

How to succeed in procurements without trying...

A contractor perspective on procurements

Introductions

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Session Abstract

This session includes representatives from four WIC EBT processors and FNS who will share insight into the procurement process from the national office and responder perspective. This is not intended to influence requirements per se, but to educate State Agencies in how requirements impact the proposals/ pricing and how some choices impact competition.

- State procurement rules:
 - Vary across the nation
 - Nearly impossible to standardize procurement processes for WIC EBT services
- Procurement decisions impact the overall response and pricing that will be submitted by responders, and so should be carefully made.
- Various procedural aspects of procurements should be considered in planning for a smooth process.

Decide if you
are going it
alone...

WIC Only

WIC and SNAP combined

Consortium

Group procurement, separate
contract


Group procurement, single contract

SNAP vs WIC Requirement Examples

SNAP	WIC
D-SNAP	No disaster services program
Manual Vouchers	No stand-in processing
Quest Operating Rules	No Quest
Benefit Expungement (365 days)	Benefit Expiration (end of benefit period)
Online only	Offline and Online technology

Be clear on the
type of
project...


- **Implementation** (paper to cards) vs. **Conversion** (converting from one EBT processor to another)
- **Requirements should differ** between first time card implementation compared to processor conversion in terms of:
 - Conversion experience
 - Project Timeline
 - Deliverables
 - Stand-beside Retailer readiness/enablement (vs. conversion)
 - Testing (and retailer certifications)
 - State and Local Agency/Clinic training
 - Cardholder communications
- **Align MIS & EBT contracts**



Always plan
ahead...it wasn't
raining when
Noah built the Ark

(Richard Cushing)

- **Start** the process **early** enough to give bidders plenty of time to respond (FNS recommends 90 days)
- Include time for FNS planning documents
- Be aware of **other procurements** nationally – if there are many open SNAP/WIC procurements, bidders may not be able to give all proposals the same attention
- Be aware of **FNS radio silence** during procurement process
- Allow additional time if your state requires **M/WBE, SBE, and/or DVOB** participation
- Include **contract negotiation time** into schedule



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Procurement and Project Schedule and Steps

- **Drafting, approval and publishing** of RFP – consider your state-specific procurement processes
- **Q&A** rounds- 2 rounds, ample time for bidders to integrate answers into response before due date
- **Evaluation** process – clarifications, BAFOs, Oral Presentations
- **Negotiation** process – allow ample time for levels of approvals on both sides plus fully negotiated contract review by FNS before execution
- **Implementation/Conversion** schedule:
 - A schedule with fewer than 9 months for a conversion makes it look like the Program does not want to change processors
 - Align deliverables to appropriate phases
 - Avoid multiple deliverables being due at the same time- you need time to review them
 - Be aware that review time for each deliverable (10/5/5) adds a month to the schedule

There is no such thing as TMI!

Consider **two rounds of Q&A**- one early to address any showstoppers for a Bid/No Bid decision, then a second after bidders have had time to develop their strategy and to ask follow-ups to first round answers

If vendors are asking a question, something is unclear about the RFP from their perspective. **Refrain from referring back to an RFP section**; this typically does not provide the clarity the bidder is seeking

Allow **ample time after answers are published** for responders to integrate clarifications into both their Technical and Cost responses

To avoid confusion, if your answers cause requirement language to be modified, added or deleted, **issue a redlined version of the RFP** with changes clearly marked

There is no
such thing
as TMI!

BIDDER QUESTION:

Based on the evaluation criteria only scoring references, and Attachment 1, *Proposer's Checklist*, only listing forms, and references, it appears that a bidder's proposal should only include client references and forms.

However, instructions on page 7 say "a straightforward, concise delineation of capabilities to satisfy the requirements of the RFP;" is to be provided and "incomplete or blank responses may cause rejection", but there are no specific questions to be answered.

Could the State specifically identify each section of the RFP that requires a direct response to be provided as part of each bidder's proposal?

STATE ANSWER:

Attachment 1 – Proposer Checklist identifies the required documents for submission of proposals

Know what you
want – what
you really,
really want...

- Do you want concise proposal responses? If so, are the response and format/organization instructions clear?
 - Be clear on # of copies for both Technical and Cost, clarify if Cost is to be separated in both hard and electronic copies from Technical
 - Streamline Project Management deliverables to be found in a single section and not duplicated throughout the RFP.
 - Make sure the proposal instructions are consistent with the evaluation criteria
- Do you really want to read 1000+ pages in response to your technical requirements *per bidder*?
 - Consider developing a functionality matrix to cover standard functionality common to all requirements
 - Consider having narrative responses for requirements that distinguish bidders (i.e., staffing, experience, project management approach, security, etc.)
 - Allow demonstration on how bidders are distinct in delivering the functionality
- Do you want straight-forward pricing? If so, have you tried to complete your pricing tables based on your instructions?

Know what you want – what you really, really want...

- Example: State required price per unit:

Item	Price per Unit
POS w/integrated PIN pad	
POS w/handheld PIN pad	
Wireless POS	
Installation & training per unit	
Call Center: 8am – 6pm Mon-Fri	
Call Center: 8am – 6pm 7 days/week	
Call Center: 24/7/365	+
Hardware and EBT Support Total	?????????

- That sum was added to the Summary table:

Item	Price
Implementation Price	
CPCM Total	
Hardware & EBT Support Total	+
Total Price Summary	?????????

Know what you
want – what
you really,
really want...

- Do you really want to read and analyze a number of draft management and project planning documents *from each bidder*?
 - Draft plans are developed based on limited knowledge of the bidder- and may inadvertently send the wrong message
 - Proprietary info might be left out
 - Bidders do not get the opportunity to customize content based on your decisions and constraints, so the plans
- Do you want to save trees? Considering limiting the number hard copies if you also require electronic copies (i.e., flash drive).

“I have only made this letter longer because I have not had the time to make it shorter.”

(Blaise Pascal , 1657)

What requirements should be considered for **removal or revision**?

- Requiring training by prime contractor for all retailers when retailers behind TPPs get support from TPPs
- Strict staffing requirements- allow contractors to propose a resource strategy based on their experiences and solution
- Removal of antiquated requirements from the last RFP issued or borrowed from SNAP
- Requiring T&Cs to be agreed to without exception
- 100% SLAs – impossible to agree to, so what is reasonable?
- TPP agreement language should be removed as the activity is handled by the gateway



All-inclusive or
Al-a-Carte...you
get what you pay
for.



- **All-inclusive:**
 - All risk must be baked into proposed cost (i.e., SLAs, performance bonds, indemnification, little-used services/functions, disaster support, etc.)
- **Al-a-carte:**
 - Offers flexibility
 - Little-used services/functions can be priced to be paid for only as used
 - Service requirements such as varying levels of customer support and onsite staff can be priced as optional, etc.
- **Lowest Price vs. Best Value** – what is most important to you?
- Open to **alternative or optional pricing**?
- Provide **specific pricing tables** and, if applicable, use pre-filled calculations in spreadsheets so there is no ambiguity in how totals are being calculated

And the
winner
is...

Weighting of Technical vs. Cost Proposals

Clear evaluation factors should tie back
to proposal organization/format
requirements

Orals and Live Demo of solutions

BAFO



Questions?