

*Best Practices  
for  
Employing the Request for Proposal Process*

## *Quotations*

**“ Success is the reward for accomplishment”  
- Harry Banks**

**“Success is not a matter of desire, but the product of hard work.”  
- Jack Barringer**

**“ Chance favors a prepared mind.”**

**It is not the going out of port, but the coming in that determines the  
success of the voyage.”  
- Henry Beecher**

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*The  
Foundation  
of the  
Request for Proposal*

To begin our study of the Request for Proposal (RFP) is to define the subject and what make the selection and applicability for the employment of this process the best above other acquisition tools. Over the last few years we have begun to see more enterprises in the ‘for-profit’ arena start to apply this tool beyond those in the governmental area. That is because the request for proposal process allows more latitude to ensure contract compliance, not only with the legal interpretation, but also by ensuring satisfaction by the requestor.

The RFP process is a formal and compound process that allows for the agency to develop a framework not only for how the order will be acquired but also how the order will be evaluated. The PRF process while both time consuming and usually more expensive to pursue should allow the agency to ensure greater degrees of satisfaction from the buying group.

Define: a **Request for Proposal** is \_\_\_\_\_

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Other definitions would include;

“ A formal invitation from an organization to a supplier to submit an offer. The offer is to provide a solution to a problem or a need that the organization has identified.”

- *Michael Asner*

“ A competitive process through which suppliers offer a wide array of potential solutions and prices and compete with one another to win the business.”

- *Bud Porter-Roth*

“ A written request concerning goods or services the state intends to acquire by means of the competitive sealed proposal procedure. While like the sealed competitive bid; a phase or negotiation is included as well as a best and final offer is permitted.

- *State of Texas Procurement Manual*

If we look at a break down of these definitions as a whole several concepts come to mind. These all say the RFP process;

- 1) is a document inviting suppliers to submit solutions to a problem that has been defined by the agency.
- 2) competition is involved, to arrive at the best solution for the spend dollars.
- 3) The evaluation portion is not only based upon price as a final determinate.

In summary:

**A request for proposal is also a process for obtaining offers from competing organizations and evaluating those proposals against stated requirements, using predetermined evaluation criteria, weights and price. In this situation price alone is not the only selection criteria.**

It should be evident from this definition that we can see the opportunities and potential for problems both from an agency side as well as that of your supplier.

RFP's are frequently employed for particular types of applications and acquisitions. Some of these applications could include;

- 1) mandate by legislative review or authority,
- 2) price over a specified dollar amount,
- 3) the solution being sought is not completely defined before acquisition,
- 4) cost is not the only selection criteria,
- 5) 'best value' can be attained through negotiations and/or a BAFO,
- 6) economic development issues are involved, or
- 7) the final selection is considered to be very complex.

Based on the above it is now essential we create a best practice review of concepts and applications which can increase your performance to the agency and the state. Those noted in this session are a few of the more identified and ones conveyed through discussions with purchasers and educators involved in purchasing and supply chain activities.

Since time is short we are going to identify a few best practice applications in the three defined cycles of the RFP process; the pre-solicitation, the solicitation phase as well as the post-selection phase of the process. Others could be identified but these will allow for greater efficacy of the process as well as maximizing the purchasers and team time which securing the best practice solicitation for the organization or customer.



*Best Practices  
for  
the Request for Proposal (RFP)*

*Pre-Solicitation Phase*

Best Practice for the RFP
Pre-Solicitation
Needs Assessment and Understanding
<p>One of the greatest problems often encountered in the RFP process is the failure of the internal customer to properly convey to the purchaser exactly what the criteria is they are either seeking or the actual performance sought from the activity. Most failures from securing the ultimate satisfaction from the customer comes from their inability to convey to the purchaser, through the requisition, the exact vision of what they want the awarded contractor to convey or develop.</p> <p>Many purchasers accept the responsibility of cleaning up ambiguity or fuzziness in a requisition but the responsibility for ensuring the accuracy of the specification rests with the end user. However, the risks for such can translate into foiled expectations not being satisfied, risks associated with projects not coming to a satisfactory completion on time, as well as associated additional costs and liquidated damages from a contractor's side of the table.</p>

Best Practice for the RFP
Pre-Solicitation
Needs Assessment and Understanding
<p><b>Best Practice:</b></p> <ul style="list-style-type: none"> <li>a) Specification Round-Table</li> <li>b) Pre-Qualified Specifications</li> <li>c) Agency Standards</li> <li>d) Statement of Objectives (SOO)</li> </ul>

Best Practice for the RFP
Pre-Solicitation
Needs Assessment and Understanding
<p><b>Value Created:</b></p> <ul style="list-style-type: none"> <li>d) Specification Round-Table</li> <li>e) Pre-Qualified Specifications</li> <li>f) Agency Standards</li> <li>d) Statement of Objectives (SOO)</li> </ul>

Best Practice for the RFP
Pre-Solicitation
Needs Assessment and Understanding
<p><b>Risks Identified:</b></p> <ul style="list-style-type: none"> <li>g) Specification Round-Table</li> <li>h) Pre-Qualified Specifications</li> <li>i) Agency Standards</li> <li>d) Statement of Objectives (SOO)</li> </ul>

Best Practice for the RFP
Pre-Solicitation
Pre-Qualified Commodity Vendors
<p>Most vendors used by an organization or agency for the same commodity are often the same ones used every time. Since some of the same items are bought and requested by the internal customer frequently we can establish a better qualified and higher performance listing by commodity and category.</p> <p>While this will reduce the total amount of general competition it will only intensify the competitive range for those vendors in the pre-qualified range. As such, the agency or the organization will still receive competitive offers as well as minimize the overall cycle time for the acquisition. This will all the agency to utilize the information gained from the supplier pre-qualification from the past, those with better more competitive offers in the past as well as those vendors who also have higher overall supplier performance index or ratings.</p> <p>This should only intensify the best value of the acquisition and the competitive range of the vendors on the agency's behalf. This process would still qualify between three to five top vendors of the better qualified and save the buyer and the evaluation team in the process of the acquisition and selected.</p>

Best Practice for the RFP
Pre-Solicitation
Pre-Qualified Commodity Vendors
<p><b>Best Practice:</b></p> <ul style="list-style-type: none"> <li>a) Fewer better qualified vendors</li> <li>b) Tighter competitive range at the highest level</li> <li>c) Shorter cycle time</li> <li>d) Increased customer satisfaction</li> </ul>



Best Practice for the RFP
Pre-Solicitation
Pre-Qualified Commodity Vendors
<p><b>Value Created:</b></p> <ul style="list-style-type: none"> <li>a) Pre-qualified products</li> <li>b) Employees knowledgeable about workings</li> <li>c) Already familiar with use and how to use</li> <li>d) Minimal spares parts cribs</li> <li>e) Better leveraged service and spares contracts</li> </ul>

Best Practice for the RFP
Pre-Solicitation
Pre-Qualified Commodity Vendors
<p><b>Risks Identified:</b></p> <ul style="list-style-type: none"> <li>a) If not the best previously---then</li> <li>b) Can develop tunnel vision</li> <li>c) Lower total costs</li> <li>d) Minimize total risk to agency</li> </ul>

Best Practice for the RFP
Pre-Solicitation
Pre-Developed Forms
<p>The set of forms and activities we often employ in the RFP process are often similar or standardized in use. As such we need to sit and assess with the team, customers, as well as the purchasers which tools best served the function of the customer.</p> <p>The cadre of forms can run the full gambit of the pre-solicitation through the final contract close-out to the contract. In the pre-qualification arena we have such items as letters, early notifications, as well as letters for the pre-conference discussions, as well as secondary revisions. The actual solicitation group would involve the specifications, the negotiations checklist and the evaluations criteria. The final phases is the award of the acquisition and needs the notice of intent, the letter award, rejection notifications, as well as the contract draft.</p> <p>Having the list of forms in a ready to go mode will allow the team to fast-track the learning curve as well as have some consistency and comfort in employing forms the entire team has some degree of familiarity and uniformity. This set of forms will allow the tem to fast-track the phases of the process.</p>

Best Practice for the RFP
Pre-Solicitation
Pre-Developed Forms
<p><b>Best Practice:</b></p> <ul style="list-style-type: none"> <li>a) A packet of pre-identified forms</li>   <li>b) All form are pre-qualified by the team; customers, purchasers, technical as well as legal</li>   <li>c) Quicker turn-around time</li>   <li>d) Better knowledgeable about use and application</li> </ul>

Best Practice for the RFP
Pre-Solicitation
Pre-Developed Forms
<p><b>Value Created:</b></p> <ul style="list-style-type: none"> <li>a) Pre-qualified and approved forms set</li> <li>b) Both agency staff and vendors are knowledgeable about forms deployed</li> <li>c) Shorter cycle time to process</li> <li>d) Forms proven and approved by parties</li> <li>e) Consistency in use for safeguards</li> </ul>

Best Practice for the RFP
Pre-Solicitation
Pre-Developed Forms
<p><b>Risks Identified:</b></p> <ul style="list-style-type: none"> <li>a) New items or services could require a modification to the form set</li> <li>b) Can create complacency to forms selected</li> <li>c) Not kept current to changes needs and requirements</li> <li>d) Minimize total risk to agency</li> </ul>

## *The Solicitation Phase*

Best Practice for the RFP
Solicitation
Fixed Technical Review Team
<p>Based upon the technical ramifications and changes which could occur in many acquisitions today a team of technical experts assigned can avail many savings and time efficiencies to the agency. This select team can be a best value fast-track acquisition application for the organization.</p> <p>This team needs to be cross-functional with diverse areas of expertise and knowledge. It is typically necessary for those areas which are prone to technical obsolescence and change. As such, the key areas often deemed essential for the team would come from the engineering, telecommunications, information technology, purchasing and finance. These teams can also be amended based upon the technical requirements of the solicitation and past experiences of the agency with the prevailing need.</p> <p>This team should be allowed to remain intact for a period of two to three years. This would ensure the efficacy of the knowledge transfer and higher levels of service satisfaction to the operation.</p>



Best Practice for the RFP
Solicitation
Fixed Technical Review Team
<p><b>Best Practice:</b></p> <ul style="list-style-type: none"> <li>a) Higher and more astute team knowledge</li> <li>b) Allows for better consistency</li> <li>c) Faster review and evaluations</li> <li>d) Greater skills and knowledge of technology</li> </ul>

Best Practice for the RFP
Solicitation
Fixed Technical Review Team
<p><b>Value Created:</b></p> <ul style="list-style-type: none"> <li>a) Greater economies of scale</li> <li>b) Better knowledge of technology</li> <li>c) Greater chance of compatibility within the agency</li> <li>f) Better license and support arrangements</li> <li>g) Less training for use and application by the teams</li> </ul>

Best Practice for the RFP
Solicitation
Fixed Technical Review Team
<p><b>Risks Identified:</b></p> <ul style="list-style-type: none"> <li>a) Team burn-out</li> <li>b) Brand focused or biased</li> <li>c) Better negotiations prowess</li> <li>d) Overall better satisfaction for the customer</li> <li>e)</li> </ul>

Best Practice for the RFP
Solicitation
Create Critical Question for Technical Conference
<p>Develop a composite listing of all the questions from the technical review team or committee concerning the acquisition. Since this team stays together for a period of time the list is a continual work in process and will only get better and more effective over time for the agency.</p> <p>This list will allow the team to have a excellent requisite listing of questions to prove all suppliers fairly and equally as compared to the random free-wheel style. This will allow a better scope associated with both this and previous acquisitions learning curves.</p> <p>The team will also learn better ways to leverage their own knowledge strengths with the rest of the team to ensure they secure the best methods of applications. This will also ensure better methods of validating their needs and reviews.</p>

Best Practice for the RFP
Solicitation
Create Critical Question for Technical Conference
<p><b>Best Practice:</b></p> <ul style="list-style-type: none"> <li>a) Better questioning of vendors</li> <li>b) Teams drills down to more effective questions</li> <li>c) More complete questioning</li> <li>e) Team grows professionally with a resounding bond</li> </ul>

Best Practice for the RFP
Solicitation
Create Critical Question for Technical Conference
<p><b>Value Created:</b></p> <ul style="list-style-type: none"> <li>a) Will leave no stone unturned</li> <li>b) More savings to the agency</li> <li>c) Less risks in the acquisition process</li> <li>d) Cycle time reduction for the level of expertise</li> <li>h) Better total value acquisition for the agency</li> </ul>

Best Practice for the RFP
Solicitation
Create Critical Question for Technical Conference
<p><b>Risks Identified:</b></p> <ul style="list-style-type: none"> <li>a) Can be more time consuming for the team and suppliers.</li> <li>b) Far more overpowering than the would be expected for the vendors.</li> <li>c) Could avail more opportunities for the agency to find options available.</li> </ul>

Best Practice for the RFP
Solicitation
Create the RFP Statement of Work
<p><b><i>Let's take a moment and fill this one in together.</i></b></p>



Best Practice for the RFP
Solicitation
Create the RFP Statement of Work
<p><b>Best Practice:</b></p> <p>a)</p> <p>b)</p> <p>c)</p> <p>f)</p>

Best Practice for the RFP
Solicitation
Create the RFP Statement of Work
<p><b>Value Created:</b></p> <p>a)</p> <p>b)</p> <p>c)</p> <p>d)</p> <p>i)</p>

Best Practice for the RFP
Solicitation
Create the RFP Statement of Work
<p><b>Risks Identified:</b></p> <p>a)</p> <p>b)</p> <p>c)</p> <p>e)</p> <p>e)</p>

Best Practice for the RFP
Solicitation
Identify Milestones and Drop-Dead
<p>The identity of the items associated with the various activities connected with the internal clients requirements should be incorporated into the RFP in a timeline format. This is a great chance to reinforce the due dates and deliverables necessary to satisfy the dates and their associated deliverables.</p> <p>In this aspect we can solidify the calendar with the promised due dates associated with the RFP. In addition, by employing the timeline and calendar programs it validates the client's needs against the vendors promised delivery.</p>

Best Practice for the RFP
Solicitation
Identify Milestones and Drop-Dead
<p><b>Best Practice:</b></p> <ul style="list-style-type: none"> <li>a) Easy to keep parties aligned</li> <li>b) Rolls directly into the contract</li> <li>d) Easy to convey to the other side of the table electronically</li> <li>g) Lacks confusion to the parties</li> </ul>

Best Practice for the RFP
Solicitation
Identify Milestones and Drop-Dead
<p><b>Value Created:</b></p> <ul style="list-style-type: none"> <li>a) Less errors between parties</li> <li>b) Enhanced communications</li> <li>c) Fewer errors and failures to perform</li> <li>d)</li> <li>j)</li> </ul>

Best Practice for the RFP
Solicitation
Identify Milestones and Drop-Dead
<p><b>Risks Identified:</b></p> <ul style="list-style-type: none"> <li>a) Failure to read directed software</li> <li>b) Not able to perform</li> <li>c) Fail to react to plan</li> <li>f)</li> <li>e)</li> </ul>

*Post - RfZ Activities*



Best Practice for the RFP
Solicitation
Establish Post-Award Conference
<p>After the award and the tender of the order the parties schedule a meeting to assign the responsibilities and the accountability for the performance of the contractual performance. This meeting is the establishment of the roles and responsibilities associated with this contract.</p> <p>The meeting lays the roles of the parties, advisement connected with approvals, schedules, configuration control and other risk potentials. It is this meeting that aligns the standards for which we will seek adherence to the performance of the deliverables to the original contract.</p> <p>One of the major applications we can now support is the assignment of the roles and responsibility of the contract point person associated with this contract fulfillment. Once assigned this individual can then be the only voice associated with and for the contract on behalf of the agency.</p>

Best Practice for the RFP
Solicitation
Establish Post-Award Conference
<p><b>Best Practice:</b></p> <ul style="list-style-type: none"> <li>a) Pre-set time and schedule</li> <li>b) Parties arraigned and designated</li> <li>c) Dates are confirmed and deliverables reinforced</li> <li>e) Meetings are pre-assigned and incorporated to the contract</li> </ul>

Best Practice for the RFP
Solicitation
Establish Post-Award Conference
<p><b>Value Created:</b></p> <ul style="list-style-type: none"> <li>a) Schedules met by all parties</li> <li>b) Enhanced communications</li> <li>c) Fewer errors associated with contract</li> <li>d) Less change order associated to the contract</li> <li>k)</li> </ul>

Best Practice for the RFP
Solicitation
Establish Post-Award Conference
<p><b>Risks Identified:</b></p> <ul style="list-style-type: none"> <li>a) Minimal</li> <li>b) Better coordinated effort</li> <li>c) Better control and coordination</li> <li>g) Greater chance of bringing project into plan</li> <li>e)</li> </ul>

*Article*

## **Best Practices for Requests for Proposal (RFPs)**

The following "best practices" or "critical success factors" have been designed to improve the RFP process to help agencies achieve the best solutions for their business problems. With proper management, RFPs can be quick and produce excellent results.

While these best practices are applicable to any state RFP, they have been prepared by the Indiana Office of Technology in conjunction with its partner agencies to serve as the guiding principles and requirements for all state IT-related RFPs.

### **Why RFP?**

In general, an RFP is a tool used to purchase products and services by soliciting competitive proposals from vendors. Through this process, vendors offer an array of potential solutions and prices and compete with each other to win business. The State evaluates the competing solutions, picking the one that best provides for the business need. RFPs are most useful when:

- Multiple (different) solutions are available that will fit the need;
- Multiple vendors can provide the same solution with different implementation scenarios;
- Exact solutions for the project cannot be clearly specified;
- The project requires different skills, expertise, and technical capabilities from vendors;
- The problem requires that vendors combine and subcontract products and services; or,
- You want to exert leverage on a vendor to provide your agency more savings.

Despite the usefulness of RFPs, it seems that they have become something to avoid in some state agencies apparently due to the advance planning and time required. In state government, however, an RFP is required in almost all cases when \$75,000 or more is expected to be spent on the project. More importantly, for procurement at almost any dollar amount, an RFP, if approached and drafted in accordance with the best practices below, can lead to better solutions than government could have crafted on its own.

### **Best Practices**

#### **1. Organize, Study, Plan**

Readiness for the RFP process is the key to success. Critical success factors include:

- Stakeholders understand the circumstances and agree to the established timeframes. With any project of the scope requiring an RFP, executive level support within the agency is critical to success.
- The type of solution dictated by the current business circumstances must be evaluated:
  - New or Replacement – Identify the implementation deadline and work the

timeline backward. Be sure to include plenty of time to research solutions others have applied to similar needs. You are unlikely to be the first group to face the business problem you seek to solve. Thus, contact other states and vendors with potential solutions for their experiences, and scour the web for white papers and other materials pertinent to your business problem and the solutions that were found to be effective.

- **Renewal** – Contracted solutions providers should be constantly evaluated for their effectiveness. If they are not performing, proceeding with an RFP for a new solution/provider may be more prudent than renewing for another term with a contractor that has delivered inadequate results. Further, as previously noted, the threat of an RFP may result in substantial savings from a vendor under contract; agencies should not simply renew contracts, but rather seek price reduction at the time of renewal. (Vendors under contract would much rather reduce price than undertake the costly effort of responding to an RFP that they might not win.) A formal assessment of critical success factors should determine whether or not the current contract(s) will be renewed for another term.
- **End of Renewal** – Careful planning is required at the end of a contract to ensure a seamless transition. Agencies should be careful not to put themselves in the precarious position of not being able to deliver services because adequate time was not dedicated to study past successes and failures, innovation in the industry, and different business models that could be applied. Plenty of time should be given to incorporate the experience gained from the previous contract and research of the marketplace into an RFP for the replacement.
- **Target dates** must be established, and adequate time built in to produce a quality RFP. Agencies should use a contracts database containing the expiration date and tickler dates that trigger activity for each contract

## **2. Define the Business Problem**

No single critical success factor is more important than properly defining the business problem. Agencies need to clearly articulate the problem they are trying to solve through the RFP. If you cannot state the business problem in a single sentence, you are likely

including requirements you think are part of the solution rather than just identifying the business problem itself. The business problem should be defined by the results required, not the methods employed to attain these results. Here is an example:

The State requires a system to license hunters and fishers that will permit the purchase of any license at any time, enable enforcement of pertinent state laws, reasonably secure the information of the license buyer, and do so without any upfront costs.

The definition of the problem should be agreed to by stakeholders as it will dictate the future business model.

Finally, the business problem must be included in the RFP, often bold and underlined,

with a statement that regardless of potentially conflicting requirements, the RFP solicits the respondent's best solution. Vendors should be encouraged to add their expertise and creativity and to offer different options for delivering the best solution. (Different options with different prices are entirely appropriate.) Ultimately, the agency wants the vendor to provide the best solution to the business problem, not the best response to the RFP.

### **3. Notify the Right Agencies**

If you are ready to prepare an RFP, contact the Indiana Department of Administration (IDOA) to begin the process. IDOA is ready to help agencies through this process, and may be able to direct you to RFPs other agencies are doing, QPAs that already satisfy your business needs, or other solutions to save you time.

If the RFP is IT-related, contact the Indiana Office of Technology (IOT) before contacting IDOA to discuss the business problem and get assistance with the process. The IOT has an RFP Coordinator ready to help. IT RFPs require the IOT's approval before proceeding with IDOA; therefore, it is important to touch base with IOT as early as possible. It is far better to have the RFP approved (which will speed later review of the eventual contract) than to have the contract delayed or rejected because IOT was not engaged at the outset.

### **4. Select the Team**

Every team should have a leader who should almost always be the person charged with administering the contract that would be awarded through the RFP. Some suggestions regarding team makeup to follow:

- The team must include the manager of the contract, user of the end product/service, and agency subject matter experts.
- Team size should be three to nine people.
- The team should include stakeholders of the business problem and people with expertise who are expected to add value to the review.
- If another agency shares all or part of the business problem and stands to gain from the solution, the team should include representation from that agency as well. Agencies should presume that their business problem is shared by other agencies rather than that it is unique to them.
- Teams may include "consultants" that will not be required to review the RFP. One or two of these people from upper management or with a specific specialty (such as financial, technical, or legal) may prove quite helpful.

In summary, the more bright minds and diverse perspectives on the team, the more likely an RFP is to result in a successful business solution.



## **5. Define with Open Requirements**

Before requirements are established, it is important for the team to understand the pros and cons of the current solution, if any. Such pros and cons might evolve into requirements, or at least a statement following the definition of the business problem informing the vendor community of problems the agency faces.

The selected team should be encouraged to review and refine the stated business problem before requirements are established.

The temptation to mandate a specific solution to the business problem is difficult to avoid. (This temptation is alleviated somewhat by properly defining the business problem.) Though agencies may have a very good idea of the methods and technology that will be applied, writing requirements that leave the door open to vendor experience and innovation is essential. Ideas for crafting the RFP should come from a number of different sources.

- Other RFPs (IT RFPs can be obtained through IOT and through user groups such as NASCIO, NASTD)
- Direct contact with persons from other states with similar experiences and responsibilities (there are very few veterans of a project that would not change a few things even if the project was successful)
- Private sector businesses with similar challenges (don't hesitate to call a business and ask them what they do)
- Those in the vendor community who may have pertinent experience (be ready to differentiate valuable consultation from a sales pitch, and watch for input attempting to manipulate requirements to a certain business model or solution)

Development of the requirements should be accomplished with the cooperation of the review team or a subset thereof. RFPs are consistently better when the team that will review the responses has been involved in the development of the RFP.

Requirements should be unambiguous, meaningful, measurable, and complete. Requirements should not include the solution or any unnecessary characteristics.

Requirements and the evaluation criteria should provide a mechanism for making an easy "apples to apples" comparison of the respondents and their proposed solutions.

## **6. Review the Draft**

Having the business problem definition and the RFP itself reviewed by a group of respected minds outside the team, such as through a "Red Team Review", will prove quite valuable, especially for more complex RFPs. (A Red Team is a team of individuals, preferably outside of the project, that can offer a different perspective, and feedback to improve the RFP.

Prior to the release of the RFP, it is perfectly appropriate to allow vendors to review the

RFP draft to give you feedback. (The time between the release of the RFP "on the street" by IDOA and the contract award is the time during which agencies are not permitted to communicate with participating state employees. Contact with vendors during an RFP must be pre-approved by IDOA.) When doing so, it is important to allow any willing vendor to review the document to ensure fairness to all vendors and to prevent the suggestions of any one vendor from skewing changes to the RFP.

## **7. Prepare the Request for Information (RFI) Document or Session**

Request for Information (RFI) is a term used to describe one of two ways of asking vendors for information.

1. An RFI document with questions to the vendor can be prepared and submitted by IDOA to vendors. The vendors respond in writing to the questions.
2. An RFI session is held by IDOA to discuss the upcoming RFP. During this session the agency should give a short presentation on its business problem and ask the vendors what questions or suggestions they have. Indeed, it is highly recommended that at, or before, the RFI session, you circulate a draft of the RFP. IDOA can post the draft online when it gives notice to vendors of the Request for Information session or document.

At RFI sessions, vendors will often not ask questions to avoid giving away their concerns in a public forum; however, after the session many vendors will pose their questions individually. Even if no questions are asked, a well-planned presentation, is likely to give the vendors (1) an opportunity to meet and partner with other vendors and (2) the best sense of what the problem is that the agency is attempting to solve.

In addition to vendors, invite management and end users to the RFI, as this may be your best opportunity to correct misunderstandings and otherwise improve the document before the RFP is released. If necessary, multiple RFI sessions can be held.

The RFI process also offers opportunities to solicit information that will be helpful in the development of the pricing sections of RFPs. The information that is gathered about the methods or structures a vendor may propose can be examined and analyzed to determine

the content of the pricing components for the RFP. Written pricing structure responses from vendors do not necessarily need to include specific dollar amounts, but rather should provide information on the methodology that may be considered to reach the creative structures could add value to the RFP. Vendor responses can be accepted and made available to the entire vendor community without specific identification, similar to RFP question and answer postings.

The requirement to hold an RFI session can be waived with approval by IDOA; however, agencies should presume that they will get significant value out of an RFI session.

## **8. Conduct the Evaluation**

- Meeting the submission requirements is pass/fail.
- Develop a management discretionary point matrix based on the business requirements.
- Brief the team on the RFP before the responses are received and emphasize the critical points needed in the responses.
- Hold a meeting with the team after they have had a chance to review the responses to discuss their initial impressions. Ask each person for the positives and negatives of each proposal. Have them pick their top two and discuss the reasons for their selections.
- Ask the team to submit their preliminary rankings. Based on the point's total, determine the finalists and invite them for a Best and Final Offer (BAFO) presentation. Make sure they understand the points that you want them to cover, that the subject is deliverables and not sales, and ask them to bring the delivery team (the delivery team is more likely to give realistic information regarding the product and implementation since the expectations set are their responsibility to deliver) along to present. (At the BAFO, if you begin to hear a talk on why a company hires the best people, you are hearing sales rather than substance.)
- Meet after the BAFO to discuss presentations and any new findings/perspectives on the vendors.
- Submit the final evaluation. (be careful to rate vendors proportionally, that is to make sure you have the proper difference between the best and the rest.)

## **9. Follow Up**

Though the focus of this best practices sheet is on the RFP process itself, it is important to follow the RFP with:

- A contract that clearly defines the required deliverables. (Merely attaching the response to the RFP to constitute the duties of contractor should be considered inadequate.)
- Preparation and planning for post-RFP activities, such as site visits and implementation activities.
- A comprehensive plan for all facets of the project's implementation, most notably project management.
- A plan for evaluation of the vendor's performance.
- A plan for evaluation of the State's performance (not only throughout the contract, but from the beginning of the RFP process).

## *Instructor's Biography*

**William D. Agee, Jr.**  
C.P.M., A.P.P., CEM, CMN, CPP, CPE, CPIM, CPCM, CPCM,  
SSBB

Mr. Agee has been in purchasing for nearly thirty-years spanning a very broad and diverse career. Initially, Bill began purchasing in the retail operations, wholesale/distribution field, moved over to a regulated purchasing environment with a branch of the federal government, took a manufacturing position over both purchasing and manufacturing management, followed by experience in a service acquisitions organization. His major areas of expertise are negotiations, cost and price analysis, contract management, audits and global business development.

Over the years, Bill has given his time in working with Baylor University in an adjunct faculty position teaching courses in purchasing, negotiations, operations/manufacturing management, and quality assurance on the senior and graduate level. During this time he developed and published a software educational program, entitled The Smart Buyer, highlighting the contributions purchasers and supply managers can contribute in a dynamic marketplace in applying the proper tools of lot-sizing, timing of purchases transactions, minimizing the cost of acquisition, controlling inventory burden costs while maintaining a benchmark service level to the customers.

Mr. Agee works with procurement and supply chain professionals both in the United States and abroad delivering both purchasing education and consultation to facilitate the value driven goals of strategic focus toward the professional. He has written or presents over 180 educational programs in the field of purchasing, negotiations, supply management and other aligned fields for use by the profession. The newest section added to his web site for supply managers cover the complicated and costly area of construction acquisitions and contracting.

In a community service arena Mr. Agee has assisted non-profit social service agencies in the foundation and establishment of purchasing consortiums availing substantial savings to return to their primary area of service to their clients. These agencies include child day care facilities, health and human service organizations, medical services for the poor and needy and food service providers, and recreational and after school care facilities for boys and girls.

Mr. Agee also wrote for the Office of Homeland Security an educational program on the value of supply chain managers can bring not only to a company but the backbone of the United States economy. In the session supply managers learn the risk and tools terrorism can have on their supply chain. Techniques and procedures are established to ensure the continuity and trust of the citizens of the United States are secure in knowing goods and services will continue to ensure their well being, avoid panic and preserve firms profitability. This session has been presented around the country to businesses, governmental agencies, and supply management associations.

Mr. Agee, in conjunction with NAPM, developed at the request of the State of Texas the new educational and training program leading to enhanced savings through public procurement. This session involved developing five new sessions combining the best practices of purchasing with the requirements of the state's procedures for responsibility and fiscal control. These sessions covered; Fundamentals of State Purchasing, Advanced State Purchasing, Cost and Price Analysis, Foundations in Negotiations, and Effective Contract Administration. This program was delivered to over 4,000 buyers in the state.

In addition, Mr. Agee wrote the State of Texas certification training passed by the state legislature for buyer proficiency. The state's approval makes it mandatory that a buyer must be certified to issue a purchasing contract employing a state budget warrant for acquisitions. Certification of the State of Texas buyers is under a two-tier concept of a Certified Texas Purchaser (CTP) and Certified Texas Purchasing Manager (CTPM). Currently, this program is under review in over eleven other states.

Mr. Agee is currently reviewing drafts for a new book on supply chain activities incorporating benchmark standards to drive optimal efficiency and productivity for the profession. In addition, Mr. Agee won the coveted Howard W. Cosgrove Award for Outstanding Contribution to the Purchasing Professional from the Institute for Supply Chain Management. All sessions provided are qualified for C.P.M points from the Institute of Supply Management.

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