

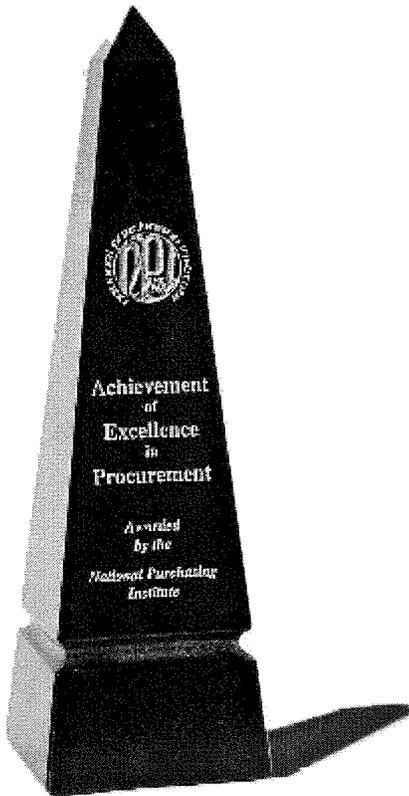
THE RFP REPORT

ISSUE 46
AUGUST, 2004

The newsletter of ideas, checklists, guidelines and information about the Request For Proposal

Michael Asner, Editor

Excellence.....



Excellence is illusive. In procurement, it's hard to define and even harder to achieve. There are so many different aspects to excellence in procurement. Some organizations are truly creative – always testing new approaches, tools and techniques. Others are great at forming partnerships with vendors. Still others have organizations which are truly professional in their dealings with all the stakeholders.

In 1995, the National Purchasing Institute (NPI) established a program designed to recognize organizational excellence in public procurement. The "Achievement of Excellence in Procurement" is awarded annually. This prestigious award is earned by those organizations that demonstrate excellence by obtaining a high score based on standardized criteria. The criteria are designed to measure innovation, professionalism, productivity, e-procurement, and leadership attributes of the procurement organization.

This award is becoming recognized as the standard. Organizations, in increasing numbers, apply each year. And many vendors attach importance to it. I always look for the award which is often displayed in the reception area of new clients.

The recognition and acceptance of this award is growing. In 1996 there were nine successful jurisdictions and in 1997 there were eight. Achievement of excellence awards were presented to twenty-four organizations in 1998. In 1999 thirty procurement organizations achieved the excellence award and in 2000 forty-eight organizations achieved the excellence award. In 2001, sixty-three organizations achieved the excellence award and in 2002 there were seventy-five. Last year, there were more than 100. Amazing growth in only eight years!

Inside, we look at some of the winners and identify some of the aspects of excellence that contributed to their success.

WANTED: MORE ORGANIZATIONS TO POST *The RFP Report* ON THEIR WEB SITES FOR THEIR USERS/CLIENTS

We want to expand the distribution of this publication so it reaches many of the 80,000 public entities in North America. We continue to seek out associations or organizations that would like to make this publication available to their clients/users/members from their web sites. **For a low nominal fee, \$1 per member per year, we will grant your organization the right to publish this product on your web site. This is a major savings over the individual subscription price of \$60 per year.**

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RFP's and the law of contracts

The process of issuing an RFP and receiving proposals does, by design or inadvertently, establish contractual rights and obligations. Each RFP and the associated process should be reviewed by your lawyer or legal department prior to issuing the RFP. The examples and sample RFP's used throughout this text have been used in many different jurisdictions in the past. The author makes no claim about the appropriateness, correctness, or legal consequences of these examples or sample RFPs. Competent legal advice should be obtained to review your Request For Proposal and the associated process.

Our Products

Reference Materials

- The Request For Proposal Handbook
- The RFP Report
- A Searchable Library of the Best RFP Practices

Video

- Creating A Winning Proposal (102 minutes)

Our Web Site

www.proposalsthatwin.com

2003 Winners

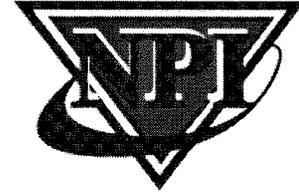
- State of Alaska, AK
- Allegheny County, PA
- City of Allen, TX
- City of Anaheim, CA
- State of Arizona, AZ
- Broward County, FL
- County of Bucks, PA
- California State University Long Beach, CA
- City of Chula Vista, CA
- University of Cincinnati, OH
- Clark County School District, NV
- City of College Station, TX
- Collin County, TX
- City of Costa Mesa, CA
- Dallas/Fort Worth International Airport, TX
- City of Denton, TX
- Denton County, TX
- East Bay Municipal Utility District, CA
- Eastern Municipal Water District, CA
- City of Edmonton, AB, Canada
- Escambia County, FL
- Town of Flower Mound, TX
- Fulton County, GA
- Fulton County Schools, GA
- City of Garland, TX
- State of Georgia, GA
- Georgia Technology Authority, GA
- City of Grand Prairie, TX
- Gwinnett County, GA
- Harris County, TX
- Inland Empire Utilities Agency, CA
- Irvine Ranch Water District, CA
- County of Kern, CA
- Lansing Community College, MI
- Las Vegas Convention & Visitors Authority, NV
- City of Lewisville, TX
- City of Lompoc, CA
- Los Angeles County ISD, CA
- Loudoun County, VA
- City of Mesquite, TX
- Metropolitan Water District of Southern California, CA
- City of Miramar, FL
- Mohave Educational Services Cooperative, AZ
- Montgomery County, TX
- City of Mountain View, CA
- City of Naperville, IL
- Port Authority of New York and New Jersey, NY
- City of Newport, VA
- Norfolk Public Schools, VA
- North County Transit District, CA
- City of Ocala, FL
- City of Orange, CA
- Orange County, FL
- Orange County Sanitation District, CA
- Orange County Water District, CA
- City of Orlando, FL
- Osceola County, FL
- Solid Waste Authority of Palm Beach County, FL
- City of Peoria, AZ
- County of Placer, CA
- City of Plano, TX
- Polk Community College, FL
- City of Port St. Lucie, FL
- City of Richardson, TX
- Richland-Lexington Airport District, SC
- City of Richmond, VA
- County of Riverside, CA
- Saddleback Valley Unified School District, CA
- St. Johns River Water Management District, FL
- Salt Lake County, UT
- City of San Antonio, TX
- County of San Bernardino, CA
- City of San Buenaventura, CA
- City of San Diego, CA
- County of San Diego, CA
- San Jose State University, CA
- San Luis Obispo County of Education, CA
- City of Savannah, GA
- City of Scottsdale, AZ
- Seminole County, FL
- City of Sparks, NV
- City of Sunnyvale, CA
- Tarrant County, TX
- City of Temple, TX
- Tri-County Commuter Rail Authority, FL
- City of Troy, MI
- City of Tucson, AZ
- County of Tulare, CA
- Turlock Irrigation District, CA
- City of University Park, TX
- County of Ventura, CA
- University of Virginia, VA
- County of Volusia, FL
- Washoe County, NV
- Washoe County School District, NV
- University of West Florida, FL
- City of West Palm Beach, FL
- City of Wichita, KS
- Williamson County, TX
- City of Yuba City, CA

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The web sites of some of the winners and their “best practices” . . .

We’ve looked at the web sites of these award winning organizations and identified some of the good ideas and great content they contain.

Many sites support public policy issues. They describe “fair and open competition”. They provide information about “best practices” and applicable laws. Some entities still have local preferences. Not every site published its contracts although contracts are usually in the public domain. Few sites provide job descriptions for the senior procurement person and few job descriptions include “compliance with laws, regulations and court rulings”.

Many sites try to make procurement easy for the vendor community but don’t go far enough. Clearly, shrinking staff levels, and downsizing have taken their toll – reducing supplier development to an occasional, ad hoc event rather than an important initiative. Some entities have on-line vendor registration, “How to do business with us”, lists of contacts, lists of open procurement opportunities, with downloadable documents. Few sites have lists of anticipated major procurements to give vendors a “heads up”. Few sites publish their list of last year’s awards. Only two of the winners’ sites announced vendor briefings on a scheduled basis.

The remainder of Issue #46 contains some of the material that we’ve seen that’s really good and can be used as a template or model by other organizations.

State of Alaska

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<http://www.state.ak.us/local/akpages/ADMIN/dgs/policy.htm>

Alaska has developed some great documents. Here's the list of documents from their web site:

| | |
|--|---|
| Advice of Change | Negotiated Bid Abstract |
| Advice of Change Continuation | Non-Conflict of Interest Statement |
| Appendix B1 | Notice of Intent to Award |
| Appendix B2 | PIM Index |
| Authority to Seek Professional Svcs | PIMs - Procurement Information Messages |
| Certification Program Description Document | Preferences - RFP & Informal Proposal |
| Contract Award | Preferences- ITB & RFQ |
| Contract Award Continuation | Provisional Certification Application |
| Contract Price Adjustment | Purchase Order |
| Copier Evaluation Form | Procurement Report |
| Delegation of Authority | Purchase Requisition |
| Delivery Order | Purchase Requisition Continuation |
| Delivery Order Continuation | Request for Alternate Procurement |
| Formal Procurement Matrix | RFP Evaluator's Guide |
| How to do Business Guide | RFP Written Determination |
| ITB - High Technology Ts & Cs* | RFP Shell |
| ITB - Informational Amendment | RFQ- Request for Quotations* |
| ITB - Invitation to Bid Face Page | RFQ- Hi Tech boilerplate* |
| ITB - Invitation to Bid Body | Small Procurement Matrix |
| ITB - Amendment (Mandatory Return) | Standard Agreement Form for Professional Services |
| ITB - Bid Log | Standard Agreement Form (Amendment) |
| ITB - Standard Terms & Conditions* | Standard Contract Form for Goods and Non |
| ITB - Written Determinations | Professional Services |
| Level 1 Procurement Manual | Standard Contract Form (Amendment) |

Many are noteworthy. "Formal Procurement Matrix" identifies essential information for procurements depending on the value of the contract. "RFP Evaluators Guide" (7 pgs.) describes the role of the evaluators. It's written for first time evaluators and explains the process, and the role of the evaluator. It discusses ethical considerations, legal issues, and conflicts of interest. "RFP Shell" has been described in detail in Issue #21, May, 1998. This is a great model RFP. It contains instructions for the procurement officer to help in completion of the draft RFP. And finally, the Level I Procurement Manual is a 16-page manual used by departments to train end-users. Once the person has learned this material, they certify that they understand it and agree to be accountable "for the competent, effective, legal, and ethical interpretation and application of this information". When this has been done, the department is permitted to delegate purchasing authority to them for acquiring supplies and services valued at \$5,000 or less. (Alaska has developed an extensive training program. The Alaska Procurement Officer Certification Program consists of three separate levels of procurement complexity. Each level corresponds with core training requirements that are building blocks of the next higher level. After completing core training requirements, individuals are eligible to receive a delegation of purchasing authority from their department for that particular level. All DGS courses qualify for NIGP/NAPM credit.)

Give all your members this newsletter!

Put *The RFP Report* on your web site for \$1 per member per year.

Call us for more information.

Allegheny County, PA
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This site contains the PowerPoint slide shows for some important presentations by NIGP and other organizations. Some of these slide shows, like the one on Reverse Auctions (given by Thomas Youngs), are not available elsewhere and provide great information.

Special Presentations

- ▶ NIGP's 2004 E-Procurement Symposium: Empowering the e-Procurement Community 
 -  [Reverse Auctions: Another Tool in the Toolbox](#)

- ▶ NIGP's 58th Annual Forum and Products Exposition
 -  [Financial Analysis and Other Tools for Determining Bidder Responsibility](#)

- ▶ GCAC Seminar Government Contracting for Service Companies
 -  [Government Contracting for Service Companies](#)

- ▶ NIGP'S 57th Annual Forum and Products Exposition
 -  [Electronic Reverse Auctions](#)

- ▶ Best Value Procurement Methodologies for Cities, Counties and Municipalities
 -  [Best Value Presentation](#)

- ▶ Community Outreach and Informational Seminar
 -  [Community Outreach and Informational Seminar](#)

State of Arizona, AZ
John O. Adler, State Procurement Administrator
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<http://www.azspo.az.gov/index.htm>



Earlier this year, the State of Arizona implemented SPIRIT, their new comprehensive e-procurement system. The system is designed to do the following over the Internet:

- Register your company to do business with the State
- Describe your business, products, and services
- Identify your business as small, minority, or women-owned, if applicable
- Update your registration throughout the year
- Receive Request for Proposals (RFPs), Invitation for Bids (IFBs), and Request for Quotations (RFQs)
- Submit proposals, bids, and quotations
- Receive contract award results
- Review evaluation reports and competitor submissions

More on this innovative system and its paperless procurement process in the next issue.

Escambia County, FL
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<http://www.co.escambia.fl.us/departments/purchasing/default.php>



Feedback from clients/stakeholders/customers is an important ingredient for constant quality improvement. The use of an annual survey is a good tool. It ensures that this issue is addressed at least once per year, and publishing of the results demonstrates the importance of these issues to your entire user community.

Few organizations do an annual survey and publish the results on their web site. In Escambia County, they do it every year.

Their Customer Service Survey asks users to evaluate four groups, Management, Purchasing Section, Contracts Section, and Office Assistants, on the following factors:

- Accessibility
- Consistency
- Cooperation
- Courtesy
- Staff Knowledge
- Communication
- Response Time Bids/RFPs/RLIs
- Response Time Requisitions
- Response Time Inquiries

Users are also asked to rate the following:

- Quality of goods/commodities purchased
- Quality of services purchased
- Visa Purchasing Card service
- Emergency purchases being handled
- Acquisition of capital equipment being handled.
- Level of satisfaction with existing price agreements.
- Level of Quality for RFQs, IFB, RFPs and RLIs

Georgia Technology Authority
Mike McClearn, Director, Acquisition Management Office

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http://gta.georgia.gov/00/channel_title/0,2094,1070969_1074427,00.html



The GTA Acquisition Management Office (AMO) is responsible for the procurement of all IT products and services for the state of Georgia.

The Agency Procurement Guide is good source of RFP information. It is designed to provide agency procurement officers with everything they need to do their job - from checklists and tutorials to sample forms and templates. This Guide consists of 5 documents:

1. Contract Administration Guide - This 19-page Guide is a good tutorial on the entire contract management process. It is short, easy-to-read, and deals with the significant issues.

Here is the Table of Contents

- I. Introduction
 - A. Purpose of Guide.
 - B. Scope.
 - C. Team Concept.
 - D. Goal.
 - E. Routine Contract Administration Functions.
 - F. Contract Administration Considerations.
- II. Pre-Award or Solicitation Process Activities.
 - A. Considerations for RFP Development.
 - B. Methods to help plan for successful performance.
 - C. Remedies for substandard performance.
- III. Post-Award Activities.
 - A. Kickoff Meeting
- B. Contract Administration Plan.
- IV. Administration of the Contract During the Term.
 - A. Performance Monitoring.
 - B. Delivery of Goods/Performance of Services.
 - C. Processing Invoices.
 - D. Change Management.
 - E. Dispute Resolution.
- V. Administration of the Contract at Termination.
 - A. Termination at the End of Term/Expiration of the Contract.
 - B. Termination for Convenience.
 - C. Termination for Default.
- VI. Contract Closeout.
 - A. Contract Closeout Process.
 - B. When Contract is Completed.
 - C. Closeout Responsibilities.

It provides some solid advice about avoiding problems. Here's what it says about developing your RFP:

The following are some considerations for inclusion in the solicitation and contract documents:

- 1. Complete and clearly written scope of work
- 2. Express warranties/guarantees
- 3. Preservation of rights under an implied warranty
- 4. Prerequisites for acceptance of services/deliverables
- 5. Liquidated damages
- 6. Performance bond
- 7. Periodic reports
- 8. Progressive payment schedule
- 9. Periodic meetings and process reviews
- 10. Audit rights
- 11. Escalation provisions in the event of dispute
- 12. Preservation of right to dispute and withhold payment
- 13. Termination rights for failure to deliver and other defaults

2. Procurement Planning Checklist - Also known as Procurement Planning Milestones (PPM), this 15-page document helps you track the progress of a procurement by listing important dates and events. It provides a detailed definition of 28 milestones.

3. Procurement Planning Checklist - a How-to Guide - A PowerPoint presentation for step-by-step instructions on how to use the checklist. These 43 slides describe the procurement process.

4. Sample Agency Agreement - A sample agreement agencies can include in RFPs and RFQs.

5. Sole Source Justification Form - This 2-page form requires 6 signatures for approval. The initiator must define the proposed source's unique capabilities and /or personnel to perform this work; and why this is the only source available.

Are you creating a highly visible, "political" RFP??

Need some help to "bullet-proof" the RFP and the process??

Call us for more information.

Georgia Technology Authority (continued)

| | |
|-------------------------------------|--|
| <p>Scope of Work:</p> | <p>Provide the information to establish the context of the sole source, e.g., item's or service's function. Where and how the item or service is to be used, operational environment, previous experience or history, etc.</p> <p>Use layman's terms to identify any efforts made to locate other possible sources such as review of Thomas Register, Industry Organizations, Internet searches, Consultants, RFIs, Buyers Laboratory, Advertisements in Industry Publications, contact with Buyer, etc</p> |
| <p>Exclusive Capability:</p> | <p>Describe the proposed supplier's unique capabilities and explain why this is the only source available. Provide specifics. Following are examples in which Sole Source could be acceptable.</p> <p>Only the proposed source can furnish the services because of its previous Agency/Institute experience.</p> <p>Having an alternative source duplicating these capabilities would result in excessive cost to Agency/Institute. (Excessive cost must be quantified).</p> <p>Only one supplier can satisfy the technical requirements because of unique technical competence or expertise. (Technical requirements must be valid and verifiable.)</p> <p>The item does not satisfy the requirements for Sole Source, but the use of any other manufacturer's product would result in excessive cost to Agency/Institute. (Excessive cost must be quantified).</p> <p>Only one source possesses patents or exclusive rights to furnish the item/service. (For example, the product is only available from the manufacturer, software developer, etc.) or only one supplier has the ability to furnish the item or service.</p> <p>Other extenuating circumstances or considerations include, as applicable, adverse impacts on Agency/Institute of not using the proposed source, and other considerations not previously stated</p> |

Lansing Community College, MI Rebecca G Beard, Director of Purchasing

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<http://www.lcc.edu/purchasing/>



This entity encourages new vendors and competition by publishing a Purchasing Planning Calendar and a List of Bids/Proposals awarded in the previous year.

Their Purchasing Calendar identifies the large dollar goods and services that they purchase throughout the year and the month in which the procurement is usually announced.

The List of Bids/Proposals provides information about the Bid or Proposal Number, the Due Date, the winner last year, and the dollar amount of the contract.

City of Lompoc, CA
Ray Ambler, Purchasing & Materials Manager

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<http://www.ci.lompoc.ca.us/departments/mansrv/purchasing/index.htm>



There are a couple of elements that make their web site valuable. First, they have a web cam in their lobby – a web cam with some great attitude. *“NEW AND IMPROVED!!!!* THE SIX MILLION DOLLAR CAMERA...that cost us about 20 bucks!”*

<http://www.ci.lompoc.ca.us/splash/information/webcam.htm>

And the second valuable element is their Procurement Protest Procedure. It's an example of the “classic” procedure, with all of its strengths and weaknesses.

- Protests can only be made by “interested parties” – an actual bidder or offeror, or any contractor or subcontractor identified by name in any bid, proposal or response to solicitation.
- The grounds for protest are specified;
- Protests must be made with seven days after the date of issuance unless the interested party did not know of the facts giving rise to the protest prior to the bid or proposal opening;
- Protests not related to solicitation documents can be made to the City Administrator or City Council;
- For procurements exceeding \$200,000, the protests are heard by a hearing officer who is engaged by the City and approved by the Protester.

Loudoun County, VA

Tina M. Bowers, Manager of Purchasing and Support Services

<http://www.loudoun.gov/purchasing/index.htm>



I was surprised when I reviewed the websites of all of this year's winners. Few had any information about supplier development. With shrinking budgets and downsizing, I think that supplier development is one of the first casualties. Yet, it is typically a very small expenditure that generates lots of good will. And it often pays for itself in terms of reduced demands for meetings.

Here's what they say:

Local area vendors are invited to the 2004 Loudoun County Procurement Division's Buyer/Seller Information Exchange sessions. The purpose of these sessions is to give area businesses the opportunity to meet the county's procurement staff and become familiar with the county's procurement process. These will be informal sessions open to all vendors to discuss the county's processes, upcoming contracts and any vendor questions or concerns.

They then specify locations and times for sessions in Sept., Oct., Nov. and Dec.

THE PORT AUTHORITY OF NY & NJ

Cile O. Pace, Director of Procurement

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<http://www.panynj.gov/>

RFPs are getting better. They are demanding more precise, accurate and specific information from proposers. Often, they require Proposers to inform them about their criminal past, if any, and to provide certification about non-collusive bidding, and other matters.

The Port Authority has developed a document which seems to cover the waterfront and can be used as a guide or a model in other jurisdictions. This 6-page document (which can be found at: <http://www.panynj.gov/pdf/PA3764.pdf>) deals with the following issues:

1. CERTIFICATION OF NO INVESTIGATION (CRIMINAL OR CIVIL ANTI-TRUST), INDICTMENT, CONVICTION, DEBARMENT, SUSPENSION, DISQUALIFICATION AND DISCLOSURE OF OTHER INFORMATION
2. NON-COLLUSIVE BIDDING, AND CODE OF ETHICS CERTIFICATION, CERTIFICATION OF NO SOLICITATION BASED ON COMMISSION, PERCENTAGE, BROKERAGE, CONTINGENT OR OTHER FEES
3. BIDDER ELIGIBILITY FOR AWARD OF CONTRACTS - DETERMINATION BY AN AGENCY OF THE STATE OF NEW YORK OR NEW JERSEY CONCERNING ELIGIBILITY TO RECEIVE PUBLIC CONTRACTS
4. NO GIFTS, GRATUITIES, OFFERS OF EMPLOYMENT, ETC.
5. CONFLICT OF INTEREST

Osceola County, FL

Rey A. Palma, Procurement Services Director

<http://www.osceola.org/index.cfm?lsFuses=department/Procurement>

This site is a good model for smaller jurisdictions. It provides lots of information, and important information in an easy-to-find, well organized form. While many sites have similar information, they have included elements of their strategic plan. Its menu includes the following:

- How To Do business
- Codes, Policies & Manuals
- Contact Information
- Emergency Procurement
- Frequent Questions
- Historical Perspective
- Meet the Staff
- Procurement Services
- Procurement Thresholds
- Professional Links
- Recognition & Awards
- Strategic Plan**

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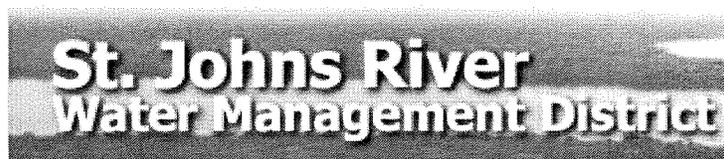


Few entities provide any information about winning competitions. PCC has one page entitled "How to win an RFP" that provides some tips on attending the pre-proposal conference, getting your submittal short-listed, and being ranked #1 for your oral presentation. Many vendors will appreciate its straightforward approach.

- If anything in the RFP/contract "gives you heartburn" let us know **now**.
- Include projects that were completed by the project team that will be assigned to **this** project.
- Don't talk too much about previous projects – **talk about THIS project**.

St. Johns River Water Management District, FL
Patrick Sherbak, Director, Division of Procurement Services

<http://sjr.state.fl.us/>
procurement@sjrwmd.com



This entity has provided some valuable tools on its web site for both procurement people and vendors. At least three of their tools are worth examining for ideas and approaches:

1. Procurement Manual

This 120-page manual has been constructed in a "drill-down" mode to permit users to first obtain general information on a topic and then to drill down for more details as required. The manual reflects a professional pride in their work and provides critical information on appropriate topics.

TABLE OF CONTENTS

Chapter 1 – Introduction
Chapter 2 – The Law
Chapter 3 – Procurement Training
Chapter 4 – Planning for Procurement
Chapter 5 – Procurement Options and Process Flow
Chapter 6 – Contract Execution and Processing
Chapter 7 – Contract Administration and Management
Chapter 8 – Contract and Procurement Performance Measurement Program
Chapter 9 – Procurement Tools and Attachment Icons
Chapter 10 – Summary
Appendix – Glossary

St. Johns River Water Management District, FL (continued)

There are several features which are unusual, if not unique – features which greatly increase the ease-of-use of this manual and its value.

Chapter 3 – Procurement Training – identifies the on-the-job training required for Contract Administrators, the on-going training available for Project Managers and the tools available to help them in procurement and contracting tasks. This chapter also identifies the external training:

1. Required NIGP classes
2. Recommended external training
3. Recommended certification
4. Recommended association membership.

Chapter 4 – Planning for Procurement – deals with a number of different award options:

- An IFB is awarded based on the lowest responsive and responsible bidder. As long as minimum qualifications are met, the only consideration for award of an IFB is cost to the District.
- Award of an RFP is made to the contractor whose proposal is determined to be in the best interest of the District, taking into consideration factors listed in the RFP. The District may elect to solicit best and final offers from contractors under consideration for award after the initial evaluation of the contractor.
- The procurement approach used when staff want to negotiate best and final offers is known as an ITN. An ITN is awarded to the lowest priced contractor.
- In a two-step process, the District first qualifies the contractor and then requests prices. The contract is awarded to a contractor that was deemed qualified during the first step, then responded to the District's request for pricing and whose offer was deemed the lowest response.
- The RFQ process provides for a ranking of qualified firms. The District will offer to first negotiate with the top-ranked firm and if an agreement is met, the award will be made to the top-ranked firm. If an agreement is not met, then District staff will begin negotiations with the second-ranked firm and, if an agreement is made, the award will be made to the second-ranked firm. This process continues to the next lowest ranked firm until negotiations are successful.
- o The Construction Manager at Risk (CMR) procurement process is based upon a competitive qualifications procedure similar to the process for an RFQ. Once staff have ranked the contractor's qualifications, staff negotiate a guaranteed maximum price (GMP) for the work. Upon successful negotiations, the work is awarded.
- Once it has been established that the contractor can meet minimum requirements, a revenue-generated procurement is awarded, based solely on the highest revenue value to the District.

Chapter 5 – Procurement Options and Process Flow - begins with an outline of available procurement options, followed by a short description of each procurement option and an explanation as to when this type of procurement is most often used. Following each description is a flow chart that illustrates and describes the process required for that procurement including the contracting and contract-revision processes. It is uncommon for an organization to publish the flow charts for all of its procurement-related processes.

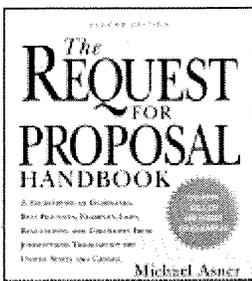
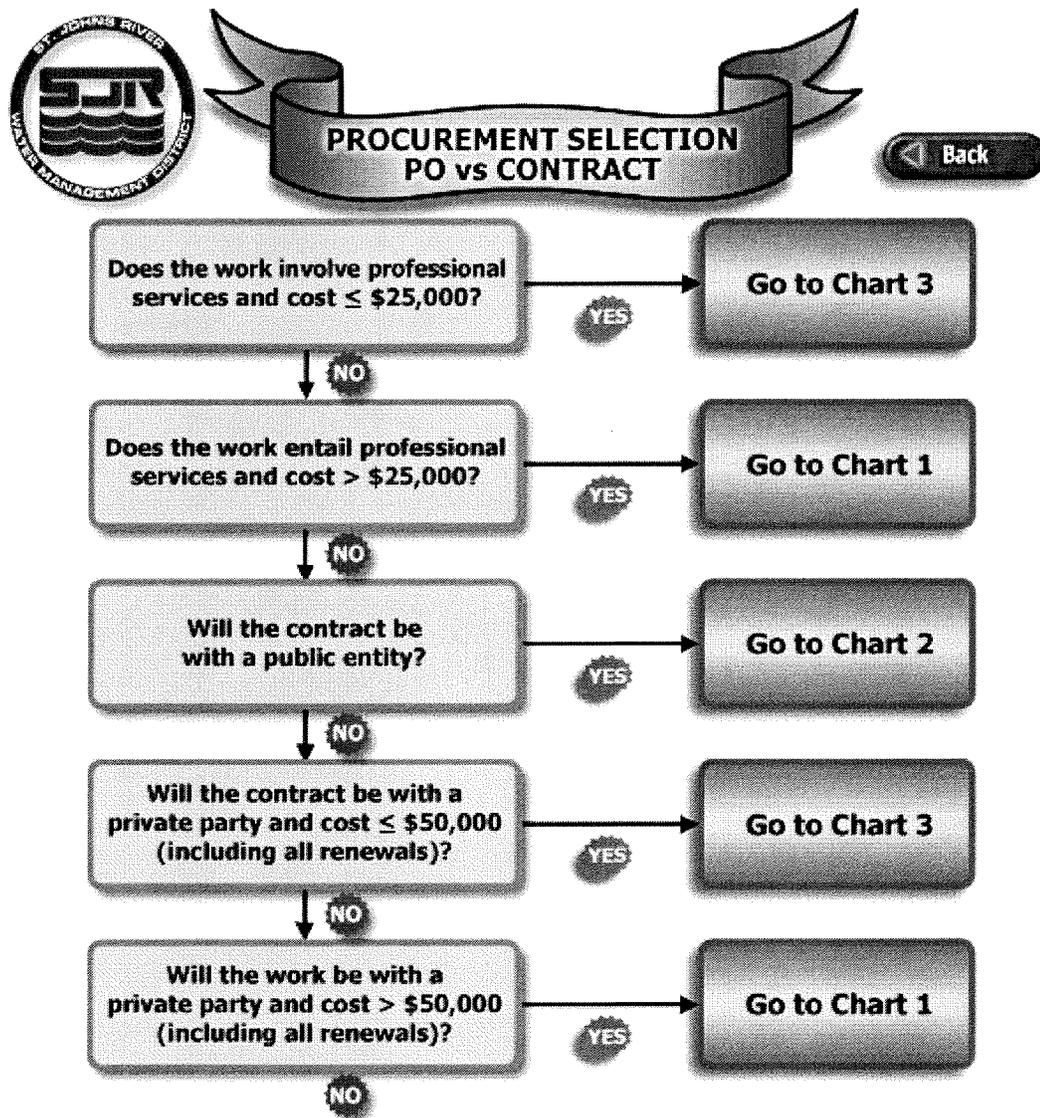
Chapter 8 – Contract and Procurement Performance Measurement Program – describes their formal quality control procedures.

With the continued increase in the District's reliance on outside contractors to assist in the performance of its mission, it is vitally important to have a mechanism for continued measurement of the procurement process to enable maintenance and improvement of the District's procurement system. Performance measures provide the basis for identifying positive and negative trends in time to either take corrective action or to celebrate the success being achieved by those involved in the process.

The District has implemented (1) pre-procurement reviews, (2) post-procurement reviews, and (3) performance measurements and reports. The results are reported quarterly to the Executive Management Team.

2. Purchase Order vs. Contract Tools

These are a series of flow-charts with decision boxes which simplify the decision-making process. Otherwise, this process often appears both complex and confusing.



We've acquired the last 250 copies from the publisher.

More than 2500 sold for \$295. Now available for \$295 less 50%

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St. Johns River Water Management District, FL (continued)

3. Preparing a Statement of Work

There are lots of “how to” documents for this topic. (A Google search will get more than 100,000 “hits”.) This is another solid document which provides lots of information and direction to staff for completing the SOW. I like this document as it provides specific examples and sample wording.

A complete review is beyond the scope of The RFP Report. We have reproduced the Table of Contents and identified some highlights from this 25-page document.

Table of Contents

The statement of work (SOW) describes the framework within which a contractor is expected to operate — that is, the work to be performed and/or the results to be achieved.

The SOW normally consists of six sections:

- I. Introduction/Background
- II. Objectives
- III. Scope
- IV. Task Identification
- V. Time Frames and Deliverables
- VI. Budget/Cost Schedule

I. INTRODUCTION/BACKGROUND (page 5)

- This section identifies the need for this particular work, cites the contract’s goals, describes the location of the work, and identifies how the contract work fits into the District’s mission and goals.
- This section should consist of no more than three to four paragraphs.

II. OBJECTIVES (page 6)

- These are well-defined statements of the results to be achieved in order for the overall mission of the work to be accomplished.
- The objectives should be quantifiable criteria that must be met for the work to be considered successful.

III. SCOPE OF WORK (page 7)

- This section briefly states what the scope of work does and does not cover. The scope of work paragraph should be limited to what is necessary to convey the intent of the contract.
- It includes an outline of the extent of the work, a brief overview of the steps of the project, a brief description of the methodology to be used, and a description of the location of the work.

IV. TASK IDENTIFICATION (page 8)

- Tasks are activities and milestones that need to be completed to accomplish the contract objectives. Tasks can be structured by milestones, deliverables, or processes.
- Include the following in this section:
 - A clear delineation of responsibilities
 - The approach or methodology
 - Timelines and deliverable requirements with each task description
 - District support in terms of equipment, staffing, computers, software, or subcontractors, as applicable
 - A clear description of any specific equipment or software compatibility requirements
 - Identification of documentation that must be followed or used as guidelines
 - Clear instruction of contract phasing or sequencing, if necessary

V. TIME FRAMES AND DELIVERABLES (page 10)

- Specify time frames as they apply to completion of tasks, milestones, and/or completion of the entire contract.
- State what the contractor is responsible for delivering during the course of the work and at the end of the project, as applicable.
- Deliverables should:
 - Be specific
 - Have clear instructions regarding their submission
 - Clearly define the manner in which the District will determine if they are acceptable

VI. CONTRACT BUDGET (page 12)

- Reference the District budget
- Other factors that may affect the budget:
 - Source and any conditions for expenditure of outside funding, specifically, state or federal
 - Matching funds for cost-share agreements, including in-kind services
 - Retainage (10% or none)
 - Bonding and insurance requirements
 - Renewals with escalation clause, if applicable
 - Phasing — over two or more fiscal-year periods
 - Availability and approval of future fiscal year funding
- The contract budget is used to determine how much the contractor is to be paid for the tasks and project, as well as how payments are to be issued and on what basis. Examples are:
 - Fixed increments
 - Time and material

- Percentage of completion
- Reimbursable
- Advance
- Lump sum method

OTHER FACTORS TO CONSIDER IN SOW PREPARATION (page 14)

- Contract location
- District responsibilities
- Contractor responsibilities
- Acceptance testing
- Proposed contractor options/alternatives
- Stop/go decisions
- Cost /benefit analysis and implementation recommendations
- Solicitation statements of work

SOME OF THE BEST WEB SITES

One of my popular presentations focuses on some great web sites that provide valuable information and “best practices” for procurement executives. Here is my current list:

1. Model Contract Web Site (Australia) www.gitc.finance.gov.au
2. Probity Policy (Australia) www.vgpb.vic.gov.au/polguid/pol113.htm
3. Source for new ideas (Australia) www.vgpb.vic.gov.au/
4. Provision of all procurement information (State of Missouri)
<http://www.oe.state.mo.us/purch/webimaging/Homepage.htm>
5. Request For Proposals Procurement Guide (NM) <http://www.state.nm.us/clients/spd/rfpguide.pdf>
6. Critical Elements of Outsourcing Success (Alberta, Canada) www3.gov.ab.ca/cio/framework/exec.cfm
7. Handling of unsolicited proposals (VA) www.vipnet.org/coc/unsolic4.htm
8. Combination of excellent content and user-friendly web site (Nova Scotia, Canada)
<http://www.gov.ns.ca/tran/tour/policy.asp>
9. Model RFP (AK) <http://www.state.ak.us/admin/dgs/pdf/rfp.pdf>
10. Model Contract for software and services (NM) www.state.nm.us/clients/spd/rfpdevel.html
11. Criminal Justice and Public Safety RFPs (CJIS Group) <http://www.cjisgroup.com/databases/Opportunity.cfm>
12. Procurement Best Practices/Audit (Federal Transit Administration)
http://www.fta.dot.gov/grant_programs/fta_oversight/4022_8480_ENG_HTML.htm

University of Virginia, VA
Eric N. Denby, Director of Procurement Services
end@virginia.edu
<http://www.procurement.virginia.edu/main/>



This is a large sophisticated web site which has several notable features. On its home page, under "what's new", you can click and get information about recently changed pages, or recently changed policies. On its RFP Archive page, you can click and get the entire RFP. However, you can also click and get only the evaluation criteria and the weights.

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- **Hot issues & pitfalls**
- **Frustrate their lawyers –do it right**
- **Procurement aint got no respect!**

YES

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