

## RFP AND PROCUREMENT PROCESSES WORK GROUP RECOMMENDATIONS - 8/2/13

OCTOBER 2012 RECOMMENDATIONS	PROPOSED REVISION	ACTION STEP
<p>Section I.F - <u>Applicability</u>: Page 4 references applicability to the Executive Branch agencies. The Judicial Department holds a large number of contracts with POS agencies. We understand that Judicial is not held to these standards as a separate branch of government. However, the procurement standards include many best practices and improve consistency of contracting. We suggest that Judicial be invited to utilize the same standards.</p>	<p>N/A</p>	<p>Direct procurement standards to Judicial and encourage their use.</p>
<p>Section I.H 3. <u>Procurement Training</u>: All agencies utilize standard training for all staff with procurement responsibilities. Suggest investigating web-based training to reduce costs and improve efficiencies. Agencies may provide additional materials to address agency-specific policies and procedures.</p>	<p>An agency must provide training for all agency staff charged with procurement responsibilities related to PSAs or POS contracts. The training must educate such staff on the procurement requirements and practices established by OPM's standards, the agency's written procedures, and State policies, statutes, and regulations. <b>"OPM shall seek to work with State Agencies and provide training tools as needed to help ensure training is consistent with Statewide standards and requirements."</b></p>	<p>Acceptance of draft revision by human service agencies. Release of final document by OPM.</p>
<p>Section II.B.1 - <u>Sole Source Contracts</u>: Recommended changing the criteria required for waivers.</p>	<p>"When a State agency wishes to make a sole source procurement and the anticipated cost or term of the contract exceeds [\$20,000] <b>\$50,000</b> or exceeds [one year] <b>two years</b>, the agency must request a waiver from competitive solicitation and obtain approval from OPM before discussions are held with any potential contractor." Increasing the dollar limit and length of contract allowed for sole source contracting saves time and resources for both the state and providers.</p>	<p>Recommendation would require statutory change. The workgroup agreed that the impact of the change would be minimal <b>and recommended that statutory changes be pursued.</b></p>

<p>Section II.B.3 - <u>Waivers from Re-Procurement</u>:  Recommended revisiting the factors identified as considerations for a waiver to include things such as evidence-based models which require significant investment at the provider level. The list of considerations in the procurement standards should be consistent with the options available to state agencies in the forms used to request waivers.</p>	<p>Options: (1)The cost to the State of a competitive solicitation process would outweigh the benefits of such a process. (2)Services will be provided by a contractor mandated by the CT General Statutes, a public act, or a special act. (3) Contractor will provide emergency services, including those needed for the protection of life or health. (4) Contractor has special capability or unique experience. (5) Program Waiver - Service type received a "Program Waiver" in Procurement Plan or involves one or more program waiver factors listed in the Procurement Standards. Waiver factors: (1)Whether the services are for clients with chronic conditions requiring ongoing care; (2)Whether the State has invested a significant amount of bond money in real property or physical plant for the program; (3)Whether the State is contracting with a municipality or other governmental entity; (4) Whether zoning or siting issues make location or re-location of the service problematic; or(5) For particular service types, a contracting agency proposes to OPM, and OPM accepts, an alternative procurement strategy as a superior means of achieving improvements in service delivery and client outcomes, including through the implementation of</p>	<p><b>No proposed changes.</b></p>
<p>Section II.C.2 -<u>Procurement Schedule</u>:  Page 12. This section lists "the level of satisfaction or dissatisfaction with a current contractor's performance" as a factor to determine re-procurement. We encourage the state to use the contract monitoring and oversight systems to address poor performing providers. If a particular area of service needs to be rebid due to underperformance, we encourage state agencies to only rebid that particular geographic service area and not do a statewide re-procurement.</p>	<p>The procurement schedule is the key component of the agency's procurement plan. When deciding whether and when to competitively or non-competitively procure a service <b>type</b>, an agency is encouraged to weigh factors such as the following: the number of years since the last competitive procurement for the service; the need to introduce, modify, or discontinue a service, <b>or a service delivery methodology</b>; the risk of disrupting service delivery by changing contractors; the ease or difficulty for (new) potential contractors to enter the market; <b>or</b> the need for greater efficiency (fewer contractors providing a service); or the level of satisfaction or dissatisfaction with a current contractor's performance. <b>If an Agency has concerns regarding the performance of a particular provider(s) within a service type category, an Agency may determine that it is appropriate to limit the competitive procurement to those particular provider contracts.</b></p>	<p>Acceptance of draft revision by human service agencies. Release of final document by OPM.</p>

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Section IV. A. - Evaluating the Need:  
Recommend amending this section, to more concisely and clearly describe when a state agency should engage a contractor.

Before entering into a contract, an agency must first evaluate the need to do so. [The idea is to identify an alternative “low cost” or “no cost” means of acquiring the service, so as to avoid having to purchase the service through a contract. One obvious option is for an agency’s own employees to provide the service.] **Primarily related to PSA's**, if an agency’s employees lack the necessary expertise, or are already fully committed to other responsibilities, [this option may not be feasible] **a state agency may choose to purchase services through a contract**. An agency should also consider whether another State agency has the resources to provide the service, or whether it is possible to purchase it on a [cooperative] **collaborative** basis with other State agencies. [This may be possible if other State agencies share similar interests or are willing to collaborate in this way. If unable to meet its needs through any alternative means, an agency may have a legitimate reason for using a contract. That said, there should be a “value added” benefit to support this decision. Sometimes] **When feasible**, a cost-benefit analysis [is sufficient] **should be undertaken** to justify the contract if the need is [easily] quantifiable. At other times, [the

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Section IV. F - Writing the RFP:  
Procurement should have a foundation based on an overall planning process. State agencies should develop forums for ongoing communication with providers on their service system design and potential changes (i.e. DCF's Continuum of Care Partnership). State agencies should have the option of a "state planning process" prior to the writing of the RFP, to utilize the expertise of stakeholders to determine models, design and program details. The state should develop a process that would result in information similar to that gathered from a Request for information, but would be less formal and arduous for providers. A state agency could identify a particular need and interested parties, invited through a public posting on the DAS website, could meet to discuss and recommend models to address that need.

Suggested revision to Section II. C - Procurement Plan: An agency’s procurement plan must meet its own business (operational) requirements, as well as be in accordance with existing statutes, regulations, and policies. [That said,] OPM urges agencies to adopt a strategic planning focus, rather than a purely operational one, when developing a procurement plan. Competitive procurement provides an opportunity for an agency to adopt new or innovative service models that promote the agency’s mission and objectives, as well as keep pace with research advancements, changing demographics, and client needs. **In developing such new or innovative service models, an Agency may, as appropriate, seek input from stakeholders, including service recipients and clients, service providers, and other experts, prior to the promulgation of the RFP.**

<p>Section IV. F. 4 - <u>Evaluation Criteria</u>:  Remove the language the recommends concealing weight criteria for applicants. Weight criteria should be clearly identified in the proposal. Weight of each questions is helpful to applicants in understanding priorities of the agency and is fair if revealed to all applicants.</p>	<p>An agency needs to decide whether to include the assigned weights in the RFP. According to State statutes, the RFP must include the evaluation criteria, but there is no requirement to disclose the weights assigned to them. <b>Weighting for each section of the RFP should be disclosed unless there are specific and compelling reasons not to disclose weights for a particular program. {In deciding whether an agency should disclose the weights assigned to the evaluation criteria an agency should consider whether the disclosure[ing] of the weights would [may] encourage proposers to focus [skew] their proposals on the more heavily weighted requirements [(according to the weights)] in an effort to improve their ratings to the detriment of the proposal and project as a whole. }</b> [Keeping the weights confidential until the proposals are evaluated may produce better proposals and better project results. For this reason, it is strongly recommended that the weights be kept confidential. Only the agency head and those individuals participating in writing the RFP, writing the evaluation plan, or evaluating the proposals (i.e., the Screening Committee) should know the weights.]</p>	<p>Acceptance of draft revision by human service agencies. Release of final document by OPM.</p>
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<p>Section IV.K.3 - <u>Contractor Selection</u>:  This section references sending the three top ranking proposals to the agency head. However there are some examples in which an agency may be selecting multiple providers. We therefore recommend that the language allow for the selection committee to submit their full recommendations for consideration to the agency head.</p>	<p>According to State statutes, the Screening Committee must report the names of the three top ranking proposers <b>for each award</b> to the agency head, who must select the contractor from among these names. In other words, there is a direct reporting relationship between the Screening Committee and the agency head. No other agency personnel shall have any part in evaluating or rating proposals or in determining the names of the three top ranking proposers. After receiving the three names from the Screening Committee, the agency head may, however, consult with the Screening Committee or other agency personnel in making a decision about which of the three names to select. <b>{When the RFP process involves an award to multiple providers, the Screening Committee must report to the agency head the number of contracts to be awarded, the top ranking proposers for each award plus no less than three (3) additional top ranking proposals if possible. The Screening Committee may choose to report the names of all proposers in rank order.}</b></p>	<p>Acceptance of draft revision by human service agencies. Release of final document by OPM.</p>

<p><b>Section IV.K.3 Contractor Selection and Timeline:</b> Recommend that the language be strengthened to say that contracts should be processed in a timely manner. We suggest that providers and State agencies make a good faith effort to complete contract negotiations within 45 days of notification of the winning bid.</p>	<p>After the agency head makes a selection, the selected proposer is notified and given the opportunity to negotiate a contract with the agency. Such negotiations may, but do not automatically, result in a contract. Once negotiations begin, unsuccessful proposers must also be notified (by email or U.S mail) about the outcome and thanked for their interest and participation. All such notifications must be sent/mailed on the same date. The RFP Team is then debriefed and disbanded. <b>The Agency must post the results of the procurement on the Agency website within 15 days of contract execution and, in accordance with CGS §4e-13 on the State Contracting Portal in an effort to improve communication and transparency. The Agency must make a good faith effort to complete the negotiation process within forty-five (45) days of notification of the award and have the resultant contract(s) executed not later than {15 -} 30 days prior to the contract start date.</b></p>	<p>Acceptance of draft revision by human service agencies. Release of final document by OPM.</p>
<p><b>Section V.B Debriefing and Appeal Process:</b> The language currently states that the debriefing must not include any comparisons of unsuccessful proposals with other proposals. We suggest that language be added to say that the debriefing is an opportunity for a provider to get feedback on their proposal. Providers will also receive feedback on how their proposal ranked in comparison with other applicants.</p>	<p>If unsuccessful proposers still have questions after receiving this additional information, they may contact the Official Contact and request a meeting with the agency to discuss the evaluation process and their proposals. If held, the debriefing meeting must not include any comparisons of unsuccessful proposals with other proposals, <b>however, the provider who requests a debriefing {may} shall be given information regarding: the number of proposals received; the ranking of their particular proposal; and the scores of their proposal and the successful proposal(s).</b> The agency must schedule and hold the debriefing meeting within fifteen (15) days of the request.</p>	<p>Acceptance of draft revision by human service agencies. Release of final document by OPM.</p>
<p><b>Section V.D.1 - Monitoring Contractors:</b> Add a bullet to demonstrate collaboration and process improvement as a part of the contract monitoring process.</p>	<p>The language in this section lists the responsibilities of the employee assigned to monitor a specific Contractor. The recommendation is the addition of the following task - <b>Collaborative discussions geared toward service delivery improvement.</b></p>	<p>Acceptance of draft revision by human service agencies. Release of final document by OPM.</p>
<p><b>Notification of Bid Outcomes:</b> We suggest that state agencies post notifications of winning proposals on their websites to improve communication and serve as a more public notice.</p>	<p>Addressed in Section IV.K.3</p>	
<p><b>Submission of Proposals:</b> We recommend that state agencies accept electronic submissions of proposals whenever practical. This improves efficiency and reduces costs.</p>	<p>State agencies should seek to maximize the use of electronic communications as part of the RFP process. They should also take into consideration both costs to the State and bidders when determining the number of hard copies necessary for the review process.</p>	<p>Acceptance of draft revision by human service agencies. Release of final document by OPM.</p>
<p><b>Technical recommendation</b> - Increase the \$20,000 threshold for sole source to \$50,000 which requires a statutory change</p>	<p>(a)Addressed above;</p>	

Technical recommendation - Section IV.F.4 - Format for Proposals - amend to recognize that OPM has developed a standard RFP template;
Section IV.F.4 and Section IV G. - Evaluation Criteria and Writing the Evaluation Plan - Take out references to "Screening Committee" as the Screening Committees does not typically review rating sheets prior to an RFP release
Section IV. K. Selection Factors for Committee Members - Remove the second sentence in the definition of "End Users." It is inaccurate.

According to State statutes, an RFP must include instructions about an agency's required format for proposals. As RFPs may vary from agency to agency, and from project to project within an agency, OPM has not established a "standard proposal format" for all agencies. **OPM has, however, established a standard RFP proposal format {for} that may be used for POS Contracts.**

The rating sheets must be approved by the agency head (or designee) [and Screening Committee] before the RFP is released The plan must include the rating sheets (with the criteria and weights) that must be used when evaluating the proposals.(IV.F.4) The [members of the Screening Committee and the ] agency head (or designee) must approve the evaluation plan, including the weighted criteria, before the RFP is released. (IV.G)

End Users. Individuals who will be the ultimate consumers (users) of the services should be involved. [An example of an end user may be an agency employee who works directly with clients.]
