

Department PURCHASING	Subject PROFESSIONAL SERVICES CONTRACTS
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I. PURPOSE

- A. To establish procedures for processing, evaluating, negotiating and awarding professional services contracts or solicitations using the Request for Proposal method to ensure that all proposers are fairly evaluated and at the same time ensuring that the needs of Pace are adequately met.
- B. To provide guidelines for monitoring awards of professional services contracts to ensure that payments are consistent with contract terms.

II. ADMINISTRATIVE POLICY

- A. In order to maintain the integrity of the proposal process, confidential information regarding a contract must not be disclosed to proposers prior to the award. Copies of any requested information should be issued as an addendum by the Purchasing Department to all potential proposers.
- B. Hourly based professional service contractors are required to support invoices with detailed information pertaining to the work completed during the billing period, e.g., name of team member, number of hours spent on each activity, description of the activity, and the date(s) service was performed as defined by the contract.
- C. Before invoices are returned to the Accounting Department for payment, the requestor must ensure that invoices approved for payment are consistent with work completed to date and/or the terms and conditions for deliverables as established by the contract. Approval of an invoice by a requestor indicates acknowledgement of the charges and that the charges are in conformance with the contract pricing and terms and conditions. For further information on invoice approval requirements please refer to policy FI-07.

III. DEFINITION

Professional Services contracts are occupations in the service sector of the economy requiring special training in the arts or sciences or require holding professional licenses such as architecture and engineering (A&E), real estate appraisals, surveys, auditing, marketing, advertising, legal, inspection, Information Technology (IT) development, etc., where the individual skills, training, experience or ability of the person(s) rendering the service, determine the quality and reliability of the service obtained.

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IV. PROCEDURE

A. Confidential Information

The following information is considered confidential during the solicitation process:

- Identity of members of the evaluation committee
- Identity or number of firms that have submitted proposals
- Pricing of proposals
- Scoring points to be used in proposal evaluation

B. Scope of Work

Whenever proposals are being sought for professional services, the requisitioning department is required to submit a Scope of Work and a funded purchase requisition (PR) in Oracle. Along with the PR, the requisitioner shall include evaluation criteria, names of committee members for review and concurrence, independent cost estimate (ICE) and DBE goal if applicable for preparation of a Request for Proposal (RFP).

The Scope should define the parameters of the project and should include a list of specific tasks to be performed. Enumerate the specific duties of each task to be performed, the expected outcomes and performance standards adhered to. Include a detailed listing of responsibilities, particularly when subcontractors are involved. The following information should also be included in the Scope at a minimum:

Background Information: Present a brief overview of Pace’s operation and describe the project and its goal

Objectives: Provide a brief, clear statement(s) that describes the desired outcome to be achieved by the accomplishment of the project

Time Schedules: Completion date for project and any interim phase points or other chronological control measures

Technical Requirements: A technical requirement pertains to the technical aspects that the product or service must fulfill, such as performance-related issues, reliability issues, and availability issues. Outline of the features that proposers

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should include in their proposal, such as a work program, data required of Pace, etc.

Price Proposal Page: Outline of the cost breakdown required, including direct labor, overhead, general and administrative expenses, hours, etc.

Proposal Evaluation: List of the factors (criteria) to be used in the evaluation in order of importance. A separate listing of the rating scale and points to be used for each evaluation factor should also be included. This is for internal evaluative purposes.

Reporting Requirements: Description of interim progress reporting, e.g., oral or written, weekly or monthly

Deliverable Requirements: Interim and final documents that are required from the contractor prior to final payment, such as project summary with recommendations, specifications, and/or manuals, etc.

Proposal Content & Requirements: When submitting a proposal, proposers may be requested to provide the following:

- History of their firm
- Resumes of proposed staff with years of experience of staff, if applicable
- Copies of any applicable certifications
- Audited Financial Statements, if required
- List of similar clients and projects, current or past
- A clear description of the work to be performed, as they understand it
- Methodology for completing the project
- Identification of the project manager and all others assigned to the project, should they be awarded the contract
- Other requirements as needed

C. Evaluation Committee

1. The evaluation committee shall at a minimum consist of three evaluators who represent:

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- i. C-List members verified by Pace’s Ethics Office
 - ii. a representative from the requesting department
 - iii. a representative from the end-user department, if different than above
 - iv. individuals with subject matter knowledge or expertise for which the RFP calls out.
2. The Chief Procurement Officer (CPO) or designee shall serve as Chair of the committee and may participate as an evaluator.
 3. The departments and individuals to be represented on the evaluation committee are mutually agreed upon by the requestor and CPO or designee.
 4. The evaluation committee members shall be chosen and shared with Ethics Officer prior to the issuance of the solicitation to validate that all committee members have received C-List training.

D. Pricing

A&E proposals are evaluated without consideration of price, i.e., on technical scoring only, pursuant to Brooks Law. Price will be negotiated by the Chair with the highest rated proposer before award of the contract.

Prices for A&E contracts and certain other types of professional services contracts may be requested separately but concurrently with the technical proposal, if deemed necessary. In all cases, the CPO or designee will inform the evaluation committee of the prices submitted on the vendor’s proposals only after scoring of the technical proposals has been completed.

The following procedures apply whenever proposals are being sought for professional services:

Requestor:

1. Prepare and forward in Oracle the following documents:

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- Detailed description of the scope of work and technical specification
- List of recommended firms
- Independent Cost Estimate (ICE)
- DBE goal if applicable
- Funded purchase requisition for services required

Purchasing:

1. Assign the Purchase Requisition to a Buyer.
2. Develop and expand the list of potential firms, if feasible.
3. Prepare an RFP evaluation form, establishing with the requestor, evaluation criteria and the weight to be applied to each criterion to be evaluated.
4. Confirm with the requestor, the establishment of an RFP evaluation committee.
5. Circulate RFP, within Pace, for approval. Approval is sought, as required.
6. Prepare the RFP solicitation with instructions including all other relevant documents to potential proposers. Indicate the receipt for proposals due date, and the number of copies required, plus one original. Electronic media (e.g., CD) may be accepted.
7. Provide the RFP solicitation to the potential proposers to include, but not limited to, a copy of the contract to be signed and returned by the proposer.
 - Contract, to be signed and returned. The contract will incorporate the scope of work and technical specifications as required.
 - Form 4400
 - Non-Collusion Affidavit and other required certifications

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applicable to the RFP

- Architect-Engineer and Related Services Questionnaire for Specific Project, SF Form No. 330 (A&E services only)
 - Insurance Requirements
 - General Contract Provisions for Service Contracts and applicable Federal, State and local provisions
8. Hold a pre-proposal meeting for potential proposers with requisitioning department, if necessary.
 9. Prepare addenda to the RFP solicitation package, if necessary.
 10. Provide technical proposals received after initial review of responsiveness and a copy of the evaluation sheet to each member of the evaluation committee for grading, based on technical criteria established only after non-conflict of interest and confidentiality agreement had been signed by the evaluator.
 11. Open, review, and tabulate price proposals.

Committee Members: Forward completed evaluation sheets to the Chair for review with the committee (only technical scoring for A&E LIQs, see Note 16 below.)

Chair and Committee Members:

1. Determine the competitive range of those proposers technically capable of performing the work. Determine if clarifications, presentation/ demonstration is required. If any discussions are to be held with any offeror, discussions must be held with all proposers in the competitive range. All other proposers are dismissed from further consideration.
2. Interview proposers within the competitive range based on specific questions for each proposer and rescore the technical component, if necessary. Tabulate revised scores, if necessary.
3. Negotiate with highest ranked proposer(s), as necessary.

NOTE: For A&E Services (LIQ), the second highest ranked proposer is considered for contract award if a reasonable price cannot be negotiated

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with the highest ranked proposer. This process continues until either negotiations are successful or all firms within competitive range have been dismissed.

Purchasing:

1. Tabulate final scores based on Technical and Price Scores; review with Evaluation Committee and seek consensus to award to the highest ranked proposal.
2. Prepare Board Packet for approval, if appropriate. (Refer to Financial Approval Authorizations, FI-02 for approval requirements).
3. Circulate contract and relevant documents (RFP, scope, addenda, technical requirements, etc.) within Pace for approval, if appropriate. (Refer to Financial Approval, FI-02, for approval requirements).
4. Obtain Executive Director's approval on contract, if appropriate. (Refer to Financial Approval Authorization, FI-02 for approval requirements).
5. Provide a report to the Board on the award of these contracts, if appropriate. (Refer to Financial Approval Authorization, FI-02 for approval requirements).
6. Forward a copy of fully executed contract to selected proposer and to requestor. Scan contract and save on Purchasing's network shared drive.
7. Update Award(s) on Pace's website.

E. Monitoring

The requesting department is responsible for monitoring the:

- Enforcement of the contract
- Performance of the contractor
- Progress of the project, including conducting field inspections, if required, to ensure that established target dates and all other requirements outlined in the Scope are being met.
- Ensure all deliverables are received and accepted

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The requisitioning department shall document any failure to perform or problems relating to the contract to the CPO or designee. This information shall be placed in the contract file and any remedial or termination action necessary shall be addressed by the CPO or designee, in cooperation with the requisitioning department. In the event of a contractor's failure to perform such that a contract breach is identified, the CPO shall refer the matter to Pace's General Counsel. Letters notifying vendors of breach of contract shall be issued by the General Counsel's office.

The requestor shall review all charges for reasonableness and ensure payments are consistent with work completed before the appropriate budget authority approves the invoice for payment. For further information on invoice approval requirements please refer to policy FI-07.

F. Invoicing

In order to ensure timely payments of all invoices, contractors are required to:

- Certify that invoices reflect actual costs that were incurred, and that payment is due and that invoiced amounts have not been invoiced previously
- Identify the level of personnel who have completed work and when work was completed
- Provide a detailed breakdown of the work completed, e.g., number of hours spent on a specific task
- Submit all invoices directly to Accounts Payable

Before requesting approval for payment from the budget authority, Accounts Payable is required to submit all invoices, for signature, to the individual who is responsible for monitoring contract services to ensure that payments are consistent with the terms of the contract and with the work completed. It is the requisitioning department's responsibility to ensure that all invoices are complete and consistent with the terms of the contract.

G. Post Contract Award Audit

In order to ensure contract terms and conditions, requirements and deliverables are being provided as required by the contract, the requesting department shall request that Internal Audit perform a review of contract compliance during the



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contract audits may also be performed by Pace Internal Audit under the standard terms of our contracts.

Executive Director Signature

Date