

**Consulting Services ITQ
CONTRACT 4400007410**

**REQUEST FOR QUOTATIONS FOR
Procurement & Contract Management/Monitoring Support**

ISSUING OFFICE

**Commonwealth of Pennsylvania
Department of Human Services
Bureau of Financial Operations
Division of Procurement and Contract Management
Room 402 Health and Welfare Building
625 Forster Street
Harrisburg, PA 17120**

RFQ NUMBER

6100042385

DATE OF ISSUANCE

June 28, 2017

This is a restricted solicitation under the Commonwealth's Consulting Services, Invitation to Qualify (ITQ), Contract # 4400007410. Only those contractors qualified in the following service category(s) under Contract # 4400007410 may submit a quote in response to this RFQ.

- **Management General Government Operations – Best Practice Analysis**
- **Management General Government Operations – Operations Analysis**
- **Management General Government Operations – Program Evaluation and Benchmarking**
- **Management General Government Operations – Measuring Process Performance/Improvement Outcomes**

**For more information about the Consulting Services ITQ, please click on the following link.
http://www.dgs.internet.state.pa.us/ITQ_Vendor/ITQData2.aspx?W=4400007410&WTS=1**

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RFQ Number 6100042385**

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CALENDAR OF EVENTS

The Commonwealth will make every effort to adhere to the following schedule:

Activity	Responsibility	Date
Deadline to submit Questions via email to RA-PWRFQQQUESTIONS@PA.GOV	Contractors	July 7, 2017 2:00 PM EST
Answers to Potential Contractor questions posted to eMarketplace at http://www.emarketplace.state.pa.us/Search.aspx no later than this date.	DHS	July 14, 2017
Please monitor website for all communications regarding the RFQ.	Contractors	Ongoing
Sealed quote must be received by the Issuing Office at Commonwealth of Pennsylvania Department of Human Services Bureau of Financial Operations Division of Procurement & Contract Management Room 402 Health and Welfare Building 625 Forster Street Harrisburg, PA 17120	Contractors	July 31, 2017 2:00 PM EST

PART I

GENERAL INFORMATION

- I-1. Purpose.** This Request for Quotes (“RFQ”) provides to those interested in submitting quotes for the subject procurement (“Contractors”) sufficient information to enable them to prepare and submit quotes for the **Department of Human Services’** (“Department” or “DHS”) consideration on behalf of the Commonwealth of Pennsylvania (“Commonwealth”) to satisfy a need for **Procurement & Contract Management/Monitoring Support** (“Project”). This RFQ contains instructions governing the requested quotes, including the requirements for the information and material to be included; a description of the service to be provided; requirements which Contractors must meet to be eligible for consideration; general evaluation criteria; and other requirements specific to this RFQ.
- I-2. Issuing Office.** DHS Office of Administration, Bureau of Financial Operations, Division of Procurement and Contract Management (“Issuing Office”) has issued this RFQ on behalf of the Commonwealth. The sole point of contact in the Commonwealth for this RFQ shall be Michelle Smith, RA-PWRFAQQUESTIONS@PA.GOV, the Project Officer for this RFQ. Please refer all inquiries to the Project Officer.
- I-3. Overview of Project.** The Department is seeking a Contractor who can provide consulting services to the Office of Administration’s Bureau of Financial Operations (“BFO”), Division of Procurement & Contract Management (“DPCM”) in areas specific to procurement and contract management and monitoring in support of the Department’s program offices. The selected Contractor will provide consulting services, including, but not limited to: statement of work development; research and benchmarking; development and delivery of procurement and contract monitoring training; and provide support relative to the procurement process and management/monitoring of contracts.

The selected Contractor, and any subcontractors, will be precluded from submitting proposals in response to any procurement solicitation for which the selected Contractor provided assistance to the Department.

I-4. Objectives.

A. General. The Department is seeking a Contractor that will work with BFO to further advance the procurement and contract management and monitoring processes currently in place. The selected Contractor must offer a broad range of knowledge and experience in the areas of procurement, contract management and contract monitoring in the public sector.

B. Specific. To enhance the Department’s expertise relative to:

1. Procurement best practices in the areas of pricing methodologies and performance standards to measure quality;

2. Negotiation strategies to garner cost savings for the Commonwealth; and
3. The monitoring and management of contracts, grants, and purchase orders to ensure quality, timely, and appropriate services are provided to the Department as prescribed.

I-5. Pre-quote Conference. The Department will not conduct a Pre-quote conference for this RFQ. If there are any questions, please forward them to the Project Officer in accordance with **Part I, Section I-6** of this RFQ.

I-6. Questions & Answers. If a Contractor has any questions regarding this RFQ, the Contractor must submit the questions by email (**with the subject line “RFQ 6100042385 Question”**) to the Project Officer named in **Part I, Section I-2** of this RFQ. If the Contractor has questions, they must be submitted via email **no later than** the date indicated on the Calendar of Events. The Contractor shall not attempt to contact the Project Officer by any other means. The Department shall post the answers to the questions to eMarketplace at <http://www.emarketplace.state.pa.us/Search.aspx> on an ongoing basis until the deadline stated on the Calendar of Events.

A Contractor who submits a question *after* the deadline date for receipt of questions indicated on the Calendar of Events assumes the risk that its quote will not be responsive or competitive because the Department is not able to respond before the quote receipt date or in sufficient time for the Contractor to prepare a responsive or competitive quote. When questions are submitted after the deadline date for receipt of questions indicated on the Calendar of Events, the Project Officer *may* respond to questions of an administrative nature by directing the questioning Contractor to specific provisions in the RFQ. To the extent that DHS decides to respond to a non-administrative question *after* the deadline date for receipt of questions indicated on the Calendar of Events, the answer must be provided to all Contractors through an addendum.

All questions and responses as posted on the eMarketplace are considered as an addendum to, and part of, this RFQ in accordance with RFQ, **Part I, Section I-7** of this RFQ. Each Contractor shall be responsible to monitor eMarketplace for new or revised RFQ information. DHS shall not be bound by any verbal information nor shall it be bound by any written information that is not either contained within the RFQ or formally issued as an addendum by DHS.

I-7. Addenda to the RFQ. If DHS deems it necessary to revise any part of this RFQ before the quote response date, DHS will post an addendum to eMarketplace at <http://www.emarketplace.state.pa.us/Search.aspx>. It is the Contractor’s responsibility to periodically check eMarketplace for any new information or addenda to the RFQ. Answers to the questions asked during the Questions & Answers period also will be posted to eMarketplace as addenda to the RFQ.

I-8. Electronic Version of RFQ. This RFQ is being made available by electronic means. The Contractor acknowledges and accepts full responsibility to ensure that no changes

are made to the RFQ. In the event of a conflict between a version of the RFQ in the Contractor's possession and DHS's version of the RFQ, DHS's version shall govern.

I-9. Response Date. To be considered for selection, hard copies of quotes must arrive at the Issuing Office on or before the time and date specified in the RFQ Calendar of Events. DHS will **not** accept quotes via email or facsimile transmission. Contractors who send quotes by mail or other delivery service should allow sufficient delivery time to ensure timely receipt of their quotes. If, due to inclement weather, natural disaster, or any other cause, the Commonwealth office location to which quotes are to be returned is closed on the quote response date, the deadline for submission will be automatically extended until the next Commonwealth business day on which the office is open, unless the Issuing Office otherwise notifies Contractor. The hour for submission of quotes shall remain the same. The Issuing Office will reject unopened, any late quotes.

I-10. Incurring Costs. DHS is not liable for any costs the Contractor incurs in preparation and submission of its quote, in participating in the RFQ process, or in anticipation of receipt of the purchase order.

I-11. Quote Requirements.

A. Quote Submission: To be considered, Contractor should submit a complete response to this RFQ to the Issuing Office, using the format provided in **Section 1-11B** of this RFQ, providing **six (6) paper copies [one marked "ORIGINAL"] of the Technical Submittal and two (2) paper copies of the Cost Submittal and two (2) paper copies of the Small Diverse Business and Small Business ("SDB/SB") Participation Submittal and related Letter(s) of Intent.** In addition to the paper copies of the quote, Contractor shall submit **two (2) complete and exact** copies of the entire quote (Technical, Cost and SDB/SB Submittals, along with all requested documents) on CD-ROM or Flash drive in Microsoft Office or Microsoft Office-compatible format. The electronic copy must be a mirror image of the paper copy and any spreadsheets must be in Microsoft Excel. The Contractor may not lock or protect any cells or tabs. Additionally, on the CD-ROM or Flash drive, include separate folders which contain a complete and exact copy of the entire Technical (excluding financial capability) Submittal in PDF (portable document format). To the extent that a Contractor designates information as confidential or proprietary or trade secret protected in accordance with **Part I, Section I-16** of this RFQ, the Contractor must also include one (1) redacted version of the Technical Submittal, excluding financial capability on a CD-ROM or Flash Drive in Microsoft Office or Microsoft Office-compatible format. The CD-ROM or Flash drive should clearly identify the Contractor and include the name and version number of the virus scanning software that was used to scan the CD-ROM or Flash drive before it was submitted. The Contractor shall make no other distribution of its quote to any other Contractor or Commonwealth official or Commonwealth consultant. Each quote page should be numbered for ease of reference. An official authorized to bind the Contractor to its provisions must sign the quote. If the official signs the **Quote Cover Sheet (Appendix A** to this RFQ) and the Quote Cover Sheet is attached to the Contractor's

quote, the requirement will be met. For this RFQ, the quote must remain valid for one hundred and twenty (120) days or until a purchase order is fully executed. If DHS selects the Contractor's quote for award, the contents of the selected Contractor's quote will become, except to the extent the contents are changed through Best and Final Offers or negotiations, contractual obligations.

Each Contractor submitting a quote specifically waives any right to withdraw or modify it, except that the Contractor may withdraw its quote by written notice received at the Issuing Office's address for quote delivery prior to the exact hour and date specified for quote receipt. A Contractor or its authorized representative may withdraw its quote in person prior to the exact hour and date set for quote receipt, provided the withdrawing person provides appropriate identification and signs a receipt for the quote. A Contractor may modify its submitted quote prior to the exact hour and date set for quote receipt only by submitting a new sealed quote or sealed modification which complies with the RFQ requirements.

B. Quote Format: Contractors must submit their quotes in the format, including heading descriptions, outlined below. To be considered, the quote must respond to all quote requirements. Contractors should provide any other information thought to be relevant, but not applicable to the enumerated categories, as an appendix to the Quote. All cost data relating to this quote and all Small Diverse Business and Small Business cost data should be kept separate from and not included in the Technical Submittal. Contractor should not reiterate technical information in the Cost Submittal. Each Quote shall consist of the following **three (3)** separately sealed submittals:

1. Technical Submittal:

a. In response to Part III;

b. The Technical Submittal must include a Transmittal Letter and include Tabs 1 through 14. Contractors must format their responses as follows:

- Tab 1: Table of Contents
- Tab 2: Requirements
- Tab 3: Statement of the Project
- Tab 4: Management Summary
- Tab 5: Work Plan
- Tab 6: Prior Experience
- Tab 7: Personnel
- Tab 8: Training
- Tab 9: Financial Capability
- Tab 10: Reports & Project Control
- Tab 11: Performance Standards
- Tab 12: Lobbying Certification (**Appendix K**)
- Tab 13: Corporate Reference Questionnaire (**Appendix D**)
- Tab 14: Key Personnel Reference Questionnaire (**Appendix E**)

- c. Complete, sign and include **Appendix B – Domestic Workforce Utilization Certification**;
 - d. Complete, sign and include **Appendix J – Iran Free Procurement Certification**;
2. Cost Submittal, in response to **Part IV** of this RFQ; and
3. SDB/SB Participation Submittal, in response to RFQ **Part V**:
 - a. Complete and include **Appendix G - SDB/SB Participation Submittal Form**; and
 - b. Complete and include **Appendix HJ - SDB/SB Letter of Intent**. Contractor must provide a Letter of Intent for each SDB and SB listed on the SDB/SB Participation Submittal Form.

Quotes must follow the following format:

- a. Pages must be 8.5 by 11 inches with right and left margins of one (1) inch.
- b. Must use Arial or Times New Roman font with a size of twelve (12).
- c. Tab and Section headings, shown in **Part I, Section I-11, MUST** be used.
- d. Each page of the quote must include a page number and identification of the Contractor in the footer.
- e. Materials provided in any Appendix must be specifically referenced by page number(s) in the body of the quote.

Exceptions for paper and font sizes are permissible for Project schedules (Microsoft Project) or for graphical exhibits and material in appendices which may be eleven (11) by seventeen (17) inches.

DHS may request additional information which, in DHS's opinion, is necessary to ensure that the Contractor's competence, number of qualified employees, business organization, and financial resources are adequate to perform according to the RFQ.

DHS may make investigations as deemed necessary to determine the ability of the Contractor to perform the Project, and the Contractor shall furnish to the Issuing Office all requested information and data. DHS may reject any quote if the evidence submitted by, or investigation of, such Contractor fails to satisfy DHS that such Contractor is properly qualified to carry out the obligations of the RFQ and to complete the Project as specified.

- I-12. Economy of Preparation.** Contractors should prepare quotes simply and economically, providing a straightforward, concise description of the Contractor's ability to meet the requirements of the RFQ.

- I-13. Alternate Quotes.** DHS has identified the basic approach to meeting its requirements, allowing Contractors to be creative and propose their best solution to meeting these requirements. DHS will not accept alternate quotes.
- I-14. Discussions for Clarification.** Contractors may be required to make an oral or written clarification of their quotes to DHS to ensure thorough mutual understanding and Contractor responsiveness to the solicitation requirements. DHS will initiate requests for clarification. Clarifications may occur at any stage of the evaluation and selection process prior to purchase order approval.
- I-15. Prime Contractor Responsibilities.** The selected Contractor will be required to assume responsibility for all services offered in its quote whether it produces them itself or by subcontract. Further, DHS will consider the selected Contractor to be the sole point of contact with regard to all purchase order, contractual and work order matters.
- I-16. Quote Contents.**
- A. Confidential Information.** The Commonwealth is not requesting, and does not require, confidential proprietary information or trade secrets to be included as part of a Contractor's submissions in order to evaluate quotes submitted in response to this RFQ. Accordingly, except as provided herein, Contractor should not label quote submissions as confidential or proprietary or trade secret protected. Any Contractor who determines that it must divulge such information as part of its quote must submit the signed written statement described in subsection c. below and must additionally provide a redacted version of its quote in accordance with **Part I, Section I-11** of this RFQ, which removes only the confidential proprietary information and trade secrets, for required public disclosure purposes.
- B. Commonwealth Use.** All material submitted with the quote shall be considered the property of the Commonwealth of Pennsylvania and may be returned only at the DHS's option. The Commonwealth has the right to use any or all ideas not protected by intellectual property rights that are presented in any quote regardless of whether the quote becomes part of a purchase order or contract. Notwithstanding any Contractor copyright designations contained on quotes, the Commonwealth shall have the right to make copies and distribute quotes internally and to comply with public record or other disclosure requirements under the provisions of any Commonwealth or United States statute or regulation, or rule or order of any court of competent jurisdiction.
- C. Public Disclosure.** After the award of a purchase order pursuant to this RFQ, all quote submissions are subject to disclosure in response to a request for public records made under the Pennsylvania Right-to-Know-Law, 65 P.S. § 67.101, et seq. If a quote submission contains confidential proprietary information or trade secrets, a signed written statement to this effect must be provided with the submission in accordance with 65 P.S. § 67.707(b) for the information to be considered exempt

under 65 P.S. § 67.708(b)(11) from public records requests. Refer to **Appendix C** of the RFQ for a **Trade Secret Confidential Proprietary Information Notice Form** that may be utilized as the signed written statement, if applicable. If financial capability information is submitted in response to **Part III, Section III-9** of this RFQ, such financial capability information is exempt from public records disclosure under 65 P.S. § 67.708(b)(26).

I-17. Best and Final Offers (“BAFOs”).

A. While not required, DHS may conduct discussions with Contractors for the purpose of obtaining “best and final offers.” To obtain BAFOs from Contractors, DHS may do one or more of the following, in any combination and order:

1. Schedule oral presentations;
2. Request revised quotes;
3. Conduct an online auction; and
4. Enter into pre-selection negotiations.

B. The following Contractors will **not** be invited by DHS to submit a BAFOs:

1. Those Contractors, which DHS has determined to be not responsible or whose quotes DHS has determined to be not responsive.
2. Those Contractors, which DHS has determined from the submitted and gathered financial and other information in accordance with **Part II, Section II-5** of this RFQ, do not possess the financial capability, experience, or qualifications to assure good faith performance of the purchase order.
3. Those Contractors whose score for their Technical Submittal of the quote is less than 70% of the total amount of technical points allotted to the technical criterion.

DHS may further limit participation in the BAFO process to those remaining responsible Contractors which DHS has, within its discretion, determined to be within the top competitive range of responsive quotes.

C. The Evaluation Criteria found in **Part II, Section II-4** of this RFQ, shall also be used to evaluate the BAFOs.

D. Price reductions offered shall have no effect upon the Contractor’s Technical Submittal.

- E. Any reduction to commitments to SDBs and SBs must be proportional to the reduction in the total price offered through any BAFO process or purchase order negotiations unless approved by BDISBO.
- I-18. News Releases.** Contractor shall not issue news releases, Internet postings, advertisements or any other public communications pertaining to this Project without prior written approval of DHS, and then only in coordination with DHS.
- I-19. Restriction of Contact.** From the issue date of this RFQ until DHS selects a quote as the best value, the Project Officer is the sole point of contact concerning this RFQ. Any violation of this condition may be cause for DHS to reject the offending Contractor's quote. If DHS later discovers that the Contractor has engaged in any violations of this condition, DHS may reject the offending Contractor's quote or rescind its purchase order. Contractors must agree not to distribute any part of their quotes beyond the Issuing Office. A Contractor who shares information contained in its quote with other Commonwealth personnel and/or competing Contractor personnel may be disqualified.
- I-20. Term of Work Order.** The Department will issue the selected Contractor a purchase order pursuant to Consulting Services ITQ Contract #4400007410. The term of the purchase order will commence on the Effective Date and will end three (3) years after the effective date. The Commonwealth, at its sole option, may renew the purchase order for two (2) additional one (1) year periods. No work may begin or be reimbursed prior to the date of issuance of the purchase order. The selected Contractor will be paid after submitting invoices, provided it is in accordance with the work plan and approved by the DHS Project Manager. Final payment will not be made until all Project work has been successfully completed.
- I-21. Notification of Selection.** DHS will notify the selected Contractor in writing of its selection as the best value contractor after DHS has determined, taking into consideration all of the evaluation factors, the quote that is the most advantageous to DHS.
- I-22. Debriefing Conferences.** Upon notification of award, Contractors whose quotes were not selected will be given the opportunity to be debriefed. The Project Officer will schedule the debriefing at a mutually agreeable time. The debriefing will not compare the Contractor with other Contractors, other than the position of the Contractor's quote in relation to all other Contractor quotes.
- I-23. Terms and Conditions.** The requirements and terms and conditions of Consulting Services ITQ #4400007410 shall govern all work conducted as a result of this RFQ.

PART II

CRITERIA FOR SELECTION

II-1. Mandatory Responsiveness Requirements. To be eligible for selection, a quote must:

A. Be timely received from an Contractor (see **Part I, Section I-9** of this RFQ); and

B. Be properly signed by the Contractor (see **Part I, Section I-11A** of this RFQ).

II-2. Technical Nonconforming Quotes. The two (2) Mandatory Responsiveness Requirements set forth in **Section II-1** above (A-B) are the only RFQ requirements that the Commonwealth will consider to be *non-waivable*. The Department may, in its sole discretion, (1) waive any other technical or immaterial nonconformities in a Contractor's quote, (2) allow the Contractor to cure the nonconformity, or (3) consider the nonconformity in the scoring of the Contractor's quote.

II-3. Evaluation. The Department has selected a committee of qualified personnel to review and evaluate timely submitted quotes. Independent of the committee, Pennsylvania DGS's BDISBO will evaluate the SDB/SB Participation Submittal and provide the Issuing Office with a rating for this component of each quote. The Department will notify in writing of its selection for negotiation the responsible Contractor whose quote is determined to be the most advantageous to the Commonwealth as determined by the Department after taking into consideration all of the evaluation factors.

II-4. Evaluation Criteria. The following criteria will be used in evaluating each quote:

A. **Technical:** The Department has established the weight for the Technical criterion for this RFQ as fifty percent (**50%**) of the total points. Evaluation will be based upon the following, in order of importance: **Soundness of Approach, Contractor Qualifications, Personnel Qualifications and Understanding the Problem.**

➤ **Soundness of Approach.** This refers to the Contractor's technical approach for completion of all deliverables in this RFQ, the Contractor's responsiveness to all requirements of the RFQ, and the Contractor's satisfaction of the Project's objectives.

➤ **Contractor Qualifications.** This refers to the ability of the Contractor to meet the terms of the RFQ, including the time constraints involved with this Project, and the quality, relevancy, and recency of prior experience, studies and projects completed by the Contractor. This also includes consideration of the Contractor's ability to undertake a Project of this size.

➤ **Personnel Qualifications.** This refers to the competence of professional personnel who the Contractor would assign to the Project. Qualifications of professional personnel will be measured by experience and education, with

particular emphasis on experience with studies/services similar to those described in the RFQ.

- **Understanding the Problem.** This refers to the Contractor's understanding of the Commonwealth's needs underlying the issuance of the RFQ, the Commonwealth's objectives in seeking to procure these services, and the nature and scope of the work involved in this Project.

The final Technical scores are determined by giving the maximum number of technical points available to the quote with the highest raw technical score. The remaining quotes are rated by applying the Technical Scoring Formula set forth at the following webpage:

<http://www.dgs.pa.gov/Businesses/Materials%20and%20Services%20Procurement/Procurement-Resources/Pages/default.aspx>.

- B. Cost:** The Department has established the weight for the Cost criterion for this RFQ as thirty (30%) of the total points. The cost criterion is rated by giving the quote with the lowest total cost the maximum number of Cost points available. The remaining quotes are rated by applying the Cost Formula set forth at the following webpage:

<http://www.dgs.pa.gov/Businesses/Materials%20and%20Services%20Procurement/Procurement-Resources/Pages/default.aspx>.

- C. SDB/SB Participation:** BDISBO has established the minimum evaluation weight for the SDB and SB Participation criterion for this RFQ as twenty percent (20%) of the total points.

1. The SDB and SB point allocation is based entirely on the percentage of the purchase order cost committed to SDB and SB.
2. A total combined SDB/SB commitment less than one percent (1%) of the total purchase order cost is considered de minimis and will receive no SDB or SB points.
3. Two thirds (2/3) of the total points are allocated to SDB participation (SDB%).
4. One third (1/3) of the total points is allocated to SB participation (SB%).
5. Based on a maximum total of two hundred (200) available points for the SDB/SB Participation Submittal, the scoring mechanism is as follows:

Small Diverse Business and Small Business Raw Score =

$$200 (\text{SDB}\% + (1/3 * \text{SB}\%))$$

6. Each Contractor's raw score will be pro-rated against the Highest Contractor's raw score by applying the formula set forth on the following webpage: http://www.dgs.pa.gov/Businesses/Materials%20and%20Services%20Procurement/Procurement-Resources/Pages/RFQ_SCORING_FORMULA.aspx.
7. The Contractor's prior performance in meeting its contractual obligations to SDBs and SBs will be considered by BDISBO during the scoring process. To the extent the Contractor has failed to meet prior contractual commitments, BDISBO may recommend to the Department that the Contractor be determined non-responsible for the limited purpose of eligibility to receive SDB/SB points.

- D. Domestic Workforce Utilization:** Any points received for the Domestic Workforce Utilization criterion are bonus points in addition to the total points for this RFQ. The maximum amount of bonus points available for this criterion is three percent (3%) of the total points for this RFQ.

To the extent permitted by the laws and treaties of the United States, each quote will be scored for its commitment to use domestic workforce in the fulfillment of the purchase order. Maximum consideration will be given to those Contractors who will perform the contracted direct labor exclusively within the geographical boundaries of the United States or within the geographical boundaries of a country that is a party to the World Trade Organization Government Procurement Agreement. Those who propose to perform a portion of the direct labor outside of the United States and not within the geographical boundaries of a party to the World Trade Organization Government Procurement Agreement will receive a correspondingly smaller score for this criterion. See the following webpage for the Domestic Workforce Utilization Formula:

<http://www.dgs.pa.gov/Businesses/Materials%20and%20Services%20Procurement/Procurement-Resources/Pages/default.aspx>.

- E. Iran-Free Procurement Certification and Disclosure.** Prior to entering a contract worth at least one million dollars (\$1,000,000.00) or more with a Commonwealth entity, an Offeror must: a) certify that it is not on the current list of persons engaged in investment activities in Iran created by DGS pursuant to Section 3503 of the Commonwealth Procurement Code (62 Pa.C.S. § 3503) and is eligible to contract with the Commonwealth under Sections 3501-3506 of the Commonwealth Procurement Code (62 Pa.C.S. §§ 3501-3506); or b) demonstrate that it has received an exception from the certification requirement for that solicitation or contract pursuant to Section 3503(e). All offerors must complete and return the **Iran-Free Procurement Certification (Appendix K)**, which is attached hereto and made part of this RFQ. The completed and signed **Iran-Free Procurement Certification** must be submitted as part of the Technical Submittal.

See the following web page for current Iran Free Procurement List:

<http://www.dgs.pa.gov/Documents/Procurement%20Forms/ProposedIranFreeProcurementList.pdf>

- II-5. Contractor Responsibility.** To be responsible, a Contractor must submit a responsive quote and possess the capability to fully perform the Project requirements in all respects and the integrity and reliability to assure good faith performance of the purchase order.

In order for a Contractor to be considered responsible for this RFQ and therefore eligible for selection for BAFOs or selection for purchase order negotiations:

- A. The total score for the technical submittal of the Contractor's quote must be greater than or equal to seventy percent (**70%**) of the **available technical points**; and
- B. The Contractor's financial information must demonstrate that the Contractor possesses the financial capability to ensure good faith performance of the purchase order. The Commonwealth will review the Contractor's previous three (3) financial statements, any additional information received from the Contractor, and any other publicly-available financial information concerning the Contractor, and assess each Contractor's financial capacity based on calculating and analyzing various financial ratios, and comparison with industry standards and trends.

A Contractor which fails to demonstrate sufficient financial capability to ensure good faith performance of the purchase order as specified herein may be considered by the Department, in its sole discretion, for BAFOs or purchase order negotiations contingent upon such Contractor providing performance security for the first purchase order year cost proposed by the Contractor in a form acceptable to the Department. Based on the financial condition of the Contractor, DHS may require a certified or bank (cashier's) check, letter of credit, or a performance bond conditioned upon the faithful performance of the purchase order by the Contractor. The required performance security must be issued or executed by a bank or surety company authorized to do business in the Commonwealth. The cost of the required performance security will be the sole responsibility of the Contractor and cannot increase the Contractor's cost quote or the cost to the Commonwealth.

Further, the Department will award a purchase order only to a Contractor determined to be responsible in accordance with the most current version of Commonwealth Management Directive 215.9, Contractor Responsibility Program.

II-6. Final Ranking and Award.

- A. After any BAFO process is conducted, the Issuing Office will combine the evaluation committee's final technical scores, BDISBO's final SDB/SB Participation Submittal scores, the final cost scores, and (when applicable) the domestic workforce utilization

scores, in accordance with the relative weights assigned to these areas as set forth in this Part.

- B.** The Issuing Office will rank responsible Contractors according to the total overall score assigned to each, in descending order.
- C.** Except as provided in **Part II, Section II-6D** of this RFQ, the Department must select as the Best Value Contractor the Contractor with the highest overall score.
- D.** The Department has the discretion to reject all quotes or cancel the RFQ, at any time prior to the time a purchase order is fully executed, when it is in the best interests of the Commonwealth. The reasons for the rejection or cancellation shall be made part of the contract file.

PART III

TECHNICAL SUBMITTAL

III-1. Nature and Scope of the Project. The selected Contractor will be expected to conduct research/benchmarking, develop resources, draft documents, develop and conduct training, and support contract monitoring efforts by the program offices.

III-2. Requirements.

A. Document Security. The nature of the Project requires the handling of confidential and sensitive information. The selected Contractor must establish a process to protect the confidentiality of all results, records, and other related information. Describe the process you will use to meet the following requirements:

1. Comply with applicable federal and state laws, regulations, and rules regarding the security and confidentiality of information pertaining to all Department programs.
2. All individuals with access to confidential or sensitive information must sign a confidentiality agreement. Personnel policies must address disciplinary procedures relevant to violation of the signed confidentiality agreement.
3. The selected Contractor is responsible for implementing and maintaining measures to prevent unauthorized access, copying, and distribution of information during work on this Project.
4. The selected Contractor is responsible for proper disposal (i.e. shred, surrender) of both hard and electronic working copies of such sensitive information during work on this Project, as well as any remaining information upon the completion of the Project.

B. Professional Qualifications. The selected Contractor must:

1. Have procurement, contract management, and/or contract monitoring experience;
2. Have experience conducting research, developing resources, and facilitating trainings specific to the procurement, contract management and contract monitoring process; and
3. Project Management Professionals (“PMP”) Certification is preferred, but not required.

C. Location of the Project. The selected Contractor will be co-located with DHS at the Health & Welfare Building in Harrisburg, PA and must have the capacity to provide support 7.5 hours/day, five (5) days per week between the hours of 7:30 A.M. and 5:00 P.M. Office space, telephone, personal computer, will be provided.

D. Conflict Free Requirements. The selected Contractor must be free and remain free of any conflict of interest with respect to providing procurement and contract management/monitoring consulting services to the Department. The selected Contractor may not provide services to the Department via a contract, purchase order, or grant agreement, currently, during the term of the purchase order and for any procurement for which it provided assistance to the Department.

III-3. Statement of the Project. State in succinct terms your understanding of the Project presented or the service required by this RFQ. Your response should demonstrate that the Contractor fully understands the scope of services to be provided, your responsibilities, and the performance requirements of this RFQ.

III-4. Management Summary. Include a narrative description of the proposed effort and a list of the items to be delivered or services to be provided. The summary will condense and highlight the contents of the Technical Submittal in a manner that allows a broad understanding of the entire Technical Submittal.

III-5. Qualifications.

A. **Prior Experience.** The Contractor should identify experience in procurement, contract management and contract monitoring. Experience shown should be work done by individuals who will be assigned to this project as well as that of your company. Studies or projects referred to must be identified and the name of the customer shown, including the name, address and telephone number of the responsible official of the customer, company, or agency who may be contacted.

B. **Company Overview.** The Contractor must describe the corporate history and relevant experience of the Contractor and any subcontractors. This section must detail information on the ownership of the company (names and percent of ownership), the date the company was established, the date the company began operations, the physical location of the company, and the current size of the company. The Contractor must provide a corporate organizational chart.

The Contractor must describe its corporate identity, legal status and forms, including the name, address, telephone number, and email address for the legal entity that is submitting the quote. In addition, the Contractor must provide the name of the principal officers, a description of its major services, and any specific licenses and accreditations held by the Contractor.

Contractors must provide similar organizational background information on any significant subcontractor for services. A “significant subcontractor” is defined as an organization undertaking more than ten percent (10%) on the total cost basis of the work associated with this RFQ.

If a Contractor is proposing to use the services or products of a subsidiary or affiliated firm, the Contractor must describe the business arrangement with that entity and the scope of the services the entity will provide.

If the experience of any proposed subcontractor is being used to meet the qualifications and requirements of this RFQ, the Contractor must provide the same information as listed above for the subcontractor. This information must be presented separately within this section, clearly identifying the subcontractor experience and name of the subcontractor.

A. References. The Contractor must provide a list of at least three (3) relevant contacts within the past three (3) years to serve as corporate references. The references must be outside clients (non-DHS). This list shall include the following for each reference:

1. Name of customer
2. Type of contract
3. Contract description, including type of service provided
4. Total contract value
5. Contracting officer's name and telephone number
6. Role of subcontractor(s) (if any)
7. Time period in which service was provided

The Contractor must submit **Appendix D, Corporate Reference Questionnaire**, directly to the contacts listed. The references should return the completed questionnaires in sealed envelopes to the Contractor. The Contractor must include these sealed references with its Technical Submittal under **Tab 13**.

The Contractor must disclose any contract or agreement cancellations, or terminations within five (5) years preceding the issuance of this RFQ. If a contract or agreement was canceled or terminated for lack of performance, the Contractor must provide details on the customer's allegations, the Contractor's position relevant to the allegations, and the final resolution of the cancellation or the termination. The Contractor must include each customer's Company or entity name, Address, Contact Name, Phone Number and Email Address.

The Department may disqualify a Contractor based on a failure to disclose such a cancelled or terminated contract or agreement. If the Department learns about such a failure to disclose after a contract is awarded, the Department may terminate a contract.

III-7. Personnel.

A. Contractor Personnel. Include the number of executive and professional personnel, analysts, auditors, researchers, consultants, etc., who will be engaged in the work. For "Key Personnel", defined as all professional consulting staff

assigned to this project, include the employee's name and, through a resume or similar document, the Project personnel's education and experience in similar in size and scope projects. Indicate the responsibilities each individual will have in this Project and how long each has been with your company.

Submitted responses are not to include personal information that will, or will be likely to, require redaction to release of the proposal under the Pennsylvania Right-to-Know Law (65 P.S. §§ 67.101 et seq.), including but not limited to home addresses and phone numbers, Social Security Numbers, driver's license numbers or numbers from state identification cards issued in lieu of a driver's license, and financial account numbers. If the Commonwealth requires any of this information for security validation or other purposes, the information will be requested separately and as necessary.

Include organizational charts outlining the staffing, reporting relationships, and staff members in the description. Show the total number of staff proposed and indicate the Full Time Equivalent ("FTE") to account for any additional staff members that are not assigned on a full-time basis. Provide similar information for any subcontractors that are proposed. The organizational chart must illustrate the lines of authority, designate the positions responsible and accountable for the completion of each component in the RFQ, indicate the names, job title, number of personnel that will be assigned to each role, and the number of hours per week each person is projected to work on the Project. The organizational chart must clearly indicate any functions that are subcontracted along with the name of the subcontracting entities and the services they will perform.

A minimum of three (3) client references for Key Personnel must be identified. All client references for Key Personnel must be outside clients (non-DHS) who can give information on the individual's experience and competence to perform project tasks similar to those requested in this RFQ. Key Personnel may be a member of the Contractor's organization, or any subcontractor included in the Contractor's proposal.

The Contractor must submit **Appendix E, Key Personnel Reference Questionnaire**, directly to the contacts listed. The references should return completed questionnaires in sealed envelopes to the Contractor. The Contractor should include these sealed references with its proposal under **Tab 14**.

Key Personnel Diversions or Replacement. Once Key Personnel are approved by DHS, the selected Contractor may not divert or replace personnel without prior approval of the DHS Project Manager. The selected Contractor must provide notice of a proposed diversion or replacement to the DHS Project Manager at least thirty (30) calendar days in advance and provide the name, qualifications, and background check (if required) of the person who will replace the diverted personnel. The DHS Project Manager will notify the selected Contractor within

ten (10) business days of the diversion notice whether the proposed diversion is acceptable and if the replacement was approved.

“Divert” or “diversion” is defined as the transfer of personnel by the selected Contractors or its subcontractor to another assignment within the control of either the Contractor or subcontractor. Advance notification and approval does not include changes in Key Personnel due to resignations, death, disability, dismissal for cause or dismissal as a result of the termination of a subcontract or any other causes that are beyond the control of the selected Contractor or its subcontractor. The Department Project Manager must approve the replacement personnel.

The DHS Project Manager may request that the selected Contractor remove a person from this Project at any time. In the event that a person is removed from the Project, the selected Contractor will have ten (10) days to fill the vacancy with a person acceptable in terms of experience and skills, subject to the DHS Contract Manager’s approval.

B. Subcontractors: Provide a subcontracting plan for all subcontractors, including SDB and SB subcontractors, who will be assigned to the Project. The selected Contractor is prohibited from subcontracting or outsourcing any part of this Project without the express written approval of the Commonwealth. Upon award of the purchase order resulting from this RFQ, subcontractors included in the quote submission are deemed approved. For each position included in your subcontracting plan provide:

1. Name of subcontractor;
2. Address of subcontractor;
3. Number of years worked with the subcontractor;
4. Number of employees by job category to work on this project;
5. Description of services to be performed;
6. What percentage of time the staff will be dedicated to this project;
7. Geographical location of staff; and
8. Resumes (if appropriate and available).

The Contractor’s subcontractor information shall include (through a resume or a similar document) the employees’ names, education and experience in the services outlined in this RFQ. Information provided shall also indicate the responsibilities each individual will have in this Project and how long each has been with subcontractor’s company.

III-8. Training. If appropriate, indicate recommended training of agency personnel. Include the agency personnel to be trained, the number to be trained, duration of the program, place of training, curricula, training materials to be used, number and frequency of sessions, and number and level of instructors.

III-9. Financial Capability. Describe your company's financial stability and economic capability to perform the purchase order requirements. Provide your company's financial statements (audited, if available) for the past three (3) fiscal years. Financial statements must include the company's Balance Sheet and Income Statement or Profit/Loss Statements. Also include a Dun & Bradstreet comprehensive report, if available. If your company is a publicly traded company, please provide a link to your financial records on your company website in lieu of providing hardcopies. The Commonwealth may request additional information it deems necessary to evaluate a Contractor's financial capability.

III-10. Work Plan. Describe in narrative form your technical plan for accomplishing the work. Use the task descriptions in **Part III, Section III-10** of this RFQ as your reference point. Modifications of the task descriptions are permitted; however, reasons for changes should be fully explained. Indicate the number of person hours allocated to each task. Include a Program Evaluation and Review Technique ("PERT") or similar type display, time related, showing each event. If more than one approach is apparent, comment on why you chose this approach. The relationship between Key Personnel and the specifics tasks, assignments, and deliverables proposed to accomplish the scope of work should also be described. Indicate the number of staff hours allocated to each task.

The Contractor should describe its management approach, including how it will implement its proposed work plan. Where applicable, the Contractor should provide specific examples of methodologies or approaches, including monitoring approaches, it will use to fulfill the RFQ requirements and examples of similar experience and approach on comparable projects. The Contractor should describe the management and monitoring controls it will use to achieve the required quality of Project services and performance requirements. The Contractor should also address its approach to internally monitor and evaluate the effectiveness of meeting the Project requirements.

The work plan must include the planned approach and process for establishing and maintaining communication between all parties and a technical approach that is aligned with all written specifications and requirements contained in the RFQ.

Tasks:

For estimating purposes, the following tasks represent an estimated five thousand eight hundred fifty (5,850) hours annually. Due to the changing program needs and priorities, the resulting purchase order will contain an estimated number of hours, which the Department may increase or decrease based on its actual needs and available funding.

The Department is interested in quotes which demonstrate the economic and efficient use of resources in order to accomplish the Project's tasks as well as reduce the Department's reliance on Contractor staff.

- A. Procurement Support (2,925 estimated total task hours annually).** The selected Contractor will provide procurement related support to the DPCM. The selected Contractor will:

1. Assist in the development of Statements of Work (“SOW”).
 - a. The selected Contractor will serve as a resource to Program Office staff in the development of SOW documents.
 - b. As requested, the selected Contractor will review and recommend changes, as appropriate, to draft SOW documents provided by the Program Offices. SOW documents shall align with current policies, procedures, and practices in order to ensure the SOW is sufficiently detailed to enable potential vendors to provide a responsive proposal.
 - c. The selected Contractor will attend meetings and provide input and guidance to Program Office staff, as directed.
2. Provide support in the development of various procurement-related documents and trainings.
 - a. The selected Contractor will develop, write and/or draft various procurement related documents for review/approval by DPCM staff in support of the program office’s procurements.
 - b. The selected Contractor will develop procurement-related trainings for Program Office staff; i.e. SOW writing, Service Level Agreement development, etc.
 - c. The selected Contractor will deliver or assist in the delivery of trainings provided to Program Office staff.
3. Research/Benchmarking for the procurement document development; including pricing methodology, performance standards, etc.
 - a. The selected Contractor will conduct national comparisons and literature searches relative to various procurement practices, including but not limited to, pricing methodologies and performance standards.
 - b. The selected Contractor will conduct research, monitor trends and policies at the state and federal level and conduct comparisons with other states with similar size programs and operations relative to pricing methodologies, performance standards, etc.
 - c. The selected Contractor will document findings; make recommendations for changes and improvements in procurement processes, procedures and policies as needed; and prepare reports with its recommendations.

- d. The selected Contractor will analyze and provide recommendations relating to nationally accepted, current “Best Practices” in procurements.
 - e. The selected Contractor will use information obtained through research to recommend performance measures for all procurements, in coordination with Program Office staff.
4. Negotiation Support – Research/Benchmarking pricing of other states
- a. The selected Contractor will conduct research of similar services being provided via procurements/contracts in other states and use the benchmarking process to provide support to DPCM involved in the negotiation process.
 - b. The selected Contractor will document their findings.
 - c. The selected Contractor will use research to make recommendations and prepare recommendation reports.
5. Facilitate program office development of management and monitoring plans as part of the development of the procurement document. The selected Contractor will assist Program Office staff to develop timely and thorough monitoring plan for their procurements.

B. Contract Management and Monitoring Support (2,825 estimated total task hours annually). The selected Contractor will:

1. Develop/conduct contract management and monitoring trainings.
- a. The selected Contractor will conduct research on contract management and monitoring best practices and will use that information to develop tools, trainings and training related materials.
 - b. The selected Contractor will develop various tools, trainings and training related materials for Program Office staff.
 - c. The selected Contractor will facilitate developed trainings for Program Office staff on a regular basis.
2. Review and report on the management and monitoring activities of identified contracts.
- a. The selected Contractor will support DPCM in monitoring and coordination efforts with staff in various positions and/or offices to ensure monitoring plans are being implemented and are being managed correctly

and appropriately and in accordance with the contracts/grants/purchase orders.

- b. The selected Contractor will maintain ongoing and regular contact with the program offices and serve as a resource to staff surrounding contract management/monitoring activities.
 - c. The selected Contractor will document their efforts and the monitoring status/activities of each contract. Such documentation shall include any identified problems and potential solutions.
 - d. The selected Contractor will assist DHS staff in the development of Corrective Action Plans for those contracts that pose serious and significant problems.
 - e. The selected Contractor will support DCEM in the management, monitoring and coordination efforts with program office staff to ensure Corrective Action Plans are being implemented and to assess progress and next steps.
3. Conduct invoice sampling/review of identified procurement documents.
 - a. The selected Contractor will review a statistically valid sample of invoices on a monthly basis to determine accuracy and compliance with the contractual requirements.
 - b. The selected Contractor will review invoices for contracts, grants and purchase orders containing inaccurate invoices on a more frequent basis, as directed by the Department.
 - c. The selected Contractor will document the results of its invoice reviews.

C. Grant Writing Support (200 estimated total task hours annually). The selected Contractor will assist in the development of responses to federal grant opportunities.

1. The selected Contractor will serve as a resource to Program Office staff in the development of grant response documents.
2. As requested, the selected Contractor will review and recommend changes, as appropriate, to draft grant response documents provided by the Program Offices. Grant response documents shall align with current federal policies, procedures, and practices.
3. The selected Contractor will attend meetings and provide input and guidance to Program Office staff, as directed.

III-11. Reports and Project Control.

- A. Work Order.** When the Department determines that it is in its best interest to utilize the selected Contractor's services for a specific project under the Tasks, the Department may send the selected Contractor a Work Order for completion of specific projects. This alternative is solely at the discretion of the Department.

If the Work Order process is utilized, the following apply:

1. Prior to being submitted to the selected Contractor, the Department will provide the following information on the Work Order:
 - a. The work, project, services, deliverables to be performed/provided,
 - b. The RFQ task or tasks under which the selected Contractor will perform the requested work, project, services, and/or deliverables; and,
 - c. The completion date for the requested work, project, services and/or deliverables.
2. Once received, the selected Contractor will provide the following information on the Work Order:
 - a. A work plan, which details the work to be performed, deliverables to be provided (if needed), the estimated hours needed for completion; and total estimated cost; and
 - b. Other information as required by the Department.
3. Once completed, the selected Contractor shall submit the Work Order to the Department Project Manager or designee for review. After review of the submitted Work Order, the Department Project Manager or designee will either approve or disapprove the Work Order. The Department Project Manager or designee may also enter into discussions with the selected Contractor and request modifications to the Work Order. If approved, the approval will constitute the selected Contractor's authority to commence work on the services and/or deliverables included in the Work Order.

The selected Contractor will not be compensated for work performed on a project until the Work Order is approved by the Department Project Manager or designee. Amendments or modifications to the approved Work Order may be made upon approval by the Department. The Department may terminate any project upon written notice to the selected Contractor. If a project is terminated, the Department will compensate the selected Contractor for work performed under the terminated project prior to the date of termination. Each approved Work Order will be deemed to incorporate the terms and conditions set for in the ITQ Contract and will become part of the purchase order.

- B. Required Status Meetings and Reports.** The selected Contractor will hold status meetings with DPCM as requested. The selected Contractor will also participate in monthly status meetings with the Department's Project Manager or designee to discuss the status of all tasks, the purchase order as a whole and the contract budget.

For monthly status meetings, the selected Contractor will develop, maintain, and share a Status Report containing all of the objectives and tasks with the hours and dollars allocated respectively. The selected Contractor will provide this status report to the Department at least twenty-four (24) hours prior to each status meeting and additionally at the request of the Department.

This status report must include each task with a description of the current status of projects within each task. It must include the name(s) of the main Department contact(s) and the main Contractor contact(s) for each task. It must include the original contract allocation and spending authority in both hours and dollars for each task. The report must also show how many hours and dollars are used each month and show the resulting balances by task for the current contract year. Lastly, while the report must be broken out by task, it must also reflect the total purchase order's budgeted hours and dollars for the year. Any additional comments regarding the status of the purchase order and its budget should also be noted on this report for discussion.

C. Problem Identification Report. An “as required” report, identifying problem areas. This report should describe the problem and its impact on the overall project and on each affected task. It should list possible courses of action with advantages and disadvantages of each, and include Contractor recommendations with supporting rationale.

III-12. Performance Standards. The Department has developed a set of minimum Performance Standards defined below, which the selected Contractor must meet, or exceed in order to be in good standing. The Department may, at its discretion, assess liquidated damages as indicated below. Where an assessment is defined as an “up to” amount, the dollar value will be set at the discretion of DHS. Liquidated Damages assessed against the selected Contractor will not cumulatively exceed ten percent (10%) of the monthly invoiced amount. The selected Contractor's performance will be reviewed and assessed on a monthly basis. The DHS Project Manager will give written notice of each failure to meet a performance standard to the selected Contractor. If DHS does not assess liquidated damages in a particular instance, DHS is not precluded from pursuing other or future assessments relating to those performance metrics and their associated damages.

CATEGORY	CRITERIA	IF NON COMPLIANT, AMOUNT OWED
Monthly Status Reports	The selected Contractor must provide a monthly status report on all major projects and hold a monthly status meeting on budget constraints, issues and recommendations to the Department's Project Manager or designee twenty-four (24) hours prior to monthly status meetings, unless otherwise arranged with the	If timeliness is not met and the selected Contractor does not advise the Project Manager or designee of the delay prior to the due date and receive Department approval, the Department may assign an assessment up to 3% of the monthly invoice.

	Department.	
Work Order	The selected Contractor must adhere to approved project timelines and costs.	<p>If prior approval is not received, the selected Contractor will not be reimbursed in excess of the approved amount.</p> <p>If timeliness is not met and the selected Contractor does not advise the Department Project Manager of delay prior to the due date and receive permission, the Department may assign a penalty not to exceed 3% of the approved cost of the work order.</p>

- A. For any deficiency, including ones relating to the performance metrics, the selected Contractor will prepare and submit a corrective action plan for any observation or finding contained in a notice of deficiency. The selected Contractor must submit the corrective action plan to DHS within ten (10) business days of notification of the deficiency or such longer time as may be agreed to by DHS.
- B. The corrective action plan must include, but is not limited to:
1. Brief description of the findings;
 2. Specific steps the selected Contractor will take to correct the situation or reasons why it believes corrective action is not necessary;
 3. Name(s) and title(s) of responsible staff person(s);
 4. Timetable for performance of the corrective action steps;
 5. Monitoring that will be performed to ensure that corrective action steps were implemented; and
 6. Signature of the selected Contractor's Contract Administrator or a senior executive.
- C. The selected Contractor must implement the corrective action plan within the timeframe agreed to by the Contractor and DHS for that particular corrective action plan. Failure to implement a corrective action plan, in the manner agreed to, may result in further action by DHS, including, but not limited to, a finding of default.

- D. In the event DHS determines a deficiency to be a serious non-compliance with the selected Contractor's obligations under the contract, DHS may find the selected Contractor in default.

III-13. Domestic Workforce Utilization. Contractors must complete and sign the **Domestic Workforce Utilization Certification** attached to and made part of this RFQ as **Appendix B**. Contractors who seek consideration for the Domestic Workforce Utilization Certification criterion must complete, sign, and submit the **Domestic Workforce Utilization Certification** in the same sealed envelope with the Technical Submittal.

III-14. Lobbying Certification and Disclosure of Lobbying Activities. This Project will be funded, in whole or in part, with federal monies. Public Law 101-121, Section 319, prohibits federal funds from being expended by the recipient or by any lower tier sub-recipients of a federal contract, grant, loan, or a cooperative agreement to pay any person for influencing, or attempting to influence a federal agency or Congress in connection with the awarding of any federal contract, the making of any federal grant or loan, or entering into any cooperative agreement. All parties who submit quotes in response to this RFQ must sign the "Lobbying Certification Form," (attached as **Appendix K**) and, if applicable, complete the "Disclosure of Lobbying Activities" Form (attached as **Appendix K**).

PART IV

COST SUBMITTAL

IV-1. Cost Submittal. The information requested in this **Part IV** shall constitute the Cost Submittal. Contractor shall place the Cost Submittal in a separate sealed envelope within the sealed quote, separated from the Technical Submittal. The total proposed cost should be broken down into the components set forth in **Appendix F– Cost Submittal Worksheet**. The percentage of commitment to SDB/SB should not be stated in the Cost Submittal.

Contractor should **not** include any assumptions in their Cost Submittals. If the Contractor includes assumptions in its Cost Submittal, the Department may reject the quote. Contractor should direct in writing to the Project Officer pursuant to **Part I, Section I-6** of this RFQ any questions about whether a cost or other component is included or applies. All Contractors will then have the benefit of the DHS's written answer so that all quotes are submitted on the same basis.

DHS will reimburse the selected Contractor for work satisfactorily performed after execution of a written contract and the start of the contract term, in accordance with contract requirements, and only after DHS has issued a notice to proceed.

PART V

SMALL DIVERSE BUSINESS AND SMALL BUSINESS PARTICIPATION SUBMITTAL

V-1. Small Diverse Business and Small Business General Information. The Department encourages participation by SDBs and SBs as prime contractors, and encourages all prime contractors to make significant commitments to use SDBs and SBs as subcontractors and suppliers.

A SB must meet each of the following requirements:

- The business must be a for-profit, United States business;
- The business must be independently owned;
- The business may not be dominant in its field of operation;
- The business may not employ more than one hundred (100) full-time or full-time equivalent employees;
- The business, by type, may not exceed the following three (3) -year average gross sales:
 - Procurement Goods and Services: twenty million dollars (\$20 million)
 - Construction: twenty million dollars (\$20 million)
 - Building Design Services: seven million dollars (\$7 million)
 - Information Technology Goods and Services: twenty five million (\$25 million)

For credit in the RFQ scoring process, a SB must complete the DGS BDISBO self-certification process. Additional information on this process can be found at: <http://www.dgs.pa.gov/Businesses/Small%20Business%20Contracting%20Program/Pages/default.aspx>.

A SDB is a DGS-verified minority-owned small business, woman-owned small business, veteran-owned small business, service-disabled veteran-owned small business, LGBT-owned small business, Disability-owned small business, or other small businesses as approved by DGS, that is owned and controlled by a majority of persons, not limited to members of minority groups, who have been deprived of the opportunity to develop and maintain a competitive position in the economy because of social disadvantages.

For credit in the RFQ scoring process, a SDB must complete the DGS verification process. Additional information on this process can be found at: <http://www.dgs.pa.gov/Businesses/Small%20Business%20Contracting%20Program/Pages/default.aspx>.

A Contractor that qualifies as a SDB or SB and submits a quote as a prime contractor is not prohibited from being included as a subcontractor in separate quotes submitted by other Contractor.

A SDB or SB may be included as a subcontractor with as many prime contractors as it chooses in separate quotes.

DGS's directory of self-certified SBs and DGS/BDISBO-verified SDBs can be accessed from: <http://www.dgs.pa.gov/Businesses/Small%20Business%20Contracting%20Program/Pages/default.aspx>.

Questions regarding the SDB/SB Programs, including questions about the self-certification and verification processes can be directed to:

Department of General Services
Bureau of Diversity, Inclusion and Small Business Opportunities (BDISBO)
Room 601, North Office Building
Harrisburg, PA 17125
Phone: (717) 783-3119
Fax: (717) 787-7052
Email: RA-BDISBOVerification@pa.gov
Website: www.dgs.pa.gov

V-2. Small Diverse Business and Small Business (“SDB/SB”) Participation Submittal.

All Contractors are required to submit **two (2)** copies of the **SDB/SB Participation Submittal Form (Appendix G)** and related **Letter(s) of Intent (Appendix H)**. The SDB/SB Submittal must be sealed in its own envelope, separate from the remainder of the proposal, and must be provided on the **SDB/SB Participation Submittal Form**, with information as follows:

- A. Contractors must indicate their status as a SDB and as a SB through selection of the appropriate checkboxes.
- B. Contractors must include a numerical percentage which represents the total percentage of the total cost in the Cost Submittal that the Contractor commits to paying to SDBs and SBs as subcontractors.
- C. Contractors must include a listing of and required information for each of the SDBs and/or SBs with whom they will subcontract to achieve the participation percentages outlined on the SDB/SB Participation Submittal.
- D. Contractors must include a **Letter of Intent** (attached as **Appendix H** is a Letter of Intent template which may be used to satisfy these requirements) signed by both the Contractor and the SDB or SB for each of the SDBs and SBs identified in the **SDB/SB Participation Submittal Form**. At minimum, the **Letter of Intent** must include all of the following:
 - 1. The fixed numerical percentage commitment and associated estimated dollar value of the commitment made to the SDB or SB;
 - 2. A description of the services or supplies the SDB or SB will provide;

3. The timeframe during the initial contract term and any extensions, options and renewals when the SDB or SB will perform or provide the services and/or supplies;
 4. The name and telephone number of the Contractor's point of contact for SDB and SB participation;
 5. The name, address, and telephone number of the primary contact person for the SDB or SB.
- E. Each SDB or SB commitment which is credited by BDISBO along with the overall percentage of SDB and SB commitments will become contractual obligations of the selected Contractor.

NOTE: Contractors will not receive credit for any commitments for which information as above is not included in the SDB/SB Participation Submittal. Contractors will not receive credit for stating that after the contract is awarded they will find a Small Diverse or Small Business.

V-3. NOTE: Equal employment opportunity and contract compliance statements referring to company equal employment opportunity policies or past contract compliance practices do not constitute proof of SDB and/or SB Status or entitle a Contractor to receive credit for SDB or SB participation.

V-4. Contract Requirements—Small Diverse Business and Small Business Participation.

All purchase orders containing SDB and SB Participation must contain the following contract provisions to be maintained through the initial contract term and any subsequent options or renewals:

- A. Each SDB and SB commitment which was credited by BDISBO and the total percentage of such SDB and SB commitments made at the time of quote submittal, BAFO or contract negotiations, as applicable, become contractual obligations of the selected Contractor upon approval of its purchase order by the Commonwealth.
- B. All SDB and SB subcontractors credited by BDISBO must perform at least fifty percent (50%) of the work subcontracted to them.
- C. The individual percentage commitments made to SDBs and SBs cannot be altered without written approval from BDISBO.
- D. SDB and SB commitments must be maintained in the event the purchase order or contract is assigned to another prime contractor.
- E. The selected Contractor and each SDB and SB for which a commitment was credited by BDISBO must submit a final, definitive subcontract agreement signed by the selected Contractor and the SDB and/or SB to BDISBO within thirty (30) business

days of the final approval date of the Commonwealth purchase order. A Model Subcontract Agreement which may be used to satisfy this requirement is provided in **Appendix I – Model Form of Small Diverse Business and Small Business Subcontract Agreement**. The subcontract must contain:

1. The specific work, supplies or services the SDB and/or SB will perform; location for work performed; how the work, supplies or services relate to the project; and the specific timeframe during the initial term and any extensions, options and renewals of the prime contract when the work, supplies or services will be provided or performed.
 2. The fixed percentage commitment and associated estimated dollar value that each SDB and/or SB will receive based on the final negotiated cost for the initial term of the prime contract.
 3. Payment terms indicating that the SDB and/or SB will be paid for work satisfactorily completed within fourteen (14) business days of the selected Contractor's receipt of payment from the Commonwealth for such work.
 4. Commercially reasonable terms for the applicable business/industry that are no less favorable than the terms of the selected Contractor's contract and purchase order with the Commonwealth and that do not place disproportionate risk on the SDB and/or SB relative to the nature and level of the SDB' and/or SB participation in the project.
- F.** If the selected Contractor and a SDB or SB credited by BDISBO cannot agree upon a definitive subcontract within thirty (30) business days of the final approval date of the Commonwealth purchase order, the selected Contractor must notify BDISBO.
- G.** The Selected Contractor shall complete the Prime Contractor's Quarterly Utilization Report and submit it to the DHS Project Manager and BDISBO within ten (10) business days at the end of each quarter of the purchase order term and any subsequent options or renewals. This information will be used to track and confirm the actual dollar amount paid to SDB and SB subcontractors and suppliers and will serve as a record of fulfillment of the contractual commitment. If there was no activity during the quarter, the form must be completed by stating "No activity in this quarter." A late fee of one hundred dollars (\$100.00) per day may be assessed against the selected Contractor if the Prime Contractor's Quarterly Utilization Report is not submitted in accordance with the schedule above.
- H.** The Selected Contractor shall notify the DHS Project Manager and BDISBO when circumstances arise that may negatively impact the selected Contractor's ability to comply with its SDB and/or SB commitments and to provide a corrective action plan. Disputes will be decided by the Issuing Office and DGS.

- I. If the Selected Contractor fails to satisfy its SDB and/or SB commitment(s), it may be subject to a range of sanctions BDISBO deems appropriate. Such sanctions include, but are not limited to, one or more of the following: a determination that the selected Contractor is not responsible under the Contractor Responsibility Program; withholding of payments; suspension or termination of the contract together with consequential damages; revocation of the selected Contractor's SDB and/or SB status; and/or suspension or debarment from future contracting opportunities with the Commonwealth.