

Workforce Innovation and Opportunity Act (WIOA)

South Central Tennessee Development District

Procurements shall be in compliance with all applicable federal and state regulations.

Competitive Bidding Process:

A small purchase is the acquisition of goods or services that do not cost more than \$50,000 in the aggregate. The following defines the number of quotes required for the specified dollar range:

<u>Dollar Range of Purchase</u>	<u>Contacts and Methods</u>
\$ 0 - \$4,999.99	One quote or price
\$ 5,000 - \$24,999.99	Two documented quotes
\$25,000 - \$49,999.99	Three written quotes using a Request for Quotation
\$50,000 +	Sealed bids using a Request For Proposal (RFP)

For three written quotes, a Request for Quotation (RFQ) is required. The RFQ should specify the quantity, time frames, and all the requirements of the product or service.

Sealed bids will be used for purchases over \$50,000. Sealed bids are publicly solicited procurements for which a firm fixed-price award (lump sum or unit price) or other fixed-price arrangement is awarded. For sealed bids, a Request For Proposal (RFP) is required. The RFP should incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured, identify all requirements which responding entities must fulfill and all other factors to be used in evaluating bids.

Purchase of goods or services, for which the State of Tennessee Department of General Services, Purchasing Division, has awarded a statewide contract (SWC) to a vendor through the competitive bidding process will be made without adherence to the competitive bidding process above, provided the vendor meets the bid specifications and is willing to quote the SWC price. This section does not preclude the use of the SWC as a bid in accordance with the competitive bidding process, if so desired.

Non-Competitive Negotiation for Sole-Source Procurement Process: (the negotiation of the terms of a contract with only one provider)

- Personal, professional and consultant service contracts may be obtained by non-competitive negotiation when the contractor is a state agency, a political subdivision of the state, and any other public entity in Tennessee, or an entity of the federal government.
- Sole source or proprietary purchases may be allowed pursuant to the following:
 - Sole Source Procurement – Sole source purchases are made only when items are unique and possess specific characteristics that can be filled by only one source. The vendor must furnish a letter indicating that it is the sole source and the letter must be signed by an authorized company representative.
 - Proprietary Purchase – A proprietary product is one that is manufactured and marketed by a person or persons having the exclusive right to manufacture and sell the product. Marketing is generally controlled by the franchises that may include competitive sales at wholesale or retail levels. When it is found that bids may be obtained from different franchises, bid invitations must be issued unless the estimated purchase is less than \$10,000.
- Factors to be considered in sole source and proprietary purchases include the following:
 - Whether the vendor possesses exclusive and/or predominant capabilities or the items contain a patented feature providing superior utility not obtainable from similar products.
 - Whether the product or service is unique and easily established as one of a kind.
 - Whether the program requirements can be modified so that competitive products or services may be used.
 - Whether the product is available from only one source and not merchandised through wholesalers, jobbers, and retailers.
 - Whether items must be interchangeable or compatible with in-place items.
 - Whether the cost of conversion, including but not limited to disruption, re-training, and replacement precludes bidding competitively.
 - Whether the product is to be used in an instructional setting and the intent is to provide instruction on the specific product or diversity of products.
 - For personal, professional and consultant services, whether the use of non-competitive negotiation is in the best interests of the institution.
 - Other justifications as approved by the administrative entity Executive Director.

- Only authorized sole source may be procured utilizing non-competitive negotiation and a completed non-competitive justification form.
- Whenever specifications are not so worded or designed to provide competitive bidding, or specify a single brand, the person responsible for the recommendation shall be required to justify the necessity for the specification in writing, and the request shall be approved by the administrative entity Executive Director.

The following is included as an example of how the RFP procedure is followed.

RFP procedure:

Procedures must meet all applicable rules per state rules and guidelines.

Research Best Practices

Include procedures for all aspects of the RFP process

- Development of the RFP documents
- RFP Issuance (advertisement and distribution)
- Bidders Conference
- Proposal Submission
- Screening and Evaluation

Negotiation and Award

- Develop a Timeline
- Include all necessary parties
- Consider how timeline will fit with scheduled events...i.e. Youth Committee & Workforce Development Board (WDB) Meetings
- Include RFP milestone (event to occur), completion date and any notes for that event

Example:

<u>RFP Milestone</u>	<u>Completion Date</u>	<u>Notes:</u>
Due date for proposals	September 14, 2018	Allow 6 weeks for response
Establish complete state and local organization policies, procedures and guidelines Receive any necessary approvals		

Organization of the RFP

Information necessary for RFP response:

- Background and general information
- Scope of the RFP Service
- Evaluation criterion and rating system
- Terms and Conditions

RFP Issuance

Foster competition

Send RFP to as many potential vendors as possible

- WDB
- Existing program providers
- Vendors on established bidder's list

Insure wide distribution of RFP through website, social media, press release, and emails to bidder list

Instruction on Submission

- General submission and format instructions
- Proposal narrative instructions
- Proposal budget and program planning instructions

After RFP Issuance

Host Bidders Conference by electronic means

- Electronic tracker of Bidders
- Require questions in advance but allow follow up questions by stated deadline.
- Electronic tracker of documented questions and answers

Issue a report that summarizes the Q & As

Send to (or make available to) all potential bidders

Screen and Evaluate Contracts

Screening checklist

Eliminate proposals not in compliance

Evaluate remaining proposals

- At least three reviewers
- Combine and average scores

Contract Negotiations

Conduct negotiations on cost, service levels and performance issues

Contract Issuance

All procurement contracts between Local Boards and units of State or local Governments must be conducted on a cost reimbursement or performance base basis

Necessary statements, requirements and assurances

Title: LWSM Policy

Effective Date:

Duration: Indefinite

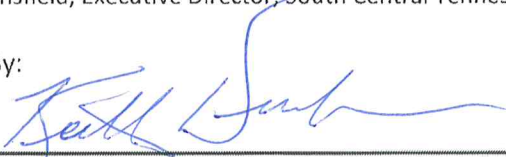
Authorized By:



Jerry Mansfield, Executive Director, South Central Tennessee Development District

Date

Approved By:



12/21/2018

Keith Durham, Board Chair, Southern Middle Tennessee Local Workforce Board

Date