Instructions: Request for Qualifications for Weatherization Assistance Program Contractors

### Purpose

These instructions are for the accompanying Request for Qualifications (RFQ) Template and Template Spreadsheet. The RFQ template is meant to be used by Weatherization Assistance Program (WAP) grantees and subgrantees to acquire contractors to perform audits, retrofit installations, and/or inspections for WAP projects.

### RFQ Overview

An RFQ is a formal document used in procurement to solicit qualifications from potential contractors, vendors, or service providers. It is typically used to evaluate the competence, experience, and capacity of firms or individuals to perform specific tasks or projects before issuing a Request for Proposal (RFP) or awarding a contract. The list of qualified RFQ respondents can then be used during the RFP to create a more qualified pool of RFP respondents.

The RFQ process is similar to the RFP process with the exception that no money is awarded and less detail needs to be provided about the specifics of the project itself. RFQ respondents are required to meet certain requirements as well as respond to questions about their work. There is also a scoring portion of the RFQ process which allows potential contractors to be ranked based on their ability to meet the requirements set forth in the RFQ. Because of these similarities, the RFQ process is required to be open, transparent, and unbiased just like an RFP.

### Weatherization RFQ

For the Weatherization Assistance Program (WAP) an RFQ can be especially helpful because it helps with regulatory compliance with federal, state, local, and non-governmental WAP funder rules. It also reduces the risk of contracting with a new organization because the RFQ allows the organization to be vetted for their expertise and quality prior to engaging in a contract for work via an RFP.

### RFQ Steps

The following is a list of steps that should be taken by the RFQ Issuer.

1. Determine and clearly state the purpose of the RFQ in order that the respondents have a clear idea of what is expected of them during and after the RFQ process. This also helps the RFQ issuer create an effective set of qualifications, questions, and scoring rubric to meet the RFQ’s purpose.
2. Develop a realistic and achievable timeline for the RFQ. RFQs will likely contain the following milestones:
   1. Communication and Advertising
   2. Informational Meeting
   3. Issuance Date
   4. Questions and Comments Deadline
   5. Questions and Comments Responses Deadline
   6. Submission Deadline
   7. Evaluation Period
   8. Interviews
   9. Selection Announcement
3. Create the RFQ Document.
   1. The RFQ Template provides the outline of sections for creating the RFQ Document.
   2. Use the spreadsheet to create the lists to be included in each of the document’s sections. Use the sorting functionality to match the list contents to the services you are soliciting for in the RFQ.
      1. Services included in the RFQ
      2. RFQ Timeline
      3. Mandatory and Preferred Qualifications for RFQ respondents
      4. Questions to ask RFQ respondents to allow them to demonstrate their ability to meet the required qualifications and to be scored
      5. Attachments for verification of certifications, licenses, etc.
   3. Use the spreadsheet to create the Scoring Rubric
   4. Copy and paste from the spreadsheet into each applicable section within the RFQ Template to create the RFQ Document.
4. Review the RFQ Document for content. Hold a review with your internal WAP team to ensure that the RFQ clearly states and communicates the purpose of the RFP as well as contains all necessary language to satisfy procurement and organizational policies and procedures.
5. Submit the RFQ Document for review by your organization’s procurement department. Have your procurement department ensure that the RFQ Document meets all organizational procurement policies and procedures.
6. Submit the RFQ Document for review by other required departments (i.e. leadership, communications, etc.) within your organization, as necessary. Have these other necessary departments ensure that the RFQ Document is compliant with all organization policies and procedures.
7. Finalize the RFQ Document. Make all necessary changes based on the reviews and release the RFQ Document as final.
8. Advertise the RFQ. Promote the RFQ by advertising it via appropriate channels (i.e. procurement websites, email lists, word of mouth, local newspapers, online forums, etc.). Be sure to include the date of the informational meeting within the advertisement.
9. Hold an informational meeting with prospective RFQ respondents. Engage prospective RFQ respondents early by holding an informational meeting to promote the RFQ and answer questions from prospective respondents. Be sure to adequately prepare for the meeting by advertising the informational meeting, developing a list of invitees, providing invitees with the final RFQ Document, brainstorming potential questions prior to the meeting, and having the right people attend the meeting to answer questions from invitees.
10. Release the RFQ. Officially release the RFQ for response via the appropriate channels per your organization’s procurement procedure. Notify all potential respondents via email with hyperlink to the application that the RFQ is available for application.
11. Receive and respond to questions and comments. Allow potential RFQ respondents to ask questions or make comments about the RFQ. Post responses to questions and comments publicly for all potential respondents to see.
12. Receive RFQ submissions. Be prepared to receive RFQ submissions via the appropriate channel. This may be via the organization’s procurement website, email, or some other channel. Store the RFQs securely and in a way that can be accessed easily for review and scoring.
13. Score RFQ submissions. Use a rubric and a diverse team of reviewers to score the RFQ submissions. For transparency, the rubric must be part of the originally released RFQ. The review team members and their alternates should be contacted and assembled well in advance of the scoring date so that any reviewer scheduling conflicts can be dealt with in advance. Ensure that scoring is done in a transparent manner without any conflict of interest.
14. Notify respondents of their scores and level of qualification to apply for WAP service provision. Send official notifications to respondents letting them know their score and whether they are qualified to apply for WAP service provision.
15. Handle any disputes from respondents based on final score and/or qualification. Respondents may dispute the score or qualification they received. There must be a process in place to handle these disputes.

### RFQ Best Practices

The following is a list of best practices for creating and running a successful RFQ.

* Define the scope and objectives of the RFQ clearly and communicate them to all stakeholders.
* Establish a realistic timeline for the procurement process.
* Get procurement staff involved in the process early.
* Get leadership staff involved in the process early.
* The RFQ process may take a significant amount of staff time and energy. Appoint a lead staff member to manage the RFQ and provide them with plenty of time and resources to do so.
* Create a webpage for the RFQ so there is one location to act as a hub for procurement information. This webpage should link to the RFQ when released, show questions and comments along with responses, provide contact information to RFQ Issuer and staff, and provide any additional information as necessary or required.
* Be sure to stick to the procurement timeline and policy to ensure that the procurement meets the requirements of your organization.
* Create a strong and diverse team for the RFQ review and scoring process, including internal WAP, legal advisors, and external experts.
* Prior to RFQ, have a process in place to handle any disputes from respondents based on final score and/or qualification.

### Federal Rules for RFQ Issuers

For the RFQ, the most important sections of 2 CRF 200 are 200.317 to 200.327 under the Procurement Standards heading. It is recommended that the RFQ Issuer read these sections directly. Here is a summary of the requirements from 2 CFR 200 Procurement Standards:

1. The RFQ Issuer must use documented procurement policy and procedure that are compliant with federal, state, and local laws, rules, and regulations.
2. The RFQ Issuer must maintain policy covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts. This policy must include disciplinary action for policy violations.
3. No employee, officer, or agent of the RFQ Issuer may participate in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest.
4. The RFQ Issuer entity must maintain records sufficient to detail the history of procurement.
5. The RFQ Issuer alone must be responsible for the settlement of all contractual and administrative issues arising from procurements.
6. All RFQs must be conducted in a manner providing full and open competition. The following are examples of excessive requirements preventing open competition during an RFQ:
   1. Placing unreasonable requirements on firms in order for them to qualify to do business
   2. Requiring unnecessary experience and excessive bonding
   3. Noncompetitive contracts to consultants that are on retainer contracts
   4. Organizational conflicts of interest
   5. Any arbitrary action in the procurement process
   6. Requiring specific brand names of materials
7. The RFQ Issuer must conduct the RFQ in a manner that prohibits the use of state, or local geographical preferences in the evaluation of bids or proposals.
8. The RFQ must contain clear and accurate description of the technical requirements for the material, product, or service to be procured.
9. The RFQ Issuer must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition.
10. During the subsequent RFP or other solicitation for products and services, the procurement must not preclude potential bidders from qualifying during the solicitation period.
11. RFQs must be publicized and identify all evaluation factors and their relative importance.
12. RFQs must be solicited from an adequate number of qualified applicants.
13. The RFQ Issuer must have a written method for conducting technical evaluations of the proposals received and making selections.
14. The RFQ issuer must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. Affirmative steps for the RFQ include:
    1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists
    2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
15. A bond may be required based on the following guidelines:
    1. A bid guarantee from each bidder equivalent to five percent of the bid price. The “bid guarantee” must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.
    2. A performance bond on the part of the contractor for 100 percent of the contract price. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the contractor's requirements under such contract.
    3. A payment bond on the part of the contractor for 100 percent of the contract price. A “payment bond” is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

### Other Rules for RFQ Issuers

In addition to federal rules, the following must also be considered when creating the RFQ.

1. The RFQ Issuer must follow all state and local laws, rules, and regulations.
2. The RFQ Issuer must follow all organizational procurement policies and procedures.
   1. For state grantees issuing the RFQ, there are usually significant state procurement policies and procedures to be followed along with state boilerplate terms and conditions for the RFQ.
   2. The RFQ Issuer must have its organization’s procurement department review the RFQ prior to release to ensure compliance with policy and procedure requirements.
3. The RFQ must be released to the public in a way that meets organizational procurement policies and procedures.