

# REQUEST FOR PROPOSAL POLICY

Department of General Services  
Bureau of Procurement



# Course Navigation

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# Course Objectives

Upon completion of this course, you should be able to :

- ✓ Understand the policies, procedures, and guidelines for the procurement of supplies, services, and construction through the Request for Proposal process.
- ✓ Understand the difference between an Invitation for Bid and a Request for Proposal.
- ✓ Understand the Six Steps involved in the Request for Proposal process and the individuals involved in the process.
- ✓ Understand the different types of contracts that can be generated as a result of a Request for Proposal.



# Topics for Discussion

- ◆ Differences:

  - Invitation For Bid (IFB) versus Request For Proposal (RFP)

- ◆ RFP Policy

  - Part 1 Chapter 1 General Provisions
  - Part 1 Chapter 2 Definitions
  - Part 1 Chapter 3 Responsibilities
  - Part 1 Chapter 5 Contracting Process
  - Part 1 Chapter 6 Methods of Awarding Contracts
  - Part 1 Chapter 7 Thresholds and Delegations
  - Part 1 Chapter 8 Selecting Type of Contract



# Invitation For Bid (IFB) versus Request For Proposal (RFP)

## Competitive Sealed Bidding (IFB)

- ◆ Generally-mandated method
- ◆ IFB Process
- ◆ Receive Bids
- ◆ Public Bid Opening
- ◆ No alteration or modification
  
- ◆ Small Business Opportunities should be considered
- ◆ Objective evaluation (free of personal bias and opinion)
- ◆ Award to lowest responsible bidder

## Competitive Sealed Proposal (RFP)

- ◆ Must be justified (written determination)
- ◆ RFP Process
- ◆ Receive Proposals
- ◆ Open to avoid disclosure
- ◆ Oral Presentations; Demonstrations; BAFO's; Negotiations
- ◆ Small Diverse Business 20% of the total points available
- ◆ Subjective evaluation (based on individual judgment or discretion)
- ◆ Award to responsible offeror whose proposal – most advantageous



# Invitation For Bid (IFB) versus Request For Proposal (RFP)

## Competitive Sealed Bidding (IFB)

- ◆ Competitive sealed bidding is the traditional and usual method of contractor selection in which bids are solicited and opened publicly
- ◆ It is normally used when the supply, service, or construction can be satisfactorily described and price is the only factor to be considered in the award, after bidder responsibility is determined
- ◆ Bids cannot be altered or modified and the evaluation is free of personal bias and opinion



# Invitation For Bid (IFB) versus Request For Proposal (RFP)

## Competitive Sealed Proposals (RFP)

- ◆ Contracting officer determines, in writing, that the use of the competitive sealed bidding is either not practicable or advantageous to the Commonwealth

Practicable – what may be accomplished or put into practical application.

- Is seeking a contractor's solution to a purchasing agency need.
- Wants to give the offerors flexibility in the contents of their proposals in terms of the materials, services, or construction offered.
- Has difficulty preparing a detailed procurement description.

Advantageous – judgmental assessment of what is in the purchasing agency's best interest.

- Desire to consider criteria other than price in the award process and, in particular, criteria that are subjective in nature.

# Invitation For Bid (IFB) versus Request For Proposal (RFP)

- ◆ The agency must complete [Form BOP-124, Determination to Use Competitive Sealed Proposal \(RFP\) Method of Procurement](#), to document the justification for use of this procurement method.
- ◆ The Agency must complete:
  - ◆ Form BOP-124 (RFP Only) Determination to Use Competitive Sealed Proposals (RFP) Method of Procurement.
  - ◆ Form BOP-123 Notice of Forthcoming Procurement.
    - ◆ This form must be submitted to DGS along with the Notice of Forthcoming Procurements.
    - ◆ The requesting Agency should retain a copy of the BOP-124 as part of the contract file.
    - ◆ The Issuing Office must post the completed Form BOP-124 with the solicitation when issued.

# RFP Policy



# Part 1 Chapter 1 General Provisions

## The Procurement Handbook

- ◆ provides a standard reference to established policy, procedures, and guidelines for the procurement of supplies, services and construction
- ◆ designed to achieve maximum practicable uniformity for procurements by executive and independent agencies.

To the extent that any policy, procedure, or guideline conflicts with the Commonwealth Procurement Code or other procurement statute, the Commonwealth Procurement Code or other procurement statute shall prevail.



# Part 1 Chapter 1 General Provisions

The following chart shows those areas where DGS establishes policy in regard to Commonwealth agency procurements:

Procurement Organization and Responsibility Under the Commonwealth Procurement Code						
	Supplies		Services		Construction	
	Policy	Procure	Policy	Procure	Policy	Procure
Executive Agencies	DGS sets policy §301(a) and §311	DGS procures §301(a) except as delegated by DGS §321(i); and §514 and exceptions §301(c)(2)(3) and (4)	DGS sets policy §301(a) and §311	DGS procures §301(a) except as delegated by DGS §321(1); and §514	DGS sets policy §301(a) and §311	DGS procures §301(a) except as delegated by DGS §321(1); and §514 and exceptions §301(c)(1)
Independent Agencies	DGS sets policy §301(a) and §311	DGS procures §301(a) except as delegated by DGS §321(i); and §514 and exceptions §301(c)(2)(3) and (4)	DGS sets policy §301(a) and §311	Independent Agency procures §301(b)	DGS sets policy §301(a) and §311	DGS procures §301(a) except as delegated by DGS §321(1); and §514
Row Offices	DGS sets policy §301(a) and §311	DGS procures §301(a) except as delegated by DGS §321(i); and §514 and exceptions §301(c)(2)(3)(4) and (5)	Row Office establishes procurement policy §301(c)(5)	Row Office procures §301(c)(5)	DGS sets policy §301(a) and §311	DGS procures §301(a) except as delegated by DGS §321(1); and §514
State Affiliated Agencies	SAE sets policy §301(d)	SAE procures §301(d)	SAE sets policy §301(d)	SAE procures §301(d)	SAE sets policy §301(d)	SAE procures §301(d)

# Part 1 Chapter 2 Definitions

Agency Head:	The Secretary, or other official, who is first in responsibility within an agency.
Bidder:	A person that submits a bid in response to an invitation for Bid (IFB).
Issuing Office:	The sole point of contact for the offerors to contact the purchasing agency with any questions in regard to a request for proposal.
Offeror:	A person that submits a proposal in response to a request for proposal.
Proposal:	An offer made in response to a request for proposal which may be subject to a negotiation and award criteria set forth in the request for proposal.



# Part 1 Chapter 3 Responsibilities

Procurement and Contracting Activities	The agency head of the purchasing agency has primary responsibility for ensuring all procurement and contracting actions of the purchasing agency are in compliance with the Commonwealth Procurement Code and the Procurement Handbook.
Contracting Officer	Individual who has been authorized by the agency head to enter into and administer contracts and to make written determination with respect to contracts.
Contact Person	Individual who manages the contract and monitors the contractor's performance.
Competitive Sealed Proposals	When the competitive sealed proposals method of procurement is used, the purchasing agency is required to invite its comptroller to participate in the evaluation of proposals as a nonvoting member of the evaluation committee.



# Part 1 Chapter 3 Responsibilities

## Bureau of Small Business Opportunities (BSBO) Review and Participation

BSBO will, in its discretion,

- Attend kick-off meetings, preproposal conferences and contract negotiations.
- Establish weight for small diverse business participation, evaluate the small diverse business participation submittals and convey the scores to the agency evaluation committee prior to the decision to award the contract.
- Provide assistance to the agency with respect to negotiating final participation commitments with the offeror(s).
- Review any proposed change in contractual commitments to small diverse businesses and recommend a course of action to the agency contracting officer. If the agency does not intend to follow the BSBO recommendation, the agency contracting officer must submit to the Department of General Services' Deputy Secretary for Procurement a written explanation for the course of action which it intends to pursue. The written explanation must be received by the Deputy Secretary at least three days prior to the agency taking action.
- Compile, maintain, and make available source lists of small and diverse businesses.

# Part 1 Chapter 3 Responsibilities

Treasury Department	Treasury receives and files for public reference copies of all contracts in the amount of \$5,000 or more.
Office of Administration, Bureau of Human Resource Management and Development ("OA,HRM")	Reviews and approves RFPs, IFBs, and contracts referred by agencies which appear to establish an employee/employer relationship or other complement related service (i.e., temporary help, training, interagency personnel agreements, internships). Provides written approval which should be attached to the referenced documents. (Article 43)
Office of Administration, Office of Information Technology ("OA,OIT")	Formulates policy in regard to the identification and description of the computer, electronic, telecommunications, and radio hardware, software, and services to be procured by executive agencies.



# Part 1 Chapter 5 Contracting Process

- ◆ Procurement requires a specialized knowledge of laws, regulations, program needs, policies, and specific procedures.
  - ◆ For this reason, contract documents are subject to review by numerous individuals both within and outside the purchasing agency.
- ◆ Commonwealth attorneys review contract documents for form and legality.
  - ◆ Role of the agency counsel in the total contracting process is a matter for determination among the purchasing agency, its counsel, and the Office of General Counsel.



# Part 1 Chapter 5 Contracting Process

- ◆ Except for contracts awarded for small procurements, the purchasing agency or using agency comptroller reviews and approves all contracts for services for:
  - ◆ Fiscal responsibility and budgetary appropriateness
  - ◆ Availability of funds
  - ◆ A comptroller may, at his or her option, serve as a non-voting member of an evaluation committee for requests for proposals



# Part 1 Chapter 5 Contracting Process

- ◆ Procedure for obtaining contractual services consists of a series of sequential actions.
  - ◆ Begins with the determination that the using agency needs contractual services
  - ◆ Concludes with the award and performance of a contract to meet that need.
- ◆ Most delays encountered in the process are caused by incomplete or vague specifications and work statements, mathematical errors, or missing attachments.



# Part 1 Chapter 6 Methods of Awarding Contracts

## – Competitive Sealed Proposals (RFP)

1. Solicitation Document
2. Five Parts of the RFP
3. Public Notice
4. Questions
5. Preproposal Conference
6. Receipt of Proposals
7. Six Steps of the Evaluation Process
8. Selection for Contract Negotiations
9. Offeror Notification
10. Negotiations with Selected Offeror
11. Notification of Award
12. Debriefing

Note: The links on the following pages will direct you to Part 1, Chapter 6 of the Procurement Handbook. You will need to locate the appropriate section within the chapter referenced in the corresponding slide/section.



# Part 1 Chapter 6 Methods of Awarding Contracts – Competitive Sealed Proposals (RFP)

## 1. Solicitation Document

[Procurement Handbook - Part 1, Chapter 6, B.4. a,b,c](#)

## 2. Five Parts of the RFP

[Procurement Handbook - Part 1, Chapter 6, B.4.d](#)

## 3. Public Notice

[Procurement Handbook - Part 1, Chapter 6, B.5](#)



# Part 1 Chapter 6 Methods of Awarding Contracts – Competitive Sealed Proposals (RFP)

## 4. Questions

[Procurement Handbook - Part 1, Chapter 6, B.7](#)

## 5. Preproposal Conference

[Procurement Handbook - Part 1, Chapter 6, B.8](#)

## 6. Receipt of Proposals

[Procurement Handbook - Part 1, Chapter 6, B.9](#)



# Part 1 Chapter 6 Methods of Awarding Contracts – Competitive Sealed Proposals (RFP)

## 7. Six Steps of the Evaluation Process

[Procurement Handbook - Part 1, Chapter 6, B.10](#)

## 8. Selection for Contract Negotiations

[Procurement Handbook - Part 1, Chapter 6, B.11](#)

## 9. Offeror Notification

[Procurement Handbook - Part 1, Chapter 6, B.12](#)



# Part 1 Chapter 6 Methods of Awarding Contracts – Competitive Sealed Proposals (RFP)

## 10. Negotiations with Selected Offeror

[Procurement Handbook - Part 1, Chapter 6, B.13.a,b](#)

## 11. Notification of Award

[Procurement Handbook - Part 1, Chapter 6, B.13.c](#)

## 12. Debriefing

[Procurement Handbook - Part 1, Chapter 6, B.14](#)



# Part 1 Chapter 7 Thresholds & Delegations

## Thresholds

The following not to exceed thresholds apply for procurements by all Commonwealth Agencies for which DGS is to act as the Purchasing Agency.



# Part 1 Chapter 7 Thresholds & Delegations

<b>Materials</b>	<b>Dollar Threshold</b>	<b>Services</b>	<b>Dollar Threshold</b>	<b>Construction</b>
No Bid No Documents Agency	$\leq$ \$10,000	No Bid No Documents Agency	$\leq$ \$10,000	See Part IV <sub>2</sub>
Formal Method Agency	\$10,000.01 - \$50,000	Formal Method Agency	\$10,000.01 - \$250,000	
Formal Method DGS	$>$ \$50,000	Formal Method DGS/Agency Delegated	$>$ \$250,000	



# Part 1 Chapter 7 Thresholds & Delegations

## ◆ Delegated Procurements

Note: The link below will direct you to Part 1 Chapter 7 of the Procurement Handbook. You will need to locate the appropriate section within the chapter referenced in the link.

[Procurement Handbook - Part 1, Chapter 7, D.1,2](#)



# Part 1 Chapter 7 Thresholds & Delegations

- ◆ Special Delegations
  - ◆ DGS Secretary (or designee) may delegate or revoke authority to perform specific procurement activity and awarding of contracts.
  - ◆ Factors considered in making the decision to delegate include:
    - ◆ Expertise of potential delegate in terms of procurement knowledge and any specialized knowledge pertinent to the authority to be delegated.
    - ◆ Past experience of the potential delegate in exercising similar authority.
    - ◆ Degree of economy and efficiency to be achieved in meeting the Commonwealth's requirements if authority is delegated.
    - ◆ Available resources of DGS to exercise the authority if it is not delegated.
    - ◆ Consistency of delegation under similar circumstances.



# Part 1 Chapter 7 Thresholds & Delegations

## ◆ Exceptions

- ◆ The authorization and delegation provided in this chapter do not include:
  - ◆ The procurement of construction for capital projects
  - ◆ The procurement of insurance and notary bonds
  - ◆ The procurement of automobiles (including but not limited to passenger cars, station wagons, buses, sport utility vehicles, vans, and pickup trucks) except short term leases (less than 1 year).
  - ◆ The procurement of maintenance and repairs for Commonwealth-owned automobiles (including but not limited to passenger cars, station wagons, buses, sport utility vehicles, minivans, vans, and pickup trucks).



# Part 1 Chapter 8 Selecting Type of Contract

- ◆ Types of Contracts
  - ◆ The selection of an appropriate type of contract and contract costs are related and should be considered together.
  - ◆ The objective is to negotiate a contract type and price that includes reasonable contractor risk and provides the contractor with the greatest incentive for efficient and economical performance.



# Part 1 Chapter 8 Selecting Type of Contract

- ◆ Types of Contract (cont'd)
  - ◆ When there is a need for using other than a firm fixed-price contract, it must be determined, before award of the contract, whether the contractor's accounting system will permit timely development of all necessary cost data in the form required by the specific contract type contemplated and is adequate to allocate costs in accordance with generally accepted accounting principles. This may be particularly critical where a cost reimbursement type of contract is being considered and all current or past experience with the contractor has been on a fixed-price basis.



# Part 1 Chapter 8 Selecting Type of Contract

## ◆ Types of Contract (cont'd)

- ◆ A contract may be one of the following types or a combination of the types identified on the following slides. **COST-PLUS-A-PERCENTAGE-OF-COST CONTRACTS ARE PROHIBITED.**

- Firm, Fixed-Price Contracts
- Established-Price Types
- Basic Established-Price Contract
- Established-Price Contract with Escalation
- Established-Price Plus Incentive Contract
- Time and Materials Contract
- Labor-Hour Contract
- Unit Price Contract
- No-Fee Contract
- Cost-Reimbursement Contract
- Cost-Sharing Contract
- Cost-Plus-Incentive-Fee Contract
- Cost-Plus-A-Fixed-Fee Contract
- Performance Based Contract

Additional information on the various types of contracts can be located in [Part 1 Chapter 8, Selecting Type of Contract](#) of the Procurement Handbook.



# Summary

Thank you for viewing the Request for Proposal Policy course. You are now able to:

- Describe the difference between an Invitation for Bid and a Request for Proposal.
- Describe the Five Parts involved in the Request for Proposal process.
- Describe the Six Steps involved in the Evaluation process of the RFP.
- Describe the policies, procedures, and guidelines for the Request for Proposal process.



# Summary

- ◆ The next step is to take a minute to test what you've learned with the following Knowledge Check questions. Select next to continue.



# Knowledge Check

1. Competitive Sealed Proposals (RFP) must be:
  - a. Must be justified
  - b. Generally-mandated method
  - c. All of the above

# Knowledge Check

2. Proposals are solicited through:
  - a. A Request for Proposal (RFP)
  - b. An Invitation for Bid (IFB)
  - c. Either an (IFB) or (RFP)

# Knowledge Check

3. The Bureau of Small Business Opportunities (BSBO) should evaluate the:
  - a. Technical portion
  - b. Cost portion
  - c. Small Diverse Business Participation portion

# Knowledge Check

4. The competitive sealed proposals (RFP) method of procurement may be used when the contracting officer determines, in writing, that the competitive sealed bidding (IFB) is either not practicable or advantageous to the Commonwealth.
  - a. True
  - b. False

# Knowledge Check

5. An RFP document consists of five parts. What is the general content of the five parts?
- a. General Information for the Offeror; Criteria for Selection; Work Statement; Terms & Conditions; Model Contract
  - b. General Information for the Offeror; Information Required from Offerors; Criteria for Selection; Work Statement; Terms & Conditions
  - c. Information Required from Offerors; Criteria for Selection; Work Statement; Terms & Conditions; Model Contract
  - d. General Information for the Offerors; Criteria for Selection; Information Required from Offerors; Work Statement; Model Contract

# Knowledge Check

6. The Bureau of Small Business Opportunities (BSBO) should be notified, in writing of the Preproposal Conference date, but does not need to be given the option to participate.
  - a. True
  - b. False

# Knowledge Check

7. The Preproposal Conference, if the agency desires, permits the issuing office to:
  - a. Explain the background of the RFP to offerors who intend to submit a proposal
  - b. Emphasize portions of the RFP considered specially important
  - c. Answer the written questions previously submitted by the offerors
  - d. Provide offerors the opportunity to ask additional questions in writing
  - e. All of the above

# Knowledge Check

8. Proposals shall be opened:
  - a. As to avoid disclosure
  - b. Publicly
  - c. Either of the above

# Knowledge Check

9. If only one proposal is received and the determination is made to award the contract to the offeror who submitted the proposal, what should the purchasing agency obtain from the offeror?
- a. Revised Proposal
  - b. Cost and Pricing Data Certification
  - c. Sole Source Justification
  - d. All of the Above
  - e. None of the above, proceed with award

# Knowledge Check

10. Agency legal counsel and one other non-voting evaluation committee member determine whether the proposals meet the RFP requirements to determine proposal responsiveness.
  - a. True
  - b. False

# Knowledge Check

**Note:** To receive credit for completion of this course you must receive a passing score. If you fail to receive a passing score, you may select “Retry Quiz” to retake and pass the Knowledge Check for course credit.

# Survey

- ◆ Select the link below to complete an online survey.

[Http://www.zoomerang.com/Survey/WEB22E5UTKJFY8/](http://www.zoomerang.com/Survey/WEB22E5UTKJFY8/)



**You will receive credit for completing this course within 24 hours. Please select the “Log Off” button in the lower right corner to close this course.**

**Thank You!**

