The National Association for State Community Services Programs and
The CSBG DATA Task Force

GUIDE FOR WRITING AN RFP FOR CSBG DATA SYSTEM PROCUREMENT

Contents

As CSBG State Offices, Community Action Associations and CSBG Eligible Entities consider upgrading or overhauling their Information Technology (IT) systems to meet new reporting requirements, many will utilize a "Request for Proposal" (RFP) to solicit potential vendors. This guide is intended to walk organizations through key stages of the RFP process including:

- Getting Started
- Developing the RFP
- Reviewing and Scoring

This guide will also feature practices and common pitfalls associated with Information Technology related RFPs, as well as highlight additional resources available to the network. ***It is important to note that this guide is not intended to supersede procurement policies and procedures already in place. Before beginning this process, relevant contracts and procurement policies should be reviewed to ensure COMPLIANCE.***

WHAT IS AN RFP?

When an organization needs to find a vendor or service, they will often issue a Request for Proposals (RFP). An RFP outlines the specific project or service needed, as well as a budget. Potential vendors must then submit bids to compete for the project.

RFI, RFQ, or RFP?
Which is right for me?

There are multiple ways to solicit Information Technology vendors and/or services.

For example, if an organization wants to upgrade their system so that clients can submit applications online.

- A **Request for Information (RFI)** would identify a pool of companies who are qualified to design and implement online applications.

- A **Request for Quote (RFQ)** would ask potential vendors to simply provide a cost estimate (price quote) for designing and implementing an online application.

- A **Request for Proposal (RFP)** would require potential vendors to provide a price quote, action plan, deliverables, and timelines associated with developing an online application. Additionally, an RFP allows the organization to ask specific questions of potential vendors to assure they are the best fit for the project.

A well-constructed RFP will include:

- Background on the organization issuing the RFP and stated need for the good or service
- A request for a detailed business proposal (specific steps the vendor would take to complete the project)
- Deliverables and/or benchmarks with a timeline (what you can expect and when you can expect it)
- A request for a cost estimate
- A request for any additional background information (e.g., experience working on similar projects, how the vendor would overcome particular challenges, etc)
- The selection process including the scoring sheet and timeline for identifying a vendor

There is no one "right" template for an RFP (or the process one uses to develop it!). However, most experts agree that the more specific an organization can be in terms of outlining their project scope, the better results they will get.

GETTING STARTED (BEFORE YOU DEVELOP YOUR RFP)

One important benefit of the RFP process is transparency. It is important for appropriate partners (internally or externally) to get involved in developing the RFP (particularly for IT projects that could impact day-to-day activities). Before engaging others, it is important to determine a plan of action. This includes determining high level parameters and identifying key partners and experts, as well as pinpointing RFP process leaders.

> # The CSBG Landscape
> ## *Where Am I At?*
>
> Where you sit in your state CSBG landscape, as well as your current IT infrastructure, will have an impact on every step of the RFP process.
>
> For example
>
> - A **CSBG State Office with a statewide database** will need to consider the impacts of IT updates or changes on local intake workers, program managers, and IT staff.
>
> - A **local CSBG Entity who periodically provides data/reports to the state office** will need to be sure that they are following state procurement policies, as well as adhering to the system and reporting requirements outlined in state policy manuals and subgrantee agreements. It may prove helpful for local agencies to include a state CSBG staff member in the development and/or review of the RFP.

Step One: Determining High Level Parameters for the RFP

Some things to consider:

✓ **Primary Objectives**

This is the ultimate reason for initiating the RFP process. ***What task or project must be accomplished at the end of the day?*** For example, if an organization is looking to come into compliance with new CSBG reporting guidelines, then the non-negotiable objective of the project would be to produce system reports that meet CSBG reporting requirements.

✓ **Deadlines**

While there may be some flexibility in terms of milestones or benchmarks throughout the project—there are often concrete deadlines an organization is aiming to meet. For example, an organization may have a goal to comply with some or all of the new CSBG reporting requirements by a particular fiscal year.

Once an overarching deadline is determined, work backwards to set target dates for the RFP process itself. For example, an organization hoping to submit a complete CSBG Annual Report within two years probably has a little more time to issue an RFP than an organization trying to complete the same project in nine months. The

timeline should take careful consideration. Procuring a new IT system needs research of vendors, consensus among those involved, and consideration of the budget.

✓ **Approved Budget**

It is important to establish the budget at the beginning of the process, and to make sure those contributing to the RFP development process are aware of funding constraints. IT systems can be costly. When developing a budget, consider:

- Startup costs and ongoing annual maintenance
- Training (initial and ongoing)
- Review current hardware and software and consider any needed upgrades
- Consider staff time and or any needed consultants

✓ **Applicable agency, state, and federal procurement requirements**

There are likely procurement requirements that must be followed when developing an RFP and knowing this up front will save time. For example:

- Are there any internal requirements that an RFI must be completed before an RFP can be issued?
- Does initiating an RFP process require approval from leadership or external partners?
- Are there internal requirements to include (or limit) partner involvement in development of the RFP?
- Are there internal requirements that mandate (or prohibit) components to be included in the RFP language or scoring criteria?
- Have all federal, state, internal, or other contract stipulation regarding procurement policies been reviewed?

Procurement requirements, including guidelines specific to RFP's, will vary based on the type of organization issuing the RFP. Therefore, it is critical to clarify limitations and requirements both internally, as well as externally (see inset box on page 3).

Step Two: Plan for Engaging Key Partners and Experts

After laying out the basics, it is time to determine a plan for engaging key partners and experts.

✓ **Who Needs to be Engaged?**

Identifying the partners and advisors (experts) to engage in the RFP process will depend on organizational procurement requirements and project scope. For example, for a CSBG State Office considering an overhaul of an intake and reporting system, it will be critical to get input from the local agencies who use the system to do their day-to-day work (e.g., local intake workers, program managers, IT staff).

Conversely, for a local entity required to periodically report data from an internal system to the State CSBG Office, it will be valuable to involve someone from the state to assure compliance with reporting requirements.

✓ **How Will Partners and Experts be Engaged?**

There is not one approach to collaborating with partners and experts on the development of an RFP. However, there are factors that may influence the selected strategy. For example, if the timeline is flexible, a committee of internal and external partners and experts could be engaged at every step of the process.

A tight timeline may require an organization to consult and/or interview partners and experts as needed along the way.

A hybrid approach can also be taken—perhaps getting input as needed to develop the RFP, then extensively involving a team of partners and experts in scoring the submittals.

As noted above, the RFP process provides organizations with an opportunity to be transparent and collaborative. This should be considered carefully when determining who and how partners will be engaged.

Step Three: Identify RFP Project Leader(s)

The process of developing and scoring an RFP includes exchanges with multiple diverse partners, experts, procurement specialists, organizational leadership, and potential bidders. Having one (or more) "gatekeepers" is essential for clear communication between all parties involved.

When selecting a gatekeeper or leader to oversee the RFP process (or parts of the process), it may be helpful to consider the following questions:

- Based on the primary objective of the project, does the leader need to have subject matter expertise, or just good project management and communication skills?
- If developing the RFP requires extensive communication with external stakeholders – should the project manager be someone who stakeholders trust or are willing to talk with?
- Does your organization or department require that incoming proposals be handled and/or scored by a particular procurement officer or team?

Getting Started Checklist (Example)

Below is an example checklist an organization might walk through (potentially with their procurement staff) as they are beginning an RFP process. A blank version of this checklist is available at the end of the guide. This can also be found as a stand alone document in Appendix A.

➢ **What is the primary objective of the project or task?**	To develop a statewide data warehouse capable of generating CSBG required reports.
➢ **What is the deadline for our primary objective?**	The state would like to generate a fully compliant report from the data warehouse for FY 2021.
➢ **By what date do we need to select a vendor?**	November 30, 2019
➢ **By what date do we need to have submittals for scoring?**	November 7, 2019 *As per procurement specialist, it typically takes approximately 2-3 weeks for scoring and scoring verification.*
➢ **By what date do we need to issue RFP?**	By October 1, 2019 *This gives potential bidders a little over a month to submit.*
➢ **What is our maximum budget for this project?**	$125,000
➢ **Are there specific procurement requirements we need to keep in mind as the RFP is drafted?**	➢ Preference is given to Women Owned Small Businesses ➢ RFP must ask bidders to explain how they will comply with state administrative rules/statute related to system security and management of sensitive data (PII). ➢ Partners or experts engaged in development of RFP are not allowed to submit proposal. ➢ Procurement officer is the only person allowed to be in contact with potential bidders. She must serve as "gatekeeper"—and will route any questions as appropriate.
➢ **What partners need to be involved in RFP process?**	➢ IT staff from local agencies ➢ IT staff from state ➢ Program Managers who will use data warehouse for reporting *(Since this project will not impact current local systems or data collection, intake workers are not necessary to engage at this time)*
➢ **What experts need to be involved in RFP process?**	➢ IT staff from local agencies ➢ IT staff from state ➢ State Data Server representative ➢ Other state CSBG coordinators who have already gone through a similar project

➢ **How will we engage partners and experts?**	➢ State IT office will conduct interview with each subgrantee IT specialist to identify existing local system specs and to determine local preferences/needs for uploading data to state data warehouse.
	➢ Based on 1:1 interviews, state IT staff will draft initial RFP language. This will be reviewed by local IT staff.
	➢ State CSBG coordinator will use the fall training to present the draft RFP to program managers. This will allow program managers to express concerns and ask questions, as well as identify what specific reports they'd like to generate through the data warehouse. Requests regarding additional features or customized reports will be incorporated into draft RFP where feasible— otherwise, will be tracked for inclusion in future contract amendments, etc.
	➢ A handful of local IT staff will be selected to assist state IT staff, state CSBG program manager, and state procurement staff in scoring of submittals.
➢ **Overall lead**	State CSBG Program Manager
➢ **Drafting RFP**	State CSBG IT Specialist
➢ **Issuing and Distributing RFP**	State Procurement Officer
➢ **Answering questions from potential bidders**	State Procurement Officer
➢ **Drafting Scoring Criteria**	State CSBG IT Specialist
➢ **Scoring Submissions**	State CSBG IT Specialist / CSBG Program Manager
➢ **Final Selection of Vendor**	State CSBG IT Specialist / CSBG Program Manager

DEVELOPING THE RFP

Once the basic parameters for the RFP process have been determined, it is time to develop the RFP. This guide walks through three major steps: engaging partners and experts to define project needs, drafting the RFP language, and publishing/circulating the RFP.

Step One: Engage partners and experts to define and/or refine project work scope

In a way, this step could be considered a "needs assessment" of the current IT infrastructure. While a primary project objective may be laid out, this step is intended to hammer out all the specific details to include in the RFP project scope of work.

✓ **Affirm, clarify, and refine primary project objective(s)**

Initial conversation with partners and experts involved in the RFP process should start with review of the primary project objective. This provides partners with an opportunity to ask questions and/or highlight parts of the objective that need clarification. More importantly, it assures that everyone is on the same page moving forward.

✓ **Identify who will (or should) benefit from the project**

This topic will become its own section in the RFP draft. However, outlining "who benefits" can also serve as a litmus test when plotting out project scope. For example, if a new system is intended to help local program managers use data for performance management—then a key aspect of the scope should include reporting features accessible to local users.

✓ **Pinpoint system tools or features that are <u>required</u> to achieve primary objective**

When developing RFP's that involve information technology, it is important to get feedback from both end users and system (IT) experts.

- <u>Users</u> will be able to quickly tell you about shortcomings associated with aspects of their current systems, as well as tools or features that are absolutely critical for doing their job. Sorting through both shortcomings and "must haves" to find common themes will provide a basis for project requirements in the RFP draft.

- <u>System (IT) experts</u> will be able to outline the technical requirements associated with your project objectives. This includes, but is not limited to, integration and/or compatibility with various systems and preferred software or hardware, as well as required security architecture.

In most cases, it is helpful to engage users first to identify what tools or features are considered "must have" and then ask system experts to chime in regarding what technical requirements are necessary to generate those tools and features.

✓ **Identify system tools or features that are <u>desired</u> (but not necessarily required)**

As partners and experts provide input regarding the project scope, asking them to classify their ideas as "required" or "preferred" will make it much easier to produce a project scope in the RFP. As noted above, by engaging users first, system experts can then tell you whether some of the "required" features are feasible to include in the current RFP (given budget limits).

Step Two: Draft the RFP Language

This section outlines some of the basic components included in most RFP's and provides example language for each.

✓ **Project Description**

Developing a proposal takes a lot of time. A brief (one to two sentence) description of the project at the top of your RFP will give potential bidders an opportunity to decide whether it is worth their time to keep reading.

<u>Example:</u>
The State is requesting proposals from prospective contractors to provide a web-based client tracking software to effectively and efficiently manage the required data collection and reporting of client outcomes for services provided through Community Services Block Grant (CSBG) and more generally by Community Action Agencies (CAAs).[1]

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[1] "RFP for Client Tracking System", State of Virginia, August 26, 2016.

- ✓ **Organizational Background**

  Some IT contractors prefer to work with particular sectors (e.g., non-profit, government, corporate). Providing some organizational background about the work with CSBG will be another important factor in whether a potential bidder develops a proposal or not.

  Example:
  The State administers CSBG funding that supports 18 local CAAs. The CAAs work with communities and people in poverty to find innovative solutions to the problems of homelessness, housing, education, income, childcare, reentry into society after incarceration, child-support, and lack of business opportunity for low-income entrepreneurs. All of these contribute to poverty; addressing one of them individually rarely enables a person to overcome poverty. A holistic, multi-service approach to addressing poverty and its causes has been proven to be effective.[2]

- ✓ **Project Objectives**

  Requirements of the project should be included in the RFP so that the contractor understands what is expected out of the work product. Objectives should include solutions being sought by the software, the types of programs that need support, and expectation of reports. This section should also include whether a system conversion will be expected of the new vendor or if the information put into the system will be new.

  Example:
  CAAs need a complete solution to track participants at both the individual and family level and collect a broad array of data points, required elements of which vary by program. It is imperative that CAAs be able to produce an unduplicated count of clients and families served in any given period, together with the services those families receive and outcomes the individuals obtain, as well as a report on the characteristics of clients at point of entry and throughout their case period. Currently, all CAAs use a different system or many systems. This solution will allow CAAs to confine data entry to one system. CAAs will need the ability to migrate data from legacy systems.[3]

- ✓ **Budget**

  The costs associated with procuring a new system are one of the main considerations in the selection process of the RFP. The RFP should request a budget that includes costs for implementation, training, and ongoing support and maintenance for 3 – 5 years from the respondents. This should also include pricing based on number of users or total agencies accessing the system. The discussion of maintenance should include ongoing maintenance, service requests, and any costs associated with reporting changes or requests to change data tables. Any costs associated with transferring data from an older system to a newer system should also be addressed. The respondents should outline costs for hosted and self-hosted systems. Requesting the budget in an easy to read format can also be useful. Many vendors price their products on the number of end-users so outlining the anticipated number of end-users in the RFP can be helpful to ensure the budget is accurate.

  Example:
  Please describe, in detail, all pricing and total cost of ownership for the solution. Please give details on your licensing costs and terms, hosting, and support, if any are involved. This section should include estimates of upfront costs and implementation costs, as well as ALL recurring costs broken down to show each cost

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[2] "RFP for Client Tracking System" with minor edits for the purposes of this document, State of Virginia, August 26, 2016.
[3] "RFP for Client Tracking System", State of Virginia, August 26, 2016.

individually. Costs should be identified by line item and the budget should span the course of the next five years.[4]

✓ **Training and Support**

Requesting the respondents to identify their training and support plan will be useful when selecting a vendor. Better yet, requests for specific methods can be made in the RFP and then used as criteria during the selection process. Knowing that the vendor does or does not use the trainer method of training is useful if this specific model has or has not already worked for other implementations. Knowing or requesting certain chains of command for technical support can be important too, such as asking for only one contact during specific hours that knows the eligible entities and the project or preferring a call center approach to support.

Example:
Provide a complete maintenance plan as part of the proposal, including all options available and full pricing details. Provide all system administration and end user documentation of the system being proposed. Electronic documentation is preferred. Make note of any differences between cloud hosting or self-hosting in the proposal.

The proposal must include a plan that outlines how the end users will be trained on the proposed system. Training will include sufficient information and experience to familiarize users with system and basic operation. Provide a plan for training current staff and what training materials and methods will be used.[5]

✓ **Project Scope (including Benchmarks, Deliverables, Deadlines)**

Specifics of the work to be performed should be requested and described in this section. The more specific the requested requirement, the better equipped the reviewers will be to make a decision. Identifying the deadline for completion or the deliverable should be included. For example, if it is known that data migration will be needed with the implementation, then requesting a data migration plan and including the completion date in the Scope would be appropriate. Often charts help organize the discussion of the Scope. Technical requirements should be included in this section as well. There may be certain technologies that can or cannot be supported by the state or security requirements that need to be considered. Think about if this software should be used on mobile devices or via kiosks, ask about data limits and user limits and storage space, ask with what language the software was built, and talk with internal IT departments to consider additional technology requirements. Don't forget to include HIPPA and PII concerns.

Example:

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[4] "RFP for Client Tracking System", State of Virginia, August 26, 2016.
[5] "CSBG/LIHEAP/WAP Data Tracking System", State of Florida, June 27, 2018.

2.1   General Requirements:

Para #		Requirement/Desired Attribute	Mandatory (M) / Desirable (D)	Vendor Will Comply	Vendor Will Not Comply	Offeror Response
				Choose One		
	Classification	Functional Requirements				
2.1.1	Ad-Hoc Reporting	System must allow the export of report data in various formats like but not limited to; PDF, CSV, Microsoft Excel, Microsoft Word.	M			
2.1.2	Ad-Hoc Reporting	System must allow the user to visualize results of report in formats like, but not limited to, tabular, pie chart, bar chart, line chart.	M			

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✓ **Other Required Information/questions to be answered**

States and other organizations often have standard requirements that all vendors need to comply with. This might include data ownership (ensuring you own the data), confidentiality, record retention, discrimination policies, or other administrative requirements. Also consider questions about vendor, information about their company, and other projects similar to what you are requesting. The RFP might also want to ask about sub-vendors. Some vendors use multiple sub-contractors to complete the work. Understanding who is working for and with the company is important.

✓ **Contact and Deadline**

Decisions about whom a respondent can ask questions should be included in the RFP. Information on how to submit the proposal and any important deadlines about responses time and the selection process should be clearly written in the RFP.

Step Three: Publish and Circulate the RFP

After review and approval of draft:

✓ **Internal, state, and federal procurement policies regarding distribution and circulation**

Many states have specific criteria for how long an RFP should remain open for response and who needs to be notified when an RFP is open. Best practices should include posting the RFP in public places, like your website, newspaper, newsletters, or state procurement websites. The RFP should be made available for

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[6] "MCAN Management Information System", Missouri Community Action Network, March 7, 2019.

response for an adequate amount of time to obtain the desired number of respondents. Many procurement policies require at least three responses from potential vendors.

✓ **Using multiple avenues for circulation (examples)**

> Where should I post the RFP?
> ✓ State or Agency Website
> ✓ Send it to already known vendors
> ✓ Newspaper or newsletter

Making the RFP public and known to potential vendors increases the possibility that the right vendor will be identified.

REVIEWING AND SCORING RFP RESPONSES

Scoring criteria should be included in the RFP so the respondent understands the process and how the proposal is being considered. The group developing the RFP can choose to weigh criteria differently or the same. For example, if the company's experience is most important, then past experience could be weighted heavier than other criteria, such as cost.

Step One: Develop scoring criteria

✓ **Using RFP language to develop scorecard**

- Scoring criteria should mimic language used in the RFP and include topics that are addressed in other areas of the RFP. For example, if the RFP asked the respondent to provide information on staffing and sub-contractors and the experience of the group providing the service is important, then staffing and subcontractors should be a criteria and weighted appropriately.

✓ **Incorporate internal, state, and federal procurement policies regarding scoring**

- It will be important to check organizational procurement policies and state and federal policies to ensure all policy requirements are addressed. For example, policies often include requirements to give preference to women or minority owned businesses. One way to show that an RFP is doing that is to include "affirmative consideration[7]" as a criteria for scoring.

- Depending on the programs operated and the type of data being collected, additional requirements may exist such as that the system needs to be HIPAA complaint or store information for specific programs like those working in the domestic violence sphere in different locations.

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[7] Office of Management and Budget guidance in 2 CFR Chapter I, Chapter II, Part 200, et al. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule, Procurement Standards

✓ **Example scoring criteria/score card**

Criteria:	Numerical Weight:	Criteria:
Soundness of Approach and Schedule	25	The proposal identifies and assures the achievement of timely and acceptable performance. The proposal demonstrates the willingness to commit resources to meet deadlines. The proposal reflects realistic time frames and a chronological sequence of key activities.
Personnel	25	Information is provided on key personnel, the time they can devote to this project, and what percentage of their time that is. The proposal includes any contractors that will be used. Current resumes are included, and the documents reflect the staff's ability to complete the project as described.
Capability, Responsibility, and Previous Organizational Experience on Similar Projects	15	The proposal demonstrates sufficient breadth and depth of management capability for accomplishing the project. Previous organizational experience has occurred within the past five (5) years.
Cost	15	The Offeror proposes a reasonable cost.
Understanding of the Project	10	The proposal demonstrates a clear understanding of the project and deliverables. The proposal addresses potential issues and barriers.
Past Performance	5	The Offeror has received an acceptable on three evaluations.
Affirmative Consideration	5	The Offeror is a Minority, Small Business or Women-Owned Businesses
TOTAL:	100	

Step Two: Review and score responses

✓ **Internal, state, and federal procurement policy considerations**

• There are certain things that may disqualify a particular respondent. For example, some organizational procurement policies may exclude awarding a contract to anyone who is listed as suspended or disbarred on the sam.gov website.

• There could be requirements that contracting can only occur with companies that comply with certain federal acts such as: Equal Employment Opportunity, Davis-Bacon Act, Contract Work Houses and Safety Standards Act, Rights to Inventions Made under a Contract or Agreement, Clean Air Act and the Federal Water Pollution Control Action, and Byrd Anti-Lobbying Amendment.

• Some RFPs include a statement on the right to reject any respondent who does not follow the directions of submission or reject any proposal for any reason.

✓ **Stakeholder and expert engagement**

• Consider who is reviewing and scoring the proposals. Identifying people who have some knowledge of the organization and CSBG is important. It's also important that the reviewers are impartial and can be objective about the proposals and information learned from interviewing current or past customers of the respondent.

- There is no correct number of people who should be engaged in the review and scoring, but at least three different people is a good rule of thumb.

PROMISING PRACTICES, COMMON PITFALLS

✓ **Considerations from the field**

- Forming a steering committee to develop the RFP is an opportunity to engage stakeholders and gather input about what is collectively needed from a system.

- Procurement policies may have different requirements for different price thresholds. If an organization doesn't know what the costs for something might be, then an RFI could be a good first step.

- Things change over the course of a project or process. Maybe an organization isn't receiving enough responses and they need to extend the deadline of an open RFP or maybe an organization has new information and needs to update the RFP. That is all doable. The organization will have to create a changed or updated RFP and let all respondent know along with posting in the same public places as before.

- Talk to other states and agencies. Their experiences are useful and good to learn from.

ADDITIONAL RESOURCES AVAILABLE

✓ **CSBG Specific Resources**

- CSBG Annual Report tools and resources, including reporting forms.

- Need some sample contract language of standard federal requirements? Check out CAPLAW's sample contract provisions.

APPENDIX A

Below is a blank example checklist an organization might walk through (potentially with their procurement staff) as they are beginning an RFP process. See page 6 for a conversation on the checklist.

➢ **What is the primary objective of the project or task?**	
➢ **What is the deadline for our primary objective?**	
➢ **By what date do we need to select a vendor?**	
➢ **By what date do we need to have submittals for scoring?**	
➢ **By what date do we need to issue RFP?**	
➢ **What is our maximum budget for this project?**	
➢ **Are there specific procurement requirements we need to keep in mind as the RFP is drafted?**	
➢ **What partners need to be involved in RFP process?**	
➢ **What experts need to be involved in RFP process?**	

➤ **How will we engage partners and experts?**	
➤ **Overall lead**	
➤ **Drafting RFP**	
➤ **Issuing and Distributing RFP**	
➤ **Answering questions from potential bidders**	
➤ **Drafting Scoring Criteria**	
➤ **Scoring Submissions**	
➤ **Final Selection of Vendor**	