

CHILD PROTECTION SERVICES
STANDARDS FOR EFFECTIVE PRACTICE

STANDARDS FOR ADMINISTRATION

10.9 REQUEST FOR PROPOSALS (RFP)

Council on Accreditation Standards

The Council on Accreditation Standards G6 (Financial Management); G11.6 (Service Agreements); G11.7 (Contractual Relationships); G11.8 (Additional Contracting Requirements for Organizations that Purchase Services); and G11.9 (Quality Monitoring of Purchased Services) link to and support Standard 10.9 *Request for Proposals*.

Administrative Code

The Ohio Administrative Procedures Manual, chapter 4000, Sections 4410 - 4417 address Standard 10.9 *Request For Proposals*.

I. Philosophy

A legal bid is not required for procurement of social service contracts. However, best practice supports the use of a Request for Proposal (RFP) when seeking to secure goods and services.

Using the RFP bid process provides the CFSA an opportunity for competitive bidding in order to secure the "lowest/best" contract in a fair and equitable manner when seeking goods and services. When seeking services, it creates an environment for innovative program development and service delivery. In encouraging vendors to be creative, proposals can be developed that are unique and responsive to a range of child, family and community needs.

Regardless of whether the agency seeks goods or services, the RFP process is meant to create an environment of healthy competition for the effective management of community finances.

II. Outcome

Goods and services are secured fairly and equitably and provide for the lowest/best product available.

Goods and services respond to and meet the needs of the staff, clients and community.

III. Evaluation

FACSIS events, CPOE and the Federal Health and Human Services outcomes may be considered when evaluating this standard. In addition, the CFSA may consider the following:

- written process in place that responds to Standard 10.9, *RFP*
- recommendations;
- extent to which formal agency RFP process was used;

- ongoing monitoring of costs of goods and services, with the ability to compare across different time periods.

IV. Standards for Implementation

A. Managing the RFP Process

The CFSA should create a standardized approach to administering the RFP to assure consistency, uniformity, and fairness in its treatment of all potential vendors.

- 1) The CFSA should have a policy and procedures for administering the RFP which include, but not be limited to, the following:
 - a. identifying personnel responsible for managing and monitoring the RFP process;
 - b. written process for developing, issuing, and evaluating the RFP;
 - c. grievance procedures;
 - d. Sole Source Justification when it is determined that only one provider exists which can meet the program specifications in a cost-effective manner.
- 2) The CFSA RFP policy and procedures should comply with county, state, and federal regulations and should include a review of the RFP document by the appropriate legal counsel prior to implementation.
- 3) The designated staff should use the following or similar process when issuing a RFP:
 - a. create a list of prospective vendors and distribute RFP;
 - b. advertise, a minimum of two consecutive weeks, the agency's RFP, staff contact and deadline for submittal and acceptance of physical receipt of proposal;
 - c. schedule a pre-proposal conference and notify prospective vendors in writing of scheduled meeting;
 - d. conduct the pre-proposal conference, keep minutes using a question-and-answer format, and distribute the minutes to vendors on the CFSA list (regardless of whether or not the vendors attended the conference);
 - e. create a time-limited process for receiving and responding to questions and distributing RFP answers (all vendors must be privy to the same information at all times);
 - f. create an internal review process which promotes objectivity in the proposal review and uses quantitative measurement;
 - g. establish a time frame for negotiating the accepted proposal if the proposal requires limited revisions which will not fundamentally change what was submitted;
 - h. distribute, in writing, the decision to award/reject the vendors proposals,
 - i. seek approval from the appropriating authority to execute the contract and secure all necessary signatures to execute.
- 4) If it becomes necessary to revise any part of the RFP, the CFSA should inform all vendors of the RFP addendum.

B. The RFP Document

- 1) The RFP document is a critical element in producing a successful contract. The RFP must be written in clear, concise language; describe the specific deliverables and requirements to be met; identify roles and responsibilities; and include instructions for responding.

C. CFSA RFP Responsibilities

- 1) To assure that vendors understand all aspects of the RFP, the CFSA should articulate the process and responsibilities of each party in the body of the RFP. The CFSA should include:
 - a. an outline of the RFP process and timeframes;
 - b. introduction and project overview (include the agency mission and program services and project description)
 - c. scope of service and project deliverables;
 - d. vendor responsibilities and all RFP forms that the agency requires be signed as part of responding to the RFP (e.g., Statement of Non-Discrimination; Statement that proposal is Board approved);
 - e. copy of the proposal's evaluation criteria;
 - f. proposal format specifications and number of copies to be submitted;
 - g. a statement retaining the right to discontinue the RFP at any time and may, at its discretion, terminate the process and re-release the RFP when deemed necessary;
 - h. the deadline date for distribution of RFP, accepting physical receipt of the proposal, and the target date for awarding the contract;
 - i. a statement of the vendors responsibility for all costs incurred in the development and submission of the proposal.

D. Vendor Responsibilities

- 1) The CFSA should identify specific vendor responsibilities in the body of the RFP. Vendor responsibilities in responding to the RFP should include, but not be limited to:
 - a. history, agency mission;
 - b. scope of service (understanding and scope of problem, method/approach for responding to problem), program design and content, specific activities to be carried out, start up date, etc.;
 - c. agency qualifications, prior experience and examples of work samples (history in conducting similar projects), minimum number of years providing service as required under the RFP;
 - d. distinguishing characteristics (e.g., uniqueness, special qualifications);
 - e. statement of sub-contractor use;
 - f. reference letters demonstrating competence to carry-out RFP deliverables;
 - g. unbundled proposed project costs and line item budget: e.g., unit cost per service, basis for calculating rate, incentive process structure, statement of other funding sources off-setting program costs and budget narrative;
 - h. most recent independent audit;
 - i. statement accepting financial responsibility associated with any audit findings linked to contract services;
 - j. expiration date of the proposal bid if different from the stated RFP requirements;
 - k. attachments (certificate of insurance, organizational chart, latest annual report, etc.);
 - l. statement of guarantee that staff and space are available to carry out the contract deliverables;

- m. personnel qualifications;
- n. primary contact person for contract deliverables;
- o. authorizing signature on the submitted proposal with witness or notary signature.

E. CFSA Proposal Requirements for Services and/or Goods

If getting a RFP for goods, the CFSA should describe, in detail, the specifications required of the goods to be purchased. Contract expectations and deliverables will assist the agency and vendor in entering a successful relationship.

- 1) Expectations should always be clear, concise and measurable. The CFSA may consider the following types of components when developing the contract expectations and deliverables:
 - a. Service Components
 - i. target population;
 - ii. service definitions;
 - iii. program design requirements;
 - iv. service outcomes, measurable performance results;
 - v. admissions/referral criteria;
 - vi. no reject/eject policy;
 - vii. transportation expectations;
 - viii. level/type of community involvement expected/provided;
 - x. culturally responsive services; and
 - xi. crisis stability plan.
 - b. Case Planning Management Components
 - i. case management responsibility;
 - ii. case plan responsibility;
 - iii. staffing expectations: joint and other (e.g., where, when, whom, under what circumstances, emergency, child movement, step-down protocol, etc.);
 - iv. treatment/service/Individual Service Plan (ISP)/Medicaid;
 - v. educational planning;
 - vi. discharge/termination/Absent Without Leave (AWOL) planning;
 - vii. provider plan for family involvement/visitation;
 - viii. community involvement; and
 - ix. court hearings: provider attendance
 - c. Goods

The specifications for the goods sought should include, but not be limited to: identification of requirements for materials to be used; number to be purchased; and quality of grade.
 - d. Reporting/Quality Assurance Components
 - i. reporting requirements;
 - ii. quality assurance requirements including utilization reviews, service outcomes, measures, monitoring.
 - e. Fiscal/Administration Components
 - i. description of staffing patterns;
 - ii. placement/referral forms and procedures;

- iii. provider documentation (licensing, Medicaid approved,
- iv. IV- approved);
- iv. payment/invoice requirements (with associated penalties and/or incentives);
- v. staff training and licensing requirements, staff-children ratio;
- vi. level of culturally diverse staff;
- vii. grievance policy/procedure for provider and parents;

- viii. records access and retention;
- ix. plan for use of sub-contractors, and, if so, experience of sub-contractor to carry out deliverables, percentage of program contracted out;

- x. most recent independent audit showing all receipts and expenditures and listing all liquid and capital assets; including all obligations against the assets;
- xi. annual budget with all estimated receipts by source, line item categories and cost centers;
- xii. unbundled budget formula for the computation of the unit rate (capitated or any service);
- xiii. shared risk provisions; and
- xiv. plan for continuity or transition of service provision in case of financial insolvency (e.g., restriction of referrals, reduction of service options) or termination of the contract).

V. Financial Implications

Costs associated with developing an RFP for the purchase of goods and/or services.

Policy development- 20 hrs. @ \$71/hr = \$1,420

RFP Process:

- a. advertising: \$15/day for 10 days = \$150
- b. research list of prospective vendors: 10 hours @ \$71/hour = \$710
- c. RFP development: 80 hours @ \$71/hour = \$5,680
- d. RFP distribution: 40 mailed @ \$2.90/ mailing = \$116
- e. Bidders Conference and mailing of minutes: 8 hours @ \$71/hour = \$568
- f. proposal review, analysis, selection: 120 hours @ \$71/hour = \$8,520
- g. RFP award to lowest/best bidder, contracting, negotiating, grievance processing: 24 hours @ \$71/hour = \$1,704