

Procurement in Missouri

Everything you wanted to know,
maybe didn't want to know,
but need to know!

What is Procurement?

- 34.030 The commissioner of administration shall purchase all supplies (Supplies, materials, equipment, contractual services and any and all articles or things, except for utility services) for all departments of the state, except as in this chapter otherwise provided.

Procurement Methods

- ◉ No bid requirements: Under \$3000.00
- ◉ Competition:
 - > Informal competition: \$3000-\$25,000
 - > Formal competitive bidding: >\$25,000
 - > Formal competitive proposals: >\$25,000

Available Alternatives in Procurement

◉ Single Feasible Source

- > Supplies are proprietary and only available from the manufacturer
- > Past procurement experience
- > Available at a discount for a limited period of time

Available Alternatives to Procurement

- ◉ Emergency – threat to life, property, public health or safety or to protect against further loss, or to minimize serious disruption in state services
- ◉ Contracting with other governmental entities
- ◉ Contracting with state entities (i.e. MVE)
- ◉ Resale (concession operations)
- ◉ Delegation of Authority

Statutory Authority

- 34.030 Commissioner shall purchase all supplies
- 34.040 Competitive bidding, lowest and best, advertising requirements
- 34.042 Competitive proposals, lowest and best, advertising requirements, negotiation (for purpose of clarifying and assuring full understanding of and responsiveness to the solicitation requirements)

Statutory Authority

- ◉ 34.044 Single Feasible Source
- ◉ 34.045 Emergency
- ◉ 34.046 Contracting with other governmental agency
- ◉ 34.100 Delegation of Authority

Highest volume procurements

- ◉ Commodities
 - > Food
 - > Vehicles
 - > Office Supplies
 - > Pharmaceuticals

Highest Volume Procurements

- Information Technology
 - > Prime Vendor
 - > EBT
 - > MMIS
 - > IT Consulting

Highest Volume Procurements

- Professional Services
 - > Managed Care
 - > Corrections Healthcare
 - > Non-Emergency Medical Transportation
 - > Tourism Advertising
 - > Residential Services

Preferences

- 34.031 &.032 – recycling preference
- 34.060 – materials, products, supplies, provisions and all other articles produced, manufactured, made or grown within the state of Missouri.
- 34.070 – Missouri products and firms
- 34.073 – firms doing business as Missouri firms or which maintain Missouri offices or places of business
- 34.074 – 3 point bonus for Disabled Missouri veteran

Preferences continued

- 34.076 – Reciprocity – whatever you do to a Missouri vendor in your state, we'll do to a state vendor in Missouri
- 34.165 – 10 point bonus for Sheltered Workshop/Blind entities
- 34.175 – soybean based ink preference - 10%
- 34.350 -359 – Missouri Domestic Products procurement act

Preferences continued

- 34.375 – preference to food and beverages containing high levels of calcium

Executive Orders

- 98-21 – Initial MWBE goals
- 03-27 - consider Missouri economic impact in evaluation
- 04-09 – No work offshore unless certain conditions are met
- 05-30 – New MWBE goals

Important Statutes

- 34.040 .6 – shall not contract with entity failing to collect and properly pay taxes
- 285.525-.550 - E-verify
- 8.305 – energy star appliances

Preparation of RFP/IFB

- ◉ Define specification or scope of work
 - > Use the vendor community
 - > Use a method such as request for information
 - > Use a contract already in place and perfect

Preparation of RFP/IFB

- ◉ Determine evaluation methods
 - > What criteria are important
 - Cost
 - Other factors
 - > What is the information I want to have to make an informed decision
 - > What information is necessary to compare different offers/bids

Issuance of IFB/RFP

- ◉ Minimum – 5 days – advertising requirement
- ◉ Normal – 18 days
- ◉ Option
 - > Pre-bid/Pre-Proposal Conference
 - Opportunity for vendors to ask questions regarding requirements
 - Opportunity for state to become more knowledgeable about requirements

Issuance of IFB/RFP - continued

- Key words – Must/Shall – Should/May
- Specification/Scope of Work Protest
 - > T&C's say must be submitted within 10 days of bid opening
 - > Respond with change or rationale for requirement

Amendment to IFB/RFP

- Purpose – to ensure; (1) competitive procurement process; (2) requirements are definitive in a contracting environment; (3) the state obtains the appropriate information necessary to make an informed decision
- Additions, Deletions, Modifications

Evaluation

- ⦿ Specification
 - > Buyer
 - > Agency
- ⦿ Agency specific person or committee
- ⦿ Cross agency committee

Evaluation

- ◉ Invitation for Bid – review for meeting mandatory requirements
 - > Responsive/non-responsive
- ◉ Request for Proposal –
 - > Review for compliance with requirements (must/shall)
 - > Review facts of each proposal in terms of the evaluation categories in the RFP

Evaluation Meetings

- Determine the potential acceptability or unacceptability of each proposal
 - > Does the proposal comply with mandatory requirements – no proposal may be awarded that conflicts with mandatory requirements
 - > What are the deficiencies in the proposal – things that can be corrected during the negotiation process

Evaluation

- Determine relevant facts
 - > Pros/Cons
 - > Verification of References
 - > Question/Answer Conferences
 - > Requesting additional information/clarification
 - > Inspections/Tours
 - > Demonstrations
 - > Competitive Negotiations – Best and Final Offer Process (BAFO)- not required

Evaluation

- ◎ Best and Final Offers
 - > Outline deficiencies – mandatory requirements not met
 - > May outline weaknesses
 - > May modify RFP requirements or terms and conditions
 - > Confidentiality is of the utmost importance

Evaluation – BAFO continued

- BAFO response time is target
- Offeror may respond to only what is referenced in the BAFO letter (usually only deficiencies)
- Offeror may modify any part of their proposal
- Offeror may submit completely new pricing

Evaluation

◉ Subject Evaluation

- > Analyze all facts for all offerors
- > Perform a comparative analysis among offerors
- > Assign points for each evaluation category
- > Prepare written evaluation report referencing assigned points
 - Individual evaluations
 - Consensus evaluations

Evaluation

- Evaluation narrative is finalized
 - > Buyer/Agency
- PMM adds cost, MWBE, Sheltered Workshop/Blind points
- Scoring sheet is completed and signed
- Recommendation is sent to agency for approval
- Agency approval documented and award is made

Questions from Vendors

- Liability Issues
- Terms and Conditions
- How is the solicitation to be evaluated

Contract/Contract Amendment

- Contract is made up of IFB/RFP and the bidder/offeror response
- Contract amendments – renewals
 - > Usually state's sole option
- Other contract amendments require mutual agreement
- Amendments to increase value of contract – 10% guideline
- Reduction in services should include reduction in price and vice versa

Questions from Legislators

- Largest number come from the beginning of the process
 - > Why are we restricting specifications
 - > Why are we considering out of state vendors
 - > Why are we going with higher cost