

OFFICE OF PURCHASING
STATE OF MICHIGAN

RFP # _____
Due 8/6/99

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A Public Act 135 of 1999 section 645

DEFINITION OF TERMS

TERMS	DEFINITIONS
Contract	A binding agreement entered into by the State of Michigan resulting from a bidder's proposal; see also " Blanket Purchase Order."
Contractor	The successful bidder who is awarded a Contract.
DMB	Michigan Department of Management and Budget
RFP	Request For Proposal - A term used by the State to solicit proposals for services such as consulting. Typically used when the requesting agency requires vendor assistance in identifying an acceptable manner of solving a problem.
ITB	Invitation to Bid - A generic form used by the Office of Purchasing to solicit quotations for services or commodities. The ITB serves as the document for transmitting the RFP to interested potential bidders.
Successful Bidder	The bidder(s) awarded a Contract as a result of a solicitation.
State	The State of Michigan
Blanket Purchase Order	Alternate term for " Contract" used in the State's Computer system (Michigan Automated Information Network [MAIN])
Expiration	Except where specifically provided for in the Contract, the ending and termination of the contractual duties and obligations of the parties to the Contract pursuant to a mutually agreed upon date.
Cancellation	Ending all rights and obligations of the State and Contractor, except for any rights and obligations that are due and owing.
(Agency Terminology)	(Agencies may wish to define one or several terms specific to the particular RFP. Any vernacular or terms-of-art used elsewhere in the RFP should be defined so that the meaning is clear to all prospective bidders. Agencies may use the space provided below for this purpose, and/or may attach additional pages if necessary.)

INTRODUCTION

This Request For Proposal (RFP) is issued by the Office of Purchasing at the Michigan Department of Management and Budget. The document contains four sections:

Section I, Contractual Terms and Conditions. This section describes the contractual terms and conditions of the RFP that will be a part of any Purchase Order (P.O.)/Contract that results from the RFP.

Section II, Work Statement. This section is a detailed description of the services to be contracted for, including the background and objectives of the work. It is the most important portion of the RFP.

Section III, Bidding Information. This section is used to inform bidders of the general procurement conditions under which the RFP is issued

Section IV, Information Required From Bidders. This section provides bidders with instructions regarding the format and nature of the detailed information that must be provided in a proposal.

SECTION I
CONTRACTUAL SERVICES TERMS AND CONDITIONS

I-A PURPOSE

The purpose of this Request For Proposal (RFP) is to obtain quotations for evaluation of child day care funding.

Contract awarded from this solicitation will be a unit rate contract. See Section II-H for additional information.

I-B TERM OF CONTRACT

The State of Michigan is not liable for any cost incurred by any bidder prior to signing of a Contract by all parties. The activities in the proposed Contract cover the period **August 16, 1999 to November 15, 1999**. The State fiscal year is October 1st through September 30th. The prospective Contractor should realize that payments in any given fiscal year are contingent upon enactment of legislative appropriations.

I-C COST LIABILITY

The State of Michigan assumes no responsibility or liability for costs incurred by the Contractor prior to the signing of any Contract resulting from this Request. Total liability of the State is limited to the terms and conditions of this Request and any resulting Contract.

I-D PRIME CONTRACTOR RESPONSIBILITIES

The Prime Contractor will be required to assume responsibility for all contractual activities offered in this proposal whether or not that Contractor performs them. Further, the State will consider the Prime Contractor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the anticipated Contract. If any part of the work is to be subcontracted, responses to this RFP should include a list of subcontractors, including firm name and address, contact person, complete description of work to be subcontracted, and descriptive information concerning subcontractor's organizational abilities. The State reserves the right to approve subcontractors for this project and to require the Primary Contractor to replace subcontractors found to be unacceptable. The Contractor is totally responsible for adherence by the subcontractor to all provisions of the Contract.

I-E NEWS RELEASES

News releases pertaining to this document or the services, study, data, or project to which it relates will not be made without prior written State approval, and then only in accordance with the explicit written instructions from the State. No results of the program are to be

released without prior approval of the State and then only to persons designated.

I-F CONFIDENTIALITY

The Contractor will be bound by the same standards of confidentiality as the State employees. Contractor may not release any products or portions of products resulting from the Contract without approval of the Contract Administrator.

I-G DISCLOSURE

All information in a bidder's proposal and any Contract resulting from this ITB is subject to the provisions of the Freedom of Information Act, 1976 Public Act No. 442, as amended, MCL 15.231, et seq..

I-H ACCOUNTING RECORDS

The Contractor will be required to maintain all pertinent financial and accounting records and evidence pertaining to the Contract in accordance with generally accepted principles of accounting and other procedures specified by the State of Michigan. Financial and accounting records shall be made available, upon request, to the State of Michigan, its designees, or the Michigan Department of Auditor General at any time during the Contract period and any extension thereof, and for three (3) years from the expiration date and final payment on the Contract or extension thereof.

I-I INDEMNIFICATION

1. General Indemnification

The Contractor shall indemnify, defend and hold harmless the State, its departments, divisions, agencies, sections commissions, officers, employees and agents, from and against all losses, liabilities, penalties, fines, damages and claims (including taxes), and all related costs and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties), arising from or in connection with any of the following:

- (a) any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or resulting from (1) the product provided or (2) performance of the work, duties, responsibilities, actions or omissions of the Contractor or any of its subcontractors under this Contract;
- (b) any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or resulting from a breach by the Contractor of any representation or warranty made by the Contractor in the Contract;
- (c) any claim, demand, action citation, or legal proceeding against the State, its employees and agents arising out of or related to occurrences that the Contractor is required to insure against as provided for in this Contract;

- (d) any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or resulting from the death or bodily injury of any person, or the damage, loss or destruction of any real or tangible personal property, in connection with the performance of services by the Contractor, by any of its subcontractors, by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable; provided, however, that this indemnification obligation shall not apply to the extent, if any, that such death, bodily injury or property damage is caused solely by the negligence or reckless or intentional wrongful conduct of the State;
- (e) any claim, demand, action, citation or legal proceeding against the State, its employees and agents which results from an act or omission of the Contractor or any of its subcontractors in its or their capacity as an employer of a person.

2. Patent/Copyright Infringement Indemnification

The Contractor shall indemnify, defend and hold harmless the State, its departments, division, agencies, sections, commissions, officers, employees and agents from and against all loses, liabilities, penalties, fines, damages (including taxes), and all related costs and expenses (including reasonable attorney's fees and disbursements, costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought against the State to the extent that such action or proceeding is based on a claim that any piece of equipment, software, commodity or service supplied by the Contractor or its subcontractors, or the operation of such equipment, software, commodity or service, or the use or reproduction of any documentation provided with such equipment, software, commodity or service infringes any United States or foreign patent, copyright, trade secret or other proprietary right of any person or entity, which right is enforceable under the laws of the United States. In addition, should the equipment, software, commodity, or service, or the operation thereof, become or in the Contractor's opinion, be likely to become, the subject of a claim of infringement, the Contractor shall, at the Contractor's sole expense (i) procure for the State the right to continue using the equipment, software, commodity or service or, if such option is not reasonably available to the Contractor, (ii) replace or modify the same with equipment, software, commodity or service of equivalent function and performance so that it becomes non-infringing, or, if such option is not reasonably available to Contractor, (iii) accept its return by the State with appropriate credits to the State against the Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.

3. Indemnification Obligation Not Limited

In any and all claims against the State Of Michigan, or any of its departments, divisions, agencies, sections, commissions, officers, employees and agents, by any employee of the Contractor or any of its subcontractors, the indemnification obligation under the Contract shall not be limited in any way by the amount or type of damages,

compensation or benefits payable by or for the Contractor or any of its subcontractors under worker's disability compensation acts, disability benefits acts, or other employee benefits acts. This indemnification clause is intended to be comprehensive. Any overlap in subclauses, or the fact that greater specificity is provided as to some categories of risk, is not intended to limit the scope of indemnification under any other subclause.

4. Continuation of Indemnification Obligation

The duty to indemnify will continue in full force and effect notwithstanding the expiration or early termination of the Contract with respect to any claims based on facts or conditions which occurred prior to termination.

I-J CONTRACTOR'S LIABILITY INSURANCE

The Contractor shall purchase and maintain such insurance as will protect him/her from claims set forth below which may arise out of or result from the Contractor's operations under the Contract (Purchase Order), whether such operations be by himself/herself or by any subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:

- (1) Claims under workers' disability compensation, disability benefit and other similar employee benefit act. A non-resident Contractor shall have insurance for benefits payable under Michigan's Workers' Disability Compensation Law for any employee resident of and hired in Michigan; and as respects any other employee protected by workers' disability compensation laws of any other State the Contractor shall have insurance or participate in a mandatory State fund to cover the benefits payable to any such employee.
- (2) Claims for damages because of bodily injury, occupational sickness or disease, or death of his/her employees.
- (3) Claims for damages because of bodily injury, sickness or disease, or death of any person other than his/her employees, subject to limits of liability of not less than \$300,000 each occurrence and, when applicable \$300,000 annual aggregate, for non-automobile hazards and as required by law for automobile hazards.
- (4) Claims for damages because of injury to or destruction of tangible property, including loss of use resulting therefrom, subject to a limit of liability of not less than \$50,000 each occurrence for non-automobile hazards and as required by law for automobile hazards.
- (5) Insurance for Subparagraphs (3) and (4) non-automobile hazards on a combined single limit of liability basis shall not be less than \$300,000 each occurrence and when applicable, \$300,000 annual aggregate.

The insurance shall be written for not less than any limits of liability herein specified or required by law, whichever is greater,

and shall include contractual liability insurance as applicable to the Contractor's obligations under the Indemnification clause of the Contract (Purchase Order).

BEFORE STARTING WORK THE CONTRACTOR'S INSURANCE AGENCY MUST FURNISH TO THE DIRECTOR OF THE OFFICE OF PURCHASING, ORIGINAL CERTIFICATE(S) OF INSURANCE VERIFYING LIABILITY COVERAGE. THE CONTRACT OR PURCHASE ORDER NO. MUST BE SHOWN ON THE CERTIFICATE OF INSURANCE TO ASSURE CORRECT FILING. These Certificates shall contain a provision that coverage's afforded under the policies will not be canceled until at least fifteen days prior written notice bearing the Contract Number or Purchase Order Number has been given to the Director of Purchasing.

I-K LITIGATION

The State, its departments, and its agents shall not be responsible for representing or defending the Contractor, Contractor's personnel, or any other employee, agent, or subcontractor of the Contractor, named as a defendant in any lawsuit or in connection with any tort claim.

The State and the Contractor agree to make all reasonable efforts to cooperate with each other in the defense of any litigation brought by any person or persons not a party to the Contract.

The Contractor shall submit quarterly litigation reports providing the following details for all criminal and civil litigation arising out of, or relevant to, the performance of the Contract in which the Contractor or subcontractor, or the Contractor's insurers or insurance agent are parties:

- Case number and docket number
- name of plaintiff(s) and defendant(s)
- names and addresses of all counsel appearing
- nature of claim
- status of case

The provisions of this section shall survive the expiration or termination of the Contract.

I-L CANCELLATION

- (a) The State may cancel the Contract for default of the Contractor. Default is defined as the failure of the Contractor to fulfill the obligations of the quotation or Contract. In case of default by the Contractor, the State may immediately and/or upon 30 days prior written notice to the Contractor cancel the Contract without further liability to the State, its departments, divisions, agencies, sections, commissions, officers, agents and employees, and procure the services from other sources, and hold the Contractor responsible for any excess costs occasioned thereby.
- (b) The State may cancel the Contract in the event the State no longer needs the services or products specified in the Contract, or in the event program changes, changes in laws, rules or regulations, relocation of offices occur, or the State determines that statewide implementation of the Contract is not feasible, or if prices for additional services requested by the State are not

acceptable to the State. The State may cancel the Contract without further liability to the State, its departments, divisions, agencies, sections, commissions, officers, agents and employees by giving the Contractor written notice of such cancellation 30 days prior to the date of cancellation.

- (c) The State may cancel the Contract for lack of funding. The Contractor acknowledges that, if this Contract extends for several fiscal years, continuation of this Contract is subject to appropriation of funds for this project. If funds to enable the State to effect continued payment under this Contract are not appropriated or otherwise made available, the State shall have the right to terminate this Contract without penalty at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to the Contractor. The State shall give the Contractor written notice of such non-appropriation within 30 days after it receives notice of such non-appropriation.
- (d) The State may immediately cancel the Contract without further liability to the State its departments, divisions, agencies, sections, commissions, officers, agents and employees if the Contractor, an officer of the Contractor, or an owner of a 25% or greater share of the Contractor, is convicted of a criminal offense incident to the application for or performance of a State, public or private Contract or subcontract; or convicted of a criminal offense including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State, reflects on the Contractor's business integrity.
- (e) The State may immediately cancel the Contract in whole or in part by giving notice of termination to the Contractor if any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services pursuant to Constitution 1963, Article 11, Section 5, and Civil Service Rule 4-6.
- (f) The State may, with 30 days written notice to the Contractor, cancel the Contract in the event prices proposed for Contract modification/extension are unacceptable to the State. See Sections II-G, **Price Proposal**, I-P, **Modification of Service**, and I-R, **Revisions, Consents, and Approvals**.

I-M ASSIGNMENT

The Contractor shall not have the right to assign this Contract or to assign or delegate any of its duties or obligations under this Contract to any other party (whether by operation of law or otherwise), without the prior written consent of the State. Any purported assignment in violation of this Section shall be null and void. Further, the Contractor may not assign the right to receive money due under the

Contract without the prior written consent of the State Purchasing Director.

I-N DELEGATION

The Contractor shall not delegate any duties or obligations under this Contract to a subcontractor other than a subcontractor named in the bid unless the State Purchasing Director has given written consent to the delegation.

I-O NON-DISCRIMINATION CLAUSE

In the performance of any Contract or purchase order resulting herefrom, the bidder agrees not to discriminate against any employee or applicant for employment, with respect to their hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental handicap or disability. The bidder further agrees that every subcontract entered into for the performance of any Contract or purchase order resulting herefrom will contain a provision requiring non-discrimination in employment, as herein specified, binding upon each subcontractor. This covenant is required pursuant to the Elliot Larsen Civil Rights Act, 1976 Public Act 453, as amended, MCL 37.2201, et seq, and the Michigan Handicapper's Civil Rights Act, 1976 Public Act 220, as amended, MCL 37.1101, et seq, and any breach thereof may be regarded as a material breach of the Contract or purchase order.

I-P MODIFICATION OF SERVICE

The Director of Purchasing reserves the right to modify this service during the course of this Contract. Such modification may include adding or deleting tasks which this service shall encompass and/or any other modifications deemed necessary. Any changes in pricing proposed by the Contractor resulting from the requested changes are subject to acceptance by the state. Changes may be increases or decreases.

IN THE EVENT PRICES ARE NOT ACCEPTABLE TO THE STATE, THE CONTRACT SHALL BE SUBJECT TO COMPETITIVE BIDDING BASED UPON THE NEW SPECIFICATIONS.

I-Q ACCEPTANCE OF PROPOSAL CONTENT

The contents of this document and the vendor's proposal will become contractual obligations, if a Contract ensues. Failure of the successful bidder to accept these obligations may result in cancellation of the award.

I-R REVISIONS, CONSENTS, AND APPROVALS

Any Contract resulting from this RFP may not be revised, modified, amended, extended, or augmented, except by a writing executed by the parties hereto, and any breach or default by a party shall not be waived or released other than in writing signed by the other party.

I-S ENTIRE AGREEMENT AND ORDER OF PRECEDENCE

The following documents constitute the complete and exclusive contract between the parties as it relates to this transaction: In the event of any conflict among the documents making up the Contract, the following order of precedence shall apply (in descending order of precedence):

- A. Any Contract resulting from the State's RFP/Addenda
- B. State's RFP and any Addenda thereto
- C. Contractor's response(s) to the State's RFP and Addenda

In the event of any conflicts between the specifications, terms, and conditions indicated by the State and those indicated by the Contractor, those of the State take precedence.

Any Contract resulting from this RFP supersedes all proposals or other prior agreements, oral or written, and all other communications between the parties relating to this subject.

I-T NO WAIVER OF DEFAULT

The failure of a party to insist upon strict adherence to any term of a Contract resulting from this RFP shall not be considered a waiver or deprive the party of the right thereafter to insist upon strict adherence to that term, or any other term, of the Contract.

I-U SEVERABILITY

Each provision of this Contract shall be deemed to be severable from all other provisions of the Contract and, if one or more of the provisions of the Contract shall be declared invalid, the remaining provisions of the Contract shall remain in full force and effect.

I-V HEADINGS

Captions and headings used in this Contract are for information and organization purposes. Captions and headings, including inaccurate references, do not, in any way, define or limit the requirements or terms and conditions of this Contract.

I-W RELATIONSHIP OF THE PARTIES (INDEPENDENT CONTRACTOR)

The relationship between the State and the Contractor is that of client and independent Contractor. No agent, employee, or servant of the Contractor or any of its subcontractors shall be or shall be deemed to be an employee, agent, or servant of the State for any reason. The Contractor will be solely and entirely responsible for its acts and the acts of its agents, employees, servants and subcontractors during the performance of this Contract.

I-X NOTICES

Any notice given to a party under this Contract must be written and shall be deemed effective, if addressed to such party as addressed below upon (i) delivery, if hand delivered; (ii) receipt of a confirmed transmission by telefacsimile if a copy of the notice is sent by another means specified in this Section; (iii) the third (3rd) Business Day after being sent by U.S. mail, postage pre-paid, return receipt requested; or (iv) the next Business Day after being sent by a

nationally recognized overnight express courier with a reliable tracking system.

Either party may change its address where notices are to be sent giving written notice in accordance with this Section.

I-Y UNFAIR LABOR PRACTICES

Pursuant to 1980 Public Act 278, as amended, MCL 423.231, et seq, the State shall not award a Contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled pursuant to Section 2 of the Act. This information is compiled by the United States National Labor Relations Board. Information concerning employees who are listed on the register may be obtained from the Michigan Bureau of Employment Relations at (313) 226-3200.

A Contractor of the State, in relation to the Contract, shall not enter into a Contract with a subcontractor, manufacturer, or supplier whose name appears in this register. Pursuant to Section 4 of 1980 Public Act 278, MCL 423.324, the State may void any Contract if, subsequent to award of the Contract, the name of the Contractor as an employer, or the name of the subcontractor, manufacturer or supplier of the Contractor appears in the register.

I-Z SURVIVOR

Any provisions of the Contract that impose continuing obligations on the parties including, but not limited to the Contractor's indemnity and other obligations shall survive the expiration or cancellation of this Contract for any reason.

I-AA GOVERNING LAW

This Contract shall in all respects be governed by, and construed in accordance with, the laws of the State of Michigan. Any dispute arising herein shall be resolved in the State of Michigan.

I-BB YEAR 2000 SOFTWARE COMPLIANCE

The vendor warrants that all software which the vendor either sells or licenses to the State of Michigan and used by the State prior to, during or after the calendar year 2000, includes or shall include, at no added cost to the State, design and performance so the State shall not experience software abnormality and/or the generation of incorrect results from the software, due to date oriented processing, in the operation of the business of the State of Michigan.

The software design, to insure year 2000 compatibility, shall include, but is not limited to: data structures (databases, data files, etc.)

that provide 4-digit date century; stored data that contain date century recognition, including, but not limited to, data stores in databases and hardware device internal system dates; calculations and program logic (e.g., sort algorithms, calendar generation, event recognition, and all processing actions that use or produce date values) that accommodates same century and multi-century formulas and date values; interfaces that supply data to and receive data from other systems or organizations that prevent non-compliant dates and data from entering any State system;

user interfaces (i.e., screens, reports, etc.) that accurately show 4 digit years; and assurance that the year 2000 shall be correctly treated as a leap year within all calculation and calendar logic.

I-CC CONTRACT DISTRIBUTION

The Office of Purchasing shall retain the sole right of Contract distribution to all State agencies and local units of government unless other arrangements are authorized by the Office of Purchasing.

SECTION II
WORK STATEMENT

II-A BACKGROUND/PROBLEM STATEMENT

LEGAL BASIS:

Section 645 of Public Act 135 of 1999 (Senate Bill 365) directs the Family Independence Agency, in consultation with the chairpersons and vice-chairpersons of the House and Senate Appropriations Subcommittees on the Family Independence Agency Budget and the House and Senate Fiscal Agencies, to conduct an evaluation of child day care funding. (See attached legislative boilerplate.)

II-B ISSUING OFFICE

This RFP is issued by the State of Michigan, Family Independence Agency (FIA), Purchasing, hereafter known as Purchasing, for the State of Michigan, **Family Independence Agency**. Where actions are a combination of those of Purchasing and **the Family Independence Agency**, the authority will be known as the State.

Purchasing is the sole point of contact in the State with regard to all procurement and contractual matters relating to the services described herein. Purchasing is the only office authorized to change, modify, amend, alter, clarify, etc., the prices, specifications, terms, and conditions of this Request For Proposal and any Contract(s) awarded as a result of this Request. PURCHASING will remain the SOLE POINT OF CONTACT throughout the procurement process, until such time as the Director of Purchasing shall direct otherwise in writing. See Paragraph II-C below. All communications concerning this procurement must be addressed to:

Dan Shuler, Buyer (517-335-6300)
FIA-Purchasing
235 S. Grand Ave. Suite 1205
Lansing, MI 48909

II-C CONTRACT ADMINISTRATOR

Upon receipt at the Office of Purchasing of the properly executed Contract Agreement, it is anticipated that the Director of Purchasing will direct that the person named below be authorized to administer the Contract on a day-to-day basis during the term of the Contract. However, administration of any Contract resulting from this Request implies no authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions, and specifications of such Contract. That authority is retained by the Office of Purchasing. The Contract Administrator for this project is:

Lois Brennan
Family Independence Agency
Division of Child Development and Care
Grand Tower, Suite 1302
235 S. Grand Avenue
P.O. Box 30037
Lansing, Michigan 48909

II-D OBJECTIVES

General:

Conduct an evaluation of child day care funding.

II-E TASKS:

The following is a preliminary analysis of the major tasks involved for developing the end product of this project. The Contractor is not, however, constrained from supplementing this listing with additional steps, sub tasks or elements deemed necessary to permit the development of alternative approaches or the application of proprietary analytical techniques.

1. An overall plan must be developed as a basis for executing subsequent steps as the project progresses. Essential to the process of this task is the preparation of a sound approach to attaining the objectives of the project.
2. List and describe the remaining tasks or work steps into which the project has been divided by preliminary agency analysis of the problem. For each task, include the agency requirement for deliverable products.

1. Using the market rate data, review the existing child care rate areas. Determine if the areas should continue to be used. If child care rate areas should continue to be used, recommend any changes that should be made to make the areas equitable. For various options recommended, include the advantages and disadvantages to making the change as well as the program costs. If rate areas should not be used, determine the cost for making this change.

2. Conduct an assessment and breakdown of costs of child day care by age group and by provider type. Recommend a rate structure based on the age of the child. Recommend provider rates based on provider type: center, group home, family home, day care aide and relative care. Compare current rates as well as recommended rates with other states. For each recommendation include the advantages and disadvantages as well as the program costs for implementation. If recommending a phase-in of costs, project costs over the phase-in period.

Provide recommendations for tiered reimbursement rates. Determine which providers should receive higher rates based on qualifications, type of children cared for or hours of care delivered.

3. Provide a list of opportunities and recommendations to leverage public funding with private funding to increase access to or quality of child day care services that includes, but is not limited to, the following:
 - A. Tax credit for employer supported child day care.
 - B. Consultation resources for the development of private sector programs and facilities.
 - C. Creation of partnerships to fund the following:
 - 1) Recruitment and training of new quality child day care providers
 - 2) Subsidies for low income working families for quality child day care.
 - 3) Increased access to quality infant, non-traditional hour, sick child and special needs child day care.
4. Provide an analysis of costs for setting low-income child day care eligibility at 100% of the federal poverty level; at 150% of the federal poverty level; at 185% of the federal poverty level and at 200% of the federal poverty level. All must include the impact on recommended tiered reimbursement rates.
5. Provide recommendations for a low-income child care fee scale that identifies co-payment rates and eligibility. Identify the total cost of each recommendation.
6. Provide an analysis of strategies used by other states to avoid child day care waiting lists.
7. Conduct a review of existing studies regarding the cost avoidance to the state in such areas as juvenile justice, corrections, school readiness, etc., arising from investment in quality child day care and education.
8. Based on \$33 million for this program, as described in Section 650 of Senate Bill 365, develop funding options and priorities to implement recommended changes based on this amount.

II-F PROJECT CONTROL AND REPORTS

1. Project Control

- a. The Contractor will carry out this project under the direction and control of the **Family Independence Agency**.
- b. Although there will be continuous liaison with the Contractor team, the client agency's project director will receive as a minimum from the Contractor's project manager a status update report on September 1, 1999 and September 15, 1999 for the purpose of reviewing progress and providing necessary guidance to the Contractor in solving problems which arise.
- c. The Contractor will submit on October 15, 1999 a DRAFT FINAL REPORT to the client agency's project director. On October 29, 1999 a FINAL REPORT shall be submitted to the client agency's project director.

d. Within five (5) working days of the award of the Contract, the Contractor will submit to the **Family Independence Agency** project director for final approval a work plan. This final implementation plan must be in agreement with Section IV-C subsection 2 as proposed by the bidder and accepted by the State for Contract, and must include the following:

- (1) The Contractor's project organizational structure.
- (2) The Contractor's staffing table with names and title of personnel assigned to the project. This must be in agreement with staffing of accepted proposal. Necessary substitutions due to change of employment status and other unforeseen circumstances may only be made with prior approval of the State.
- (3) The project breakdown showing sub-projects, activities and tasks, and resources required and allocated to each.
- (4) The time-phased plan in the form of a graphic display, showing each event, task, and decision point in your work plan.

II-G PRICE PROPOSAL

1. LENGTH OF TIME PRICES ARE TO BE HELD FIRM.

All rates quoted in bidder's response to this RFP will be firm for the duration of the Contract. No price changes will be permitted.

II-H CONTRACT INVOICING AND PAYMENT

All invoices should reflect actual work done. Specific details of invoices and payments will be agreed upon between the Contract Administrator and the Contractor after the proposed Contract Agreement has been signed and accepted by both the Contractor and the Director of Purchasing, Department of Management & Budget. This activity will occur only upon the specific written direction from the Office of Purchasing. The payment schedule is as follows:

25% upon the completion and approval of the Status Update Report due September 1, 1999.

25% upon the completion and approval of the Status Update Report due September 15, 1999.

25% upon the completion and approval of the Status Update Report due October 15, 1999.

25% upon the completion and approval of the Final Report due October 29, 1999.

SECTION III

BIDDING INFORMATION

III-A PRE-BID MEETING/QUESTIONS

A pre-bid meeting is not scheduled.

Questions concerning the specifications contained herein are to be submitted, in writing, not later than fourteen calendar days before the due date specified on the cover sheet of this RFP, to:

Dan Shuler, Buyer e-mail: ShulerD@state.mi.us
FIA-Purchasing
235 S. Grand Ave. Suite 1205
Lansing, MI 48909
Facsimile Number 517/335-6251

with a copy sent to:

Lois Brennan e-mail: BrennanL@state.mi.us
Family Independence Agency
Division of Child Development and Care
Grand Tower, Suite 1302
235 S. Grand Avenue
P.O. Box 33037
Lansing, MI 48909
FAX: 517/241-7843

The State will not respond to telephone inquiries or visitation by bidders or their representatives. All questions are to be put in writing and PURCHASING will respond in writing to all interested parties who have been notified of this RFP. Questions may be submitted via facsimile or e-mail.

III-B PROPOSALS

To be considered, each bidder must submit a COMPLETE response to this RFP, using the format provided in Section IV. No other distribution of proposals is to be made by the bidder. **BIDDERS COMPLETE, SIGN, AND RETURN THE COVER SHEET (FORM DMB 285) SENT WITH THIS RFP.** The Technical Proposal itself must include a statement as to the period during which the Technical Proposal itself remains valid. This period must be at least sixty days from the due date for responses to this RFP. However, the rates quoted in the PRICE PROPOSAL remain firm for the period indicated in Sections I-P and IV-F.

III-C ORAL PRESENTATION

Bidders who submit proposals may be required to make oral presentations of their proposals to the State. These presentations provide an opportunity for the bidders to clarify the proposals through mutual understanding. The Office of Purchasing, DMB, will schedule these presentations, if required.

III-D ECONOMY OF PREPARATION

Each proposal should be prepared simply and economically, providing a straightforward, concise description of the bidder's ability to meet the requirements of the RFP. Fancy bindings, colored displays, promotional material, etc., will receive no evaluation credit. Emphasis should be on completeness and clarity of content.

III-E SELECTION CRITERIA (TWO-STEP PROCESS)

Responses to this RFP will be evaluated using a two-step Selection Process. The first step will involve an evaluation of the following factors as presented in the bidder's response to this RFP:

A. Step I - Management Summary (100 points possible per evaluator)

1. Capability and Qualifications -80 points

The written proposal should indicate the ability of the Contractor to meet the terms of the RFP, especially the time constraints, quality, and recency of projects similar to that described in the RFP.

2. Qualified Personnel -20 points

The written proposal should indicate the competence of personnel whom the bidder intends to assign to the project. Qualifications will be measured by education and experience, with particular reference to experience on projects similar to that described in the RFP. Emphasis will be placed upon the qualifications of bidder's Project Manager and the Manager's dedicated management time as well as that of other key personnel working on this project.

Of the total maximum possible score in Step I, a minimum of not less than 85% of the total maximum possible score must be obtained in order for a bidder to be further considered for award under Step II below.

B. Step II - Price Analysis

1. Only those proposals receiving a score of 85% or more of the total maximum possible score in Step I will be considered for evaluation in Step II.
2. Each bidder's final score will be determined by dividing that bidder's bid price into the lowest of the bid prices submitted by bidders that were qualified in Step I and multiplying the result by the number of points awarded to the bidder in Step I.

Expressed as a formula, the calculation would be:

$$\frac{\text{Lowest Price Proposal Passing Step I}}{\text{Points Awarded}} \times \text{Points Awarded} = \text{Bidder Score}$$

Thereafter, award recommendation, subject to B-3 below, will be made to the Director of Purchasing, for that responsive and responsible bidder qualified in Step I and offering the best value to the state as represented by the highest score attained as outlined above, for the goods/services offered; the quality of the commodities/services to be supplied, their conformity with specifications, their suitability to the requirements of the State, and delivery terms being taken into consideration.

3. The State reserves the right to award by item, part or portion of an item, group of items or total proposal, to reject any and all proposals in whole or in part, if, in the Director of Purchasing's judgment, the best interest of the State will be so served.

III-F CHANGES IN THE RFP

Changes made to the RFP as the result of responses made to questions or concerns raised at the pre-bid meeting (should one be scheduled for this Request; see Paragraph III-A) or through correspondence will be put in writing to each vendor until seven (7) working days prior to date of sealed bid opening. Neither the Family Independence Agency nor the Office of Purchasing will respond to telephone inquiries or visitation by bidders or their representatives. **The Office of Purchasing does not commit to answering questions during the last seven (7) work days prior to sealed bid opening date.**

III-G SEALED BID RECEIPT (SEE ALSO PARAGRAPH IV-G)

SEALED BIDS (PROPOSALS) MUST BE RECEIVED AND TIME-STAMPED IN THE OFFICE OF PURCHASING ON OR BEFORE THE DUE DATE AND TIME SPECIFIED ON THE COVER PAGE OF THE RFP. Bidders are responsible for timely receipt in the Office of Purchasing of their proposal. **PROPOSALS WHICH ARE RECEIVED AFTER THE SPECIFIED DUE DATE AND TIME CANNOT BE CONSIDERED.**

III-H INDEPENDENT PRICE DETERMINATION

1. By submission of a proposal, the bidder certifies, and in the case of a joint proposal, each party thereto certifies as to its own organization, that in connection with this proposal:
 - a. The prices in the proposal have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition as to any matter relating to such prices with any other bidder or with any competitor; and
 - b. Unless otherwise required by law, the prices which have been quoted in the proposal have not been knowingly disclosed by the bidder and will not knowingly be disclosed by the bidder prior to award directly or indirectly to any other bidder or to any competitor; and
 - c. No attempt has been made or will be made by the bidder to induce any other person or firm to submit or not submit a proposal for the purpose of restricting competition.

2. Each person signing the proposal certifies that she/he:
 - a. Is the person in the bidder's organization responsible within that organization for the decision as to the prices being offered in the proposal and has not participated (and will not participate) in any action contrary to 1.a., b., and c. above; or
 - b. Is not the person in the bidder's organization responsible within that organization for the decision as to the prices being offered in the proposal but has been authorized, in writing, to act as agent for the persons responsible for such decision in certifying that such persons have not participated (and will not participate) in any action contrary to 1.a., b., and c. above.
3. Should a bidder be awarded a Contract resulting from this RFP, and be found to have failed to abide by the provisions sent forth in this Section, said entity will be in default of the Contract. Consequences may include cancellation of the Contract (see Section I-L Cancellation).

III-I AWARD

The State reserves the right to award by item, part or portion of an item, group of items or total proposal, to reject any and all proposals in whole or in part, if, in the Director of Purchasing's judgment, the best interest of the State will be so served. In determination of awards, the qualification of the bidder, the conformity with the specifications of services to be supplied and the delivery terms will be considered.

The State further reserves the right to interview the key personnel assigned by the successful bidder to this project and to recommend reassignment of personnel deemed unsatisfactory by the State. The State reserves the right to approve subcontractors for this project and to require primary Contractors to replace subcontractors who are found to be unacceptable.

III-J STATE ADMINISTRATIVE BOARD

Bidders are advised that all contracts/purchase orders in excess of \$250,000 must be approved by the State Administrative Board prior to final award. The decision of this Board is final.

**SECTION IV
INFORMATION REQUIRED FROM BIDDERS**

Bidder's proposal to be submitted in the format outlined below. There should be no attachments, enclosures, or exhibits other than those considered by the vendor to be essential to a complete understanding of the proposal submitted. Each section of the proposal should be clearly identified with appropriate headings:

IV-A BUSINESS ORGANIZATION

State the full name and address of your organization and, if applicable, the branch office or other subordinate element that will perform, or assist in performing, the work hereunder. Indicate whether it operates as an individual, partnership, or corporation; if as a corporation, include the state in which it is incorporated. If appropriate, state whether it is licensed to operate in the State of Michigan. List all subcontractors; include firm name and address, contact person, complete description of work to be subcontracted. Include descriptive information concerning subcontractor's organization and abilities.

IV-B STATEMENT OF THE PROBLEM

State in succinct terms your understanding of the problem(s) presented by this RFP.

IV-C MANAGEMENT SUMMARY

1. Narrative

Include a narrative summary description of the proposed effort and of the product(s) that will be delivered. If any support is to be provided by a subcontractor, said subcontractors are to indicate their capability and willingness to carry out the work. In addition, the information requested in IV-A above, and IV-D below, should be provided for each potential subcontractor.

2. Technical Work Plans

Provide a technical plan for accomplishing the work. Indicate the number of person-hours allocated each task. Include a PERT-type display, time related, showing each event, task, and decision point in your work plan.

3. Prior Experience

Indicate here prior experience of your firm which you consider relevant to the successful accomplishment of the project defined by this Request For Proposal. Include sufficient detail to demonstrate the relevance of such experience. Proposals submitted should include, in this section, descriptions of qualifying experience to include project descriptions, costs, and starting and completion dates of projects successfully completed. Also, include the name, address, and phone number of the responsible official of the client organization who may be contacted.

4. Project Staffing

The contracting agents must be able to staff a project team which possesses talent and expertise in the fields of RESEARCH, STATISTICS, ANALYSIS AND PUBLIC POLICY. Include the number of executive and professional personnel by skill and qualification that will be employed in the work. Show where these personnel will be physically located during the time they are engaged in the work. Indicate which of these individuals you consider key to the successful completion of the study or project. Identify key individuals by name and title. Indicate the amount of dedicated management time for the bidders' project manager and other key individuals. Resumes of qualifications are required for proposed project personnel.

5. Subcontractors

List here all subcontractors; include firm name and address, contact person, complete description of work to be subcontracted. Include descriptive information concerning subcontractor's organization and abilities.

IV-D BIDDER'S AUTHORIZED EXPEDITOR

Include the name and telephone number of person(s) in your organization authorized to expedite any proposed Contract with the State.

IV-E ADDITIONAL INFORMATION AND COMMENTS

Include any other information that is believed to be pertinent but not specifically asked for elsewhere.

IV-F PRICE PROPOSAL

1. LENGTH OF TIME PRICES ARE TO BE HELD FIRM.

All rates quoted in bidder's response to this RFP will be firm for the duration of the Contract. No price changes will be permitted.

2. Provide the cost/rate/price information required in the pricing section for all firms/persons named in your technical proposal to demonstrate the reasonableness of your price proposal. THE PRICING PORTION OF YOUR PROPOSAL MUST BE LABELED, THEN BOUND AND SEALED SEPARATELY FROM THE TECHNICAL PORTION OF YOUR PROPOSAL.

3. Independent Price Determination. Include a statement substantially as follows:

"This cost and price analysis is submitted in full compliance with the provisions of the paragraph titled 'Independent Price Determination' in Part III of the RFP to which this proposal is a response."

IV-G PROPOSAL SUBMITTAL

Submit 7 copies of your Technical Proposal and 7 copies of your separately sealed Price Proposal in accordance with the following instructions:

1. SEALED BIDS (PROPOSALS) MUST BE RECEIVED AT THE OFFICE OF PURCHASING AND TIME-STAMPED BY THE OFFICE OF PURCHASING NOT LATER THAN THE DUE DATE & TIME SPECIFIED ON THE COVER SHEET (DMB FORM 285) SENT WITH THIS RFP. PROPOSALS RECEIVED AFTER THE SPECIFIED DUE DATE & TIME CANNOT BE CONSIDERED.
2. Submit with your proposal the Request For Quotation form (FORM DMB-285) sent with this Request. PROPERLY COMPLETE AND SIGN THAT FORM AND INSERT IT IN YOUR SEPARATE SEALED PRICE PROPOSAL BEFORE SUBMITTAL.

In addition, submit your technical proposal in electronic format on 3-1/2" diskettes in Microsoft Word 6.0. If you do not have access to Microsoft Word, you may submit your proposal in "Rich Text" format. 7 diskettes are required. The Office of Purchasing is not responsible for other data contained in the disks submitted which do not pertain to the bid.

BIDDERS ARE RESPONSIBLE FOR ASSURING THAT THE FOLLOWING IDENTIFYING INFORMATION APPEARS ON THE OUTSIDE ENVELOPE: The Invitation To Bid (ITB) Number; The Date Due; and the Vendor Identification Number (FEIN or SEIN, shown on face of ITB). If a delivery service is used which prohibits such markings on their envelope or package, this information must be placed on the outside of an interior envelope or package.

The Office of Purchasing address for proposals submitted by CONTRACT CARRIER, COURIER DELIVERY, or PERSONAL DELIVERY, is:

State of Michigan
Family Independence Agency
Purchasing
Suite 1205, Grand Tower Building
235 S. Grand Ave.
Lansing, Michigan 48933

Proposals submitted through the US. POSTAL SERVICE should be addressed as follows:

State of Michigan
Family Independence Agency
Purchasing
Post Office Box #30037
Lansing, Michigan 48909