAs are covered in section C. RFIs are covered in section D. RFPs are covered in section E.

### RFAs

The following component parts and/or guidelines should be used when preparing a RFA.

1. RFA Approval Form (with instructions)
2. Recommended RFA Processing Time
3. Pre-application Conference Guidelines
4. RFA Form
5. The Procurement Process
6. General Information on Submitting Applications
7. Procedures for Developing Evaluation Criteria, the Evaluation Process and Establishing Evaluation Committee for RFAs
8. Procedures for Awarding RFA to Offeror

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1. RFA Approval Form  
The [RFA Approval Form](#) shall be executed and attached to all RFAs.
  2. Instructions for Completing RFA Approval Form
    - A. Instructions
      1. **RFA #** - Enter the assigned internal tracking number.
      2. **RFA Title** - Indicate the title of the RFA (e.g., Business Analysis, Market Rate Study, Child Care Resource and Referral).
      3. **Brief Purpose** - Enter a brief purpose for conducting the RFA (e.g., to contract with outside source to conduct pre-licensing workshops for potential child day care providers).
      4. **RFA Submitted** - Indicate to which sector the RFA is being submitted (can be more than one).
      5. **Funding Source** - Indicate the funding source. Check to ensure that the funding source permits the RFA activity and check to determine what agency (public, private non-profit, or private for profit) may receive the funding. For example, a funding source may limit funding

to 501(c)(3) agencies; therefore public agencies or private for profit agencies would not be able to participate.

6. **Fund Type/Co #/Acct/ Center/Amount** - Enter the FUND TYPE (source). Enter the CO # - (company number assigned to the division). Enter the ACCOUNT and CENTER codes whenever possible. These budget codes will apply to contract(s).

**Example:** FUND TYPE : SSBG CO # 2XXX ACCT 53XXXX CENTER 1XXXXXXXXXX AMOUNT \$200,000.00. If codes are unknown enter the FUND TYPE and AMOUNT available for contracting.

7. **Services** - Indicate what type of service would be purchased. Direct: Services provided directly to client(s). Indirect: Services not provided directly to client(s). Both: A combination of services would be provided.

B. Routing/Required Approval Signatures

1. **Initiator** - Initiator of the project needs to sign and date the form. Attach the DRAFT RFA and all attachments to the completed approval form.
2. **Section/Program Chief** - Section/program chief should sign, date and check approved or disapproved. If disapproved provide reason in comments section and return to the initiator. If approved forward package to contract office.
3. **Contract Office** - Contract office should sign, date and check approved or disapproved. If disapproved provide reason in comments section and return to the initiator. If approved, the package will be forwarded required offices.
4. **Budget Officer** - Budget officer should sign, date and check approved or disapproved. If disapproved provide reason in comments section. Return package to the contract office.
5. **Division Director/Designee** - Division director/designee should sign, date and check approved or disapproved. If disapproved provide reason in comments section. Return package to the contract office.

3. Recommended RFA Processing Time Frame

This is an estimate of time that it normally takes from drafting the RFA to signing the contract(s). The RFA is issued for direct services and does not require DHHS Procurement and Contracts approval or the Division of Budget, Planning and Analysis' approval before issuing.

#	Step	Responsibility	Estimated Work Days
1	Prepare Draft RFA	Division	30
2	Route for Internal Review & Feedback on Draft	Division	5
3	Revise Draft	Division	5
4	Route Through Approval Process	Division	10
5	Issue RFA	Division	2-10
6	Pre-application Bidders Conference	Division	10
7	Response Deadline	Division	10-20
8	Evaluation of Applications	Division	10
9	Develop Contract(s) and Justification Memorandum	Division	5-15
10	Route Contract(s) Through Approval Process	Division & DHHS Procurement and Contracts (if required)	10
11	Execute Contract	Division	10
	<b>Total</b>		<b>135</b>

#### Pre-Application Conference Guidelines

The using agency may want to conduct a pre-application conference for [RFA](#) to clarify program initiatives. The using agency should conduct a pre-application conference within two (2) weeks after the mailing of the RFA. The RFA stipulates the time, date and location of the pre-application conference. All attending the pre-application conference should sign the sign-up sheet requiring all attendees' names, agency, address, phone and fax number.

Everyone in attendance at the pre-application conference should have a copy of the RFA prior to the conference, but the using agency should have copies available for those who may not have obtained them. The project director should provide an overview of the project, explaining the specifications, scope of work, objectives, and techniques. A representative of the using agency should tape the meeting and record each vendor's inquiries, points of contention and requests for clarification. A written summary of all questions received in writing prior to the pre-application conference, questions asked during the conference, and all answers provided should be posted on

the internet within one week of the pre-application conference. This written summary should also include answers to questions that required additional research. The written summary of questions and answers becomes addendum I to the RFA and must be labeled as such.

### The Procurement Process

The following is a general description of the process by which an agency or organization will be selected to complete the goal or objective.

- A. RFAs are being sent to prospective agencies and organizations.
- B. All prospective agencies and organizations are ENCOURAGED to attend the BIDDER'S CONFERENCE. A written summary of all questions and answers will be mailed to all agencies and organizations sent a copy of the RFA.

**OR**

- A. Written questions concerning the RFA specifications will be received until the date specified on the cover sheet of this RFA. A summary of all questions and answers will be mailed to all agencies and organizations sent a copy of the RFA.
- B. Applications in one original and (at least two (2)) copies will be received from each agency or organization. The original must be signed and dated by an official authorized to bind the agency or organization.
- C. All applications must be received by the funding agency not later than the date and time specified on the cover sheet of the RFA.
- D. At that date and time the applications from each responding agency and organization will be logged in. Budgets will be included as part of the application.
- E. At their option, the evaluators may request additional information from any or all applicants for the purpose of clarification or to amplify the materials presented in any part of the application. However, agencies and organizations are cautioned that the evaluators are not required to request clarification: Therefore, all applications should be complete and reflect the most favorable terms available from the agency or organization.
- F. Applications will be evaluated according to completeness, content, experience with similar projects, ability of the agency's or organization's staff, cost etc. The award of a grant to one agency and organization does not mean that the

other applications lacked merit, but that, all facts considered, the selected application was deemed to provide the best service to the state.

- G. Agencies and organizations are cautioned that this is a request for applications and the funding agency reserves the unqualified right to reject any and all applications when such rejections are deemed to be in the best interest of the funding agency.

#### General Information on Submitting Applications

- A. Award or Rejection

All qualified applications will be evaluated and award made to that agency or organization whose combination of budget and service capabilities is deemed to be in the best interest of the funding agency. The funding agency reserves the unqualified right to reject any or all offers if determined to be in its best interest.

- B. Decline to Offer

Any agency or organization that receives a copy of the RFA but declines to make an offer is requested to send a written "decline to offer" to the funding agency. Failure to respond as requested may subject the agency or organization to removal from consideration of future RFAs.

- C. Cost of Application Preparation

Any cost incurred by an agency or organization in preparing or submitting an application is the agency's or organization's sole responsibility; the funding agency will not reimburse any agency or organization for any pre-award costs incurred.

- D. Elaborate Applications

Elaborate applications in the form of brochures or other presentations beyond that necessary to present a complete and effective application are not desired.

- E. Oral Explanations

The funding agency will not be bound by oral explanations or instructions given at any time during the competitive process or after awarding the grant.

- F. Reference to Other Data

Only information that is received in response to this RFA will be evaluated; reference to information previously submitted will not suffice.

G. Titles

Titles and headings in this RFA and any subsequent RFA are for convenience only and shall have no binding force or effect.

H. Form of Application

Each application must be submitted on the form provided by the funding agency, and will be incorporated into the funding agency's performance agreement (contract).

I. Exceptions

All applications are subject to the terms and conditions outlined herein. All responses will be controlled by such terms and conditions. The attachment of other terms and condition by any agency and organization may be grounds for rejection of that agency or organization's application. Funded agencies and organizations specifically agree to the conditions set forth in the performance agreement (contract).

J. Advertising

In submitting its application, agencies and organizations agrees not to use the results therefrom or as part of any news release or commercial advertising without prior written approval of the funding agency.

K. Right to Submitted Material

All responses, inquiries, or correspondence relating to or in reference to the RFA, and all other reports, charts, displays, schedules, exhibits and other documentation submitted by the agency or organization will become the property of the funding agency when received.

L. Competitive Offer

Pursuant to the provision of G.S. 143-54, and under penalty of perjury, the signer of any application submitted in response to this RFA thereby certifies that this application has not been arrived at collusively or otherwise in violation of either federal or NC antitrust laws.

M. Agency and Organization's Representative

Each agency or organization shall submit with its application the name,

address, and telephone number of the person(s) with authority to bind the agency or organization and answer questions or provide clarification concerning the application.

N. Subcontracting

Agencies and organizations may propose to subcontract portions of work provided that their applications clearly indicate the scope of the work to be subcontracted, and to whom. All information required about the prime grantee is also required for each proposed subcontractor.

O. Proprietary Information

Trade secrets or similar proprietary data which the agency or organization does not wish disclosed to other than personnel involved in the evaluation will be kept confidential to the extent permitted by NCAC TO1:05B.1501 and G.S. 132-1.3 if identified as follows: Each page shall be identified in boldface at the top and bottom as "CONFIDENTIAL." Any section of the application that is to remain confidential shall also be so marked in boldface on the title page of that section.

P. Participation Encouraged

Pursuant to Article 3 and 3C, Chapter 143 of the NC G.S. and Executive Order No. 77, the funding agency invites and encourages participation in this RFA by businesses owned by minorities, women and the disabled including utilization as subcontractor(s) to perform functions under this RFAs.

Q. Contract

A contract will be issued between the funding agency and the recipient of a grant. The agency's or organization's application will be included by reference.

Procedures for Developing Evaluation Criteria, the Evaluation Process and Establishing valuation Committee for RFAs

A. Evaluation Criteria:

1. Establishing the evaluation criteria should be accomplished during the writing of the RFA and is usually included (at least in part) in the RFA document.
2. The criteria should be based on the degree of importance of the different requirements of the RFA. Decide what the requirements and

deliverables are and establish which are mandatory and which are not. Obviously, the RFA should reflect these criteria.

3. "Weigh" the criteria from most important to least important and use this to formulate your evaluation methodology. If points are used, the relative value of the various sections can be assigned appropriate points to reflect such.
4. Evaluate all qualified applications whose combination of budget and service capabilities is deemed to be in the best interest of the funding agency.

**B. Evaluation Committee:**

1. Select an odd number of participants that have the appropriate credentials and expertise needed to properly evaluate the applications.
2. Send a letter from the division director to selected committee members outlining their duties and the time frames proposed for the evaluation.
3. Ensure participants' names are kept confidential and express need for confidentiality to committee members.
4. Inform committee members to avoid contact with any of the offerors.
5. Keep as close as possible to the established time frames for the completion of the evaluation process.

**C. Evaluation Process:**

1. At the stated time, date and place for the receipt of the applications, the funding agency will open the applications and eliminate those not meeting the mandatory requirements. All applications meeting the mandatory requirements will be referred to the evaluation committee.
2. Establish a timetable for the evaluation committee; include in this timetable a "reconciliation meeting" to answer any questions from the committee and to discuss any big variances in their opinions. Evaluators may adjust their evaluations at the reconciliation meeting.
3. After the committee has completed the evaluation of the applications, a narrative of the process must be developed. The narrative should include the approximate number of potential offerors receiving the RFA, the date of the pre-application conference, the mailing date of written responses to questions asked during the pre-applications

conference, the names of the potential offerors evaluated, and a description of the evaluation process and how proposals were eliminated from consideration.

4. This narrative is kept on file in the division.

#### Procedures for Awarding RFA to Offeror

- A. Present final evaluation with recommendation to contract to the division director or designee. All evaluation material should be kept confidential and there should be no contact with offerors until the award(s) is/are made.
- B. When appropriate approvals are received, send award notice to the successful vendor and another notice to the unsuccessful vendors.
- C. Develop and process contracts according to proper contracting procedures as outlined in chapters I and II.

### **RFIs**

RFIs are straightforward, simple requests for information. These may be written as best suits the issuing office. The RFI may be a free-form document in which whatever information needed is solicited. Meetings with respondents may be informal. No contracts arise from RFIs, so no funding information is required on RFI documents. Draft RFIs shall be forwarded to DHHS Procurement and Contracts for review and posting on the internet.

### **RFPs**

The following component parts and/or guidelines should be used when preparing a RFP.

1. [RFP approval form](#) (with instructions) and [RFP endorsement letter](#)
2. Instructions for Completing RFP Approval Form
3. Recommended RFP Processing Time Frame
4. Pre-proposal Conference Guidelines
5. Request for Proposals

Link to RFP outline; includes the following:

- A. Proposal Requirements
- B. Evaluation Process (for use in RFP)
- C. The Procurement Process (for use in RFP)
- D. Cost Proposal/Execution of Proposal
- E. Contract Requirements
- F. NC General Contract Terms and Conditions

- G. DHHS Supplemental Terms and Conditions
6. RFP Attachments; includes the following:
    - A. [Certification Regarding Lobbying](#)
    - B. [Certification Regarding Debarment, Suspension, Ineligibility...](#)
    - C. [Certification Regarding Drug-Free Workplace Requirements](#)
    - D. [Certification Regarding Environmental Tobacco Smoke](#)
    - E. [Conflict of Interest Policy for Private Not-for-Profit Agencies](#)
    - F. [Verification of 501\(c\)\(3\) Status](#)
  7. Documentation Required for Posting RFPs to the State Web-page
  8. [Internet RFP Notice](#)
  9. The Procurement Process (discussion)
  10. Procedures for Developing Evaluation Criteria, the Evaluation Process and Establishing Evaluation Committee for RFPs
  11. Procedures for Awarding RFP to Vendor

These are discussed immediately below.

1. RFP Approval Form and Endorsement Letter

The [RFP approval form](#) shall be executed and attached to all RFPs. The [endorsement letter](#) following thereafter shall be executed, signed by DHHS Secretary, and attached to RFPs for consultant services. Note that approval by the NC Governor's Office may be required in the case of certain consulting contracts. Guidance is contained in NCAC T01:05D.0203, reproduced below:

**.0203. REQUESTS FOR AUTHORITY TO CONTRACT WITH CONSULTANTS**

“Before receiving authorization to seek consultant services, an agency shall submit to the division of purchase and contract written justification for its request for consultant services. This written justification shall at a minimum explain what services the agency desires to secure, why the work to be performed by the consultant cannot be reasonably accomplished by employees of the requesting agency, how the work to be performed relates to the proper functions of the agency, what benefits the agency expects to receive from the consultant's services, what the agency estimates to be the cost of the services sought, what potential sources of consultant services if any the agency has identified and such additional information as the governor or the division of purchase and contract may require. If the agency is requesting authority to contract for consulting services outside of state government, it shall also detail what potential sources of those services exist within state government and

explain why the desired services were not available from those sources. The written justification shall be accompanied by a letter of endorsement for the proposed contract(s) from the agency head or his designee.”

2. Instructions for Completing RFP Approval Form

A. Instructions

1. DIVISION #  
Division #--Enter the assigned internal tracking number.
2. RFP #  
RFP #:--Number will be assigned by DHHS Procurement and Contracts Office. Leave blank.
3. RFP TITLE  
Indicate the title of the RFP (e.g., Business Analysis, Market Rate Study, Child Care Resource and Referral).
4. BRIEF PURPOSE  
Enter a brief purpose for conducting the RFP (e.g., to contract with outside source to conduct pre-licensing workshops for potential child day care providers).
5. RFP SUBMITTED TO  
Indicate to which sector the RFP is being submitted (when issuing RFP, must submit to the public sector first, if available).
6. FUNDING SOURCE  
Indicate the funding source. Check to ensure that the funding source permits the RFP activity.
7. FUND TYPE/CO #/ACCT #/CENTER #/AMOUNT  
Enter the FUND TYPE (name of fund). Enter the CO # -(company number assigned to the division). Enter the ACCOUNT and CENTER codes whenever possible. These budget codes will apply to contract(s).  
**Example:** FUND TYPE : SSBG CO # 2XXX ACCT 53XXXX CENTER: 1XXXXXXXXXX AMOUNT \$200,000.00. If codes are unknown enter the FUND TYPE and AMOUNT available for contracting.
8. SERVICES  
Indicate what type of services would be purchased. Direct: Services provided directly to client(s). Indirect: Services not provided directly to client(s). Both: A combination of services would be provided.

B. Routing/Required Approval Signatures

1. Initiator

Initiator of the project should sign and date the form. Attach the following documents to the completed RFP approval form 1)RFP and

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Attachments, 2) 12-point Justification, 3) Endorsement letter (if consulting) and 4) Internet Notice.

2. Section/Program Chief

Section/program chief should sign, date and check approved or disapproved. If disapproved provide reason in comments section and return to the initiator. If approved forward package to contract office.

3. Contract Office

Contract office should sign, date and check approved or disapproved. If disapproved provide reason in comments section and return to the Initiator. If approved, the package will be forwarded required offices.

4. Budget Office

Budget officer should sign, date and check approved or disapproved. If disapproved provide reason in comments section. Return package to the contract office.

5. Division Director/Designee

Division director/designee should sign, date and check approved or disapproved. If disapproved provide reason in comments section. Return package to the contract office.

- C. DHHS Procurement and Contracts must approve all division RFPs. (This does *not* apply to institution and school RFPs unless state procurement and contracts approval is required.)

### Recommended RFP Processing Time Frame

This is an estimate of time that it normally takes from drafting the RFP to signing the contract(s). It should not take more than 164 work days unless the division has a problem during one of their responsibilities. The 40 days needed by DHHS Procurement and Contracts can range from 20 days to 40 days depending on the length of time taken at procurement and contracts or the governor's office. Please contact DHHS Procurement and Contracts at the beginning of the RFP process if there could be a problem with this schedule. DHHS Procurement and Contracts will then attempt to rework this schedule to fit the division's time frame requirements.

#	Step	Responsibility	Estimated Work Days
1	Prepare draft RFP and “12-point” justification	Division	30
2	Route for internal review & feedback on draft	Division	5
3	Revise draft	Division	5
4	Route through approval process	Division & DHHS Procurement and Contracts	10
5	Revise draft	Division	5
6	If consultant services, forward draft & justification to DHHS Secretary’s Office for approval (endorsement Letter)	Division	5
7	If consultant services, to state procurement and contracts and governor’s office for approval; request vendor list & mailing labels OR	DHHS Procurement and Contracts	20
8	If non-consultant, state procurement and contracts and/or DHHS Procurement and Contracts may review all other RFPs depending on complexity; request vendor list and mailing labels	DHHS Procurement and Contracts	
9	Issue RFP	Division	2
10	Pre-proposal bidders conference	Division	10
11	Response deadline	Division	10-20
12	Evaluation of technical proposals--written justification from evaluation committee	Division	10
13	Open cost proposals	DHHS Procurement and Contracts & Division	2
14	Prepare justification & route contract through approval process	Division	10
15	DHHS Procurement and Contracts & state procurement and contracts approval of selection & contract	DHHS Procurement and Contracts	5-20
16	Sign contract	Division	5-10
	<b>Total</b>		<b>164</b>

## Pre-Proposal Conference Guidelines

The using agency may want to conduct a pre-proposal conference for the RFP that are highly technical and complex in nature. The opportunities for ambiguity, unforeseen and nonessential restrictiveness or technical error are greater in highly complex or technical proposal invitations. Pre-proposal conferences can aid in the early detection and the clarification of these circumstances. The using agency should conduct a (mandatory or non-mandatory) pre-proposal conference within two (2) weeks after posting the RFP on the internet. The RFP stipulates the time, date and location of the pre-proposal conference. All attending the pre-proposal conference should sign the sign-up sheet requiring all attendees' names, agency, address, phone and fax number. There are mandatory pre-proposal conferences and non-mandatory conferences. If a conference is made mandatory only the vendors that attend can bid on the project. If non-mandatory any vendor can submit a bid. Mandatory conferences are discouraged due to the fact that some vendors might not be able to attend due their time schedule and the expensive travel requirements. However if a project is highly complex, the division might need all interested vendors to attend as to not miss any important facts about the project. If only one vendor attends a mandatory pre-proposal conference, the RFP must be cancelled. The division must contact possible offerors and document why they did not plan to bid. The division can then either re-issue the RFP with possible scope changes or request to negotiate with the lone vendor that attended the conference.

Everyone in attendance at the pre-proposal conference should have a copy of the RFP prior to the conference, but the using agency should have copies available for those who have not obtained them. A sign in sheet should be made available to all vendors recording name of person, company name, address, phone number and fax number. The project director should provide an overview of the project, explaining the specifications, scope of work, objectives and techniques. A representative of the using agency should tape the meeting and record each vendor's inquiries, points of contention and requests for clarification. Questions will be attempted to be answered but the vendors will be instructed that the correct answer will be the ones in writing. If a non-mandatory conference, a written summary of all questions received in writing prior to the pre-proposal conference, questions asked during the conference, and all answers provided should be posted on the internet within one (1) week of the pre-proposal conference. If conference was a mandatory conference, all questions and answers will be mailed/faxed to the vendors that attended the conference. It will not be posted on the internet since only vendors attending the conference can submit a proposal. The written summary should also include answers to questions that required additional research. The written summary of questions and answers becomes addendum I to the RFP and must be labeled as such.

## Request for Proposals

The attached [RFP format](#), adapted from the "standard" version published at procurement and contracts website, is recommended for use by DHHS divisions, facilities and schools. Please note that this is but an outline: Each RFP is a unique document, the contents of which are governed by the requirements of the request. Those requirements must be clearly and completely specified in order to elicit proposals that respond to the division's or institution's specific needs. Departmental writers of RFPs must therefore consider the expected results thoroughly and craft a document that addresses all eventualities. Perhaps the *best* way to create an RFP that will satisfy all practical and legal requirements is to base it on a prior RFP that solicits like or similar information. Copies of previous RFPs are available upon request from DHHS Procurement and Contracts at 919/733-2105.

This RFP format is based on an actual RFP. It is intended as a guide and sample ONLY.

When using the following format, bear in mind the fact that only *some* of the things that you may require are included herein. Your RFP may contain some or all of the following and perhaps other items, too, based upon your specific requirements. Be sure to select only one option where several are given and to fill in applicable information where blanks occur.

Additional details and copies of forms are contained in this chapter. Forms contained herein may be copied in whole or in part and used in the finished RFP as needed.

NOTE: It is highly recommended that pages and paragraphs/sections be numbered for easy reference.

It is much better to give too much information than too little. The goal is to make your RFP a stand-alone document that provides *all* the information a prospective contractor requires to meet your needs.

Finally, please note that the vast majority of RFPs issued by DHHS are of sufficient magnitude to require use of the two-step (i.e., separate technical proposal and cost estimate) process.

## RFP Attachments

Label attachments as “**ATTACHMENT I**”, *etc.*

Use attachments and fill in same as needed

1. [Certification Regarding Lobbying](#)
2. [Certification Regarding Debarment, Suspension, Ineligibility...](#)
3. [Certification Regarding Drug-Free Workplace Requirements](#)
4. [Certification Regarding Environmental Tobacco Smoke](#)
5. [Conflict of Interest Policy for Private Not-for-Profit Agencies](#)
6. [Verification of 501\(c\)\(3\) Status](#)

## Documentation Required for Posting RFPs to the State Web-Page

Prior to DHHS Procurement and Contracts posting the RFP on the state web-page, the following is required:

1. RFP document in WORD.
2. A completed RFP approval form.
3. A completed 12-point justification.
4. A completed endorsement letter from the DHHS Secretary if a consulting RFP.

## Internet RFP Notice

RFP's are posted on the IPS system for vendors that have registered in “vendor link” under this type service. The vendor will receive an e-mail notifying them of the opportunity. This notice can be sent as a courtesy to known vendors that provide this service but the department is under no obligation to send notices. It is the responsibility of the vendors to register with the state under “vendor link”. The department is not responsible if any vendor fails to be notified.

*See: [Internet RFP Notice](#).*

## The Procurement Process

Below are two (2) examples of the procurement process: The one-step process and the two-step process. Adjust the language used depending on whether you are using a one-step (technical and cost together) or two-step (separate technical and cost proposals) method. Most RFPs issued by DHHS divisions, facilities or schools are of sufficient magnitude and require the TWO-STEP METHOD.

## Procedures for Developing Evaluation Criteria, the Evaluation Process and Establishing Evaluation Committee for RFPs

### A. Evaluation Criteria:

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1. Establishing the evaluation criteria should be accomplished during the writing of the RFP and is (at least in part) in the RFP document.
2. The criteria should be based on the degree of importance of the requirements of the RFP. Decide what the requirements and deliverables are, establish which are mandatory and which are not. Obviously, the RFP should reflect these criteria.
3. "Weigh" the criteria from most important to least important and use this to formulate your evaluation methodology. If points are used, the relative value of the various sections can be assigned appropriate points to reflect such.
4. Establish a point at which a vendor meets the committee's minimum requirement in order to advancing to the cost proposal evaluation. (Such as a certain number of points.) This step is extremely important because most "marginal" technical proposals present the lowest cost proposals. The contract is usually awarded to the vendor with the lowest cost proposal that meets the minimum requirements. However, a contract may be awarded to another vendor with a higher cost if their proposal results in a better value to the state and can be justified. Make certain the committee is willing to contract with any vendor that meets the minimum requirements of the technical proposal. This is most important prior to opening the cost proposal ( if using a two-step process).
5. Establish the relative value of the technical proposal to the cost proposal (such as 60/40) so there will be a pre-established committee evaluation process. This must be explained in the RFP to the offerors so they will know what they will be evaluated against.
6. Develop an evaluation criteria document (sample attached) that will be used by each committee member. This document should correspond with the criteria established in the RFP and have space for each evaluator to take notes as the proposal is read.

B. Evaluation Committee:

1. Select an odd number of participants that have the appropriate credentials and expertise needed to properly evaluate the proposals. They must all be department employees. Any exception to this should be requested in writing and sent to the DHHS Procurement and Contracts Officer.

2. Send a letter from the division director or designee to selected committee members outlining their duties and the time frames proposed for the evaluation.
3. Ensure participants' names are kept confidential and express need for confidentiality to committee members.
4. Inform committee members to avoid any contact with any potential offerors.
5. Keep as close as possible to the established time frames for the completion of the evaluation process.

Prior to DHHS Procurement and Contracts releasing the proposals to the evaluation committee, a list of the committee members, including each member's title and qualifications, must be submitted to DHHS Procurement and Contracts.

A copy of the evaluation documentation form (sample attached) to be used by the evaluation committee in evaluating each proposal must be submitted to DHHS Procurement and Contracts prior to the release of the proposals. The completed evaluation documents will remain with the evaluation committee, but may be requested by DHHS Procurement and Contracts in the event of a protest.

The overall evaluation summary must be compiled from each committee member's evaluation documentation. The summary is to be submitted to DHHS Procurement and Contracts at the time of vendor selection recommendation.

C. Evaluation Process:

1. At the stated time, date and place for the receipt of the proposals, DHHS Procurement and Contracts will open the technical proposals (two-step process), keeping one original and one copy, and releasing the other original and copies to the evaluation committee. The cost proposal remains sealed and kept in DHHS Procurement and Contracts until the technical evaluation is completed. At this point only the costs of the vendors that met the technical requirements are opened. The names of those presenting proposals for this RFP will become public upon request. In a one-step process the entire proposal will be released to the committee. A one-step is when the cost and technical is evaluated together.
2. Establish a timetable for the evaluation committee; include in this timetable a "reconciliation meeting" to answer any questions from the committee and to discuss any big variances in each member's opinion. Evaluators may adjust their evaluations at the reconciliation meeting.

3. After the committee has completed the evaluation of the technical proposals, a narrative memo (see below) of the process must be developed. This should be addressed to the DHHS Procurement and Contracts Officer. The narrative should include the approximate number of vendors receiving the RFP or the date the RFP was posted on the internet, a copy of the RFP that was posted, the date of the (mandatory or non-mandatory) preproposal conference, a copy of the sign in sheet at the conference, the mailing date or date posted on the internet of written responses to questions asked during the preproposal conference, a copy of the questions and answers, the names of the vendors evaluated and a description of the evaluation process and how proposals were eliminated from consideration. This should be developed from the evaluation document referred to in #7 above. The narrative memo should include the following about each offeror:
  - a. List each vendor and summarize what the committee members had documented on their individual evaluation sheets.
  - b. List what requirements each did meet and ones they didn't meet.
  - c. List strengths and weaknesses.
  - d. Make references to the reference number being evaluated in the proposal. For example: The vendor did not supply a list of names that would be assigned to the project as required in 5.1. and all references listed in 4.1 were contacted. All references were excellent.
  - e. Compare each offer with requirements in RFP and never compare offerors with each other.
  - f. Do not use points or percentages unless they were explained in the RFP to the vendors.

*See [Sample of One-Step RFP Selection Memo](#)*

*See [Sample of Two-Step RFP Selection Memo](#)*

4. This narrative is sent to DHHS Procurement and Contracts for approval. If approved, DHHS Procurement and Contracts opens the cost proposal (if using a two-step process) and releases to the evaluation committee. A committee representative should be present when the cost proposals are opened.
5. All cost proposals that meet the minimum requirements of the RFP should be listed from lowest to highest cost. Award the highest points to the lowest cost proposal and award prorated points to the other proposals according to cost.
6. Combine the technical evaluations and the cost evaluations (if using a two-step process). Draft a recommendation to DHHS Procurement and

Contracts requesting approval of the selected vendor. If the recommendation is not the lowest offeror, include a narrative that justifies the recommendation. Once DHHS Procurement and Contracts approves, they will forward to the division procurement and contracts for approval, if applicable.

#### Procedures for Awarding RFP to Vendor

- A. Present final combined evaluation (technical and cost) with recommendation to contract to DHHS Procurement and Contracts for approval. All evaluation material should be kept confidential and there should be no contact with offerors until the award is made. DHHS Procurement and Contracts submits for concurrence to the state procurement and contracts, if applicable.
- B. The RFP approval form will be returned to the division once the award is made. At the bottom of the form the DHHS Procurement and Contracts Office would have signed off on the award. The vendor name, not to exceed and the contract period will be filled in. The division should get the Division Budget Office and DHHS Budget, Planning and Analysis to sign off on the funds that will be needed for this contract.
- C. The award will be posted on the internet and a letter of award/execution of proposal page is signed by the division and then sent to the successful vendor once the budget offices have approved the funds. Once the award is posted, the division is free to contact the specified vendor. Vendors not awarded the contract are not sent a letter. The posting on the internet is their notification of the award.
- D. The RFP sample contract found in this manual, should be issued to the vendor. It should not contain any issues that were in the RFP or vendor's proposal. This contract is only used as an agreement to clarify the not to exceed amount and the date the work will start and end.
- E. The division should develop and process contracts according to proper contracting procedures as outlined in chapters I and II.

*For questions or clarification on any of the information contained in this policy, please contact [Procurement and Contract Services](#). For general questions about department-wide policies and procedures, contact the [DHHS Policy Coordinator](#)*