Contracting 201

State of Michigan DTMB-Procurement

MICHIGAN DEPARTMENT OF
DTMB TECHNOLOGY, MANAGEMENT AND BUDGET

Types of Solicitations

- RFQ: Request for Quote
- ITB: Invitation to Bid - Design and Construction, One-time PO
- RFP: Request for Proposal
- RFI: Request for Information
- Prequalification Programs

Types of Solicitations -RFQ

- Informal or formal competitive bid
- Price, delivery, specifications are primary evaluation\factors
- Lower cost commodities or services with less complex specifications.
- Generally less than $10,000 but not always

Types of Solicitations - ITB

- Formal competitive bid
- Low bid or best value – Price is one of the main evaluation criteria
- Defined bid due date and time
- No public bid openings
  - Except for Design and Construction

Types of Solicitations - RFP

- Competitive formal proposal
- A more complex purchase
- Best Value – Price is only one of many evaluation criteria
- Highly technical commodities, IT , and professional services
- Defined bid due date and time

Types of Solicitations - RFI

- Pricing research, market research, comments on specifications, gauge of best practices
- RFIs are formal solicitations posted publically
- RFI response content *may* be used to help develop an RFP
- RFP does not always follow an RFI

Types of Solicitations - Prequalification

- Posted on state bid posting website
- Purpose is to provide a source of pre-qualified vendors to support various state requirements
- Requirements vary per program
- Prequalification approval good indefinitely or for a limited period of time
- Enrollment may be open or for limited period
- Does not guarantee a contract or sales
- There may be a second tier bidding process

ITB/RFP Components

DTMB-Procurement RFPs – Commodities and Services

- Instructions for Bidders
- Statement of Work
- General Proposal Requirements
- Pricing Matrix
- Attachments
- Contract Terms

Information technology RFPs may follow a different format, collecting the same information

Proposal Instructions

Examples of proposal instructions:

- Contact information for the State
- Questions concerning RFP
- Modifications to RFP Prior to Proposal Deadline
- Pre-proposal meeting (if applicable)
- Delivery of Proposal
- Mandatory Minimum Requirements (if applicable)
- Evaluation Process
- Clarification Request
- Reservations

Statement of Work

Examples of Statement of Work (SOW) sections for Commodities and Services:

- Background
- Requirements
- Specifications
- Warranties
- Recall Procedures
- Staffing
- Project Management
- Ordering
- Delivery
- Invoice and payment

Statement of Work

Examples of Statement of Work (SOW) sections for Information Technology:

- Project identification
  - Project request, Background
- Scope of Work and Deliverables
  - In Scope, Out of Scope
  - Environment
  - Work and Deliverables

- Roles and Responsibilities
  - Contractor and State staff
- Project Plan
- Project Management
- Acceptance
- Compensation and Payment

Statement of Work

- **Ensure your response is thorough and answers any questions completely**
- Describe **how** your company will do required work for State. Prior experience is described elsewhere.
- **Follow the format of document** and provide answers in the appropriate sections.
- Specifications section of commodities SOW: Some bids may allow for submission of alternate brands or manufacturer lines

General Proposal Requirements

- Company Contact and Background Information
- Experience with State of Michigan
- Gross Annual Sales
- Experience
- Strategic Relationships
- Principal Place of Business
- Standard Contract (agreement to contract terms)

Pricing Matrix

- Be competitive, submit best price with bid upfront
- Fill out cost table(s) completely
- Discount Delivery Terms
- Discount Schedules
- Multi-unit Discounts
- Pricing submitted in Buy4Michigan or in provided worksheet

Attachments

Be aware of any and all attachments, examples include:

- Key personnel resumes templates
- Technical and business requirements
- Preliminary project plans
- Pricing worksheets
- Contract terms

Contract Terms

- Standard Contractual Terms
- Important Terms Include (but are not limited to):
  - Indemnification
  - Insurance
  - Payment Information
  - Cancellation
  - Contract Term / Optional Renewal Years
  - Limited Liability

Acknowledgements

- Bidder response should demonstrate/include:
  - An understanding of the work to be done
  - Be inclusive of any bid addendums, including Q&A
  - How you will fulfill Statement of Work requirements
  - Agreement to terms and conditions or requested exceptions noted
  - Complete additional forms, if any
  - Have successfully completed any prequalifications

Evaluation Process

Not all phases below will apply to each solicitation:

- Evaluation of bid
- Clarifications
- Oral presentations
- Negotiations
- Application of Purchasing Preferences
- Award Notifications

Evaluation Process

- Proposals may be reviewed by:
  - Individual Buyer
  - Buyer and the requesting agency
  - Joint evaluation committee (JEC)

- Type of review is determined by:
  - Dollar amount of contract
  - Complexity of proposals

Evaluation Process

Examples of evaluation criteria. Relevant factors may be added or deleted, weight varies per RFP

	Technical Evaluation Criteria	Weight
1.	Work and Deliverables – Schedule A – Statement of Work, Section 1.104	50
2.	Company Background and Experience – Schedule B – General Proposal Requirements	30
3.	Staff Background and Experience – Schedule A, Attachment 2	20
	Total	100

Award Process

- Award Types
  - Single Award
    - Award entire contract to one vendor
  - Split Award
    - Award by item/group of items among multiple vendors
  - Multiple Source Award
    - Award to multiple vendors
  - Regional or Zone Awards
    - Award by region or zone

Purchasing Preference

Pricing Preference/Set-asides

- Service Disabled Veteran Owned Business (SDVOB)
- Community Rehabilitation Organizations

All Things Being Equal

- Printing Act of 1937
- Michigan Preference
- Reciprocal Preference
- Clean Corporate Citizen

Award Process

Internal Approval Process

- After award recommendation by JEC or buyer, award recommendation approved by procurement management
- State Administrative Board approval required for new contracts $250k or more

Award Process

- Notice of Award Recommendation is posted on Buy4Michigan. Notice is also emailed to bidders.

  - Awarded vendor & price
  - Debrief Information
  - Protest Information

Debrief

- Debrief

  - Meet in person or via phone
  - Review Evaluation Synopsis in advance
  - Buyer will identify areas where bid response did not meet requirements.

MiDEAL

- Program that allows local units of government to make purchases using same terms, conditions, pricing available to state agencies.
  - Townships
  - Cities & Villages
  - Counties
  - Road Commissions
  - Nonprofit Hospitals
  - Colleges
  - Universities
  - School Districts

- Increase your potential customer base

Contract Connect Website

michigan.gov/micontractconnect

Home DTMB Contact Us FAQs MI.gov

MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET

DTMB Contract Connect

Search

ENABLING MICHIGAN'S REINVENTION

- Resources
- Vendor Gateway
- State Administrative Board
- Bid Opportunities
- Vendor Information
- Local Government
- Contact Us

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MiDEAL

Welcome to MI Contract Connect

- Your Guide to Doing Business with the State of Michigan!

Welcome to Contract Connect, the State of Michigan's website for procurement. Vendors will find information on contracting opportunities, along with instructions on how to register and bid.

Join the DTMB-Procurement Listserv for updates on events and news.

Contract Lists

- DTMB-Procurement Contract List - PDF Version
- DTMB-Procurement Contract List - XLS Version

Training

- Contracting 101 Tutorial PowerPoint
- IT Staff Augmentation - VMS
- Design and Construction Contracting 101

Events/Webinars

- 13th Annual LAPPG Meet the Buyer Event
- Event Calendar

Purchasing Programs

- IT Staff Augmentation
- HMO Services for MPSERS
- Prequalification Programs

Announcements

- Notice-Aug 11, 2015 CRO Meeting has been cancelled. The next meeting is November 17, 2015.
- CRO Meeting Minutes 5/26/2015
- Michigan Partners for Success
- CRO Meeting Minutes 5/19/2015

Bid Opportunities

- Solicitations Open for Bid Right Now
- Current Construction Contract Advertisements
- Service-Disabled Veterans

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Contact Information

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- **Pat Mullen:** Design and Construction, 517-284-7910, Mullenp1@Michigan.gov
- **Website:** www.Michigan.gov/micontractconnect
- **Bid Opportunities:** www.Buy4Michigan.com