

**INVITATION TO NEGOTIATE  
(NUMBER: DMS-11/12-031)**

**FOR**

**STRATEGIC SOURCING SERVICE PROVIDER**

**ITN ISSUE DATE: JUNE 19, 2012  
REPLIES DUE: JULY 31, 2012**

**CONTRACT TERM: TWO YEARS**



**Procurement Officer: Donna Smith  
Department of Management Services  
Division of State Purchasing  
4050 Esplanade Way, Suite 360  
Tallahassee, FL 32399  
Telephone: (850) 488-8855  
E-mail: [Donna.Smith@dms.MyFlorida.com](mailto:Donna.Smith@dms.MyFlorida.com)**

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## SECTION 1: INTRODUCTORY MATERIALS

### 1.1 DEFINITIONS

See PUR 1000, and PUR 1001 for additional definitions.

**A. Department**

The Department of Management Services. Also referred to herein as "DMS."

**B. Division**

The Department of Management Services' Division of State Purchasing.

**C. Florida Accounting Information Resource (FLAIR)**

The State of Florida's accounting system used by all agencies in the State of Florida and administered by the Department of Financial Services.

**D. F.S.**

Florida Statutes.

**E. Invitation to Negotiate**

This competitive solicitation. Also referred to herein as "ITN" or "solicitation."

**F. MyFloridaMarketPlace (MFMP)**

MFMP is the State of Florida's electronic procurement system which provides a web-based medium for State purchasers and vendors to exchange products and services. MFMP allows vendors to register to receive notifications of competitive solicitations; awarded vendors to list catalogues of products; and buyers to search and purchase products, place orders, approve purchases, reconcile invoices, and approve payment all within one system. Users of MFMP can create solicitations in the Sourcing application and the Analysis application allows for spend analysis and reporting.

**G. Other Eligible Users (OEU)**

Other Eligible Users are entities such as Florida counties, municipalities, and other local governments or divisions of the State of Florida who are eligible to purchase items off of State Term Contracts. OEUs are defined in Rule 60A-1.005, Florida Administrative Code.

**H. Reply**

A vendor response to this ITN.

**I. Services**

The services sought through this ITN.

**J. Service Provider**

The vendor selected by the Department through this competitive solicitation with whom the Department will enter into a contract to provide the services described herein.

**K. State**

State of Florida.

**L. State Term Contracts (STCs)**

STCs are contracts competitively procured by Division of State Purchasing for selected products and services. Use of State Term Contracts is mandatory for state agencies and optional for Other Eligible Users. See section 287.056 F.S.

**M. VBS**  
The Vendor Bid System.

**1.2 PURPOSE AND SCOPE**

The State of Florida, Department of Management Services invites interested Respondents to submit Replies in accordance with this Invitation to Negotiate (ITN). The purpose of this ITN is to establish a two-year contract with a service provider, with potential for a renewal up to two years or any portion thereof.

The State implemented its electronic procurement system, MFMP, to more effectively achieve efficiencies and savings in State Purchasing, and to support the full automation of strategic sourcing throughout state agencies. The Department currently uses the Ariba Sourcing application to manage the strategic sourcing approach and the solicitation process. Implementation of strategic sourcing in Florida has been effective in reducing the cost of purchased commodities and services, assisting with spend management, and improving the overall financial health of the State. As such, the Department anticipates that establishing additional State Term Contracts and agreements by continuing to strategically source contracts will benefit state agencies and OEU's. Further, the State is committed to realizing more value and even greater savings by expanding its strategic sourcing processes and implementing other procurement best practices in the future.

While current STCs achieve savings, the Department seeks to maximize and leverage its buying power by expanding its strategically sourced contracts. Respondents are expected to submit complete solutions to the Department regardless of the Respondent's organizational structure or any partnerships that may be developed with other firms and organizations.

The Department desires to enter into a contract with an experienced organization that will provide strategic sourcing consulting services and assist the State in completing at least 20 new sourcing events within ten months of execution of the prospective Contract. At this time, the Department estimates that the contracts that result from these sourcing events should generate over \$100 million in savings to the State. This savings goal is exclusive of OEU's spend.

The State would like to realize initial savings from this effort in the fourth quarter of Fiscal Year 2012-2013. In Fiscal Year 2013-2014 the State expects to achieve the remainder of the estimated \$100 million in savings in the first three quarters. The State is open to conducting additional sourcing events after the initial ten-month timeframe.

**1.3 OVERVIEW**

On March 28, 2012, Governor Scott appointed a State Chief Operating Officer to take an enterprise-wide approach to improving agency productivity and efficiencies. As part of this initiative the Department was charged with pursuing savings through strategic sourcing initiatives.

An analysis of Florida Accounting Information Resource (FLAIR) data for Fiscal Year 2010-2011 identified \$3.8 billion of state spend that could be effectively sourced and corresponding STCs created during Fiscal Year 2010-2011. Based on available data in FLAIR, MFMP, and vendor reporting, purchases off statewide agreements are currently approaching one billion dollars. As such, if DMS were able to strategically source \$2.8 billion of the available opportunities through STCs and purchasing agreements and achieve savings of 6%, the savings to the State could approach \$100 million per year.

At this time, the Department has identified at least 20 potential procurement opportunities as excellent candidates for aggregated purchasing, including, but not limited to the list below:

## Potential Procurement Opportunities

Voting system devices	Cloud computing services	Document Management
elearning	Oracle software and services	Toll collection
Equipment rental (heavy)	Chemicals: agricultural and herbicides (e.g. Fertilizer)	School busses, busses and vans
Auto parts	Park and playground equipment	Medical equipment
Walk-up building supplies	Restaurant and kitchen equipment	Weight calibration
Vending machines	Forklift maintenance	Janitorial services
Shredding	Nursing / Medical services	Call centers
Landscaping services / mowing services	Job order contracts	Utilities
Mail and print services	Communication / Media	Promotional advertising
Drug testing		

### 1.4 PROCUREMENT METHODOLOGY

Using MFMP Sourcing application, the State is implementing a seven-stage strategic sourcing methodology that will standardize sourcing events across all State agencies. This methodology or a similar methodology as agreed up by both parties will be followed by the Department and the Service Provider for the strategic sourcing events conducted pursuant to the prospective Contract . The seven stages are outlined below. Also see Exhibit 1.1.

**Stage One: Need Identification**

Identify the need; determine applicable sourcing exceptions; and establish the approach.

**Stage Two: Pre-Solicitation Strategy**

Analyze purchasing need; address market and budget constraints; develop category profile; finalize business case; select solicitation method; address purchasing authority; and create a solicitation work plan.

**Stage Three: Solicitation Preparation**

Develop the solicitation; build the event in MFMP Sourcing; select relevant solicitation templates and forms; develop the contract template; and review solicitation for final approval.

**Stage Four: Solicitation Process**

Public advertisement; open inquiry period; conduct offeror conference; close inquiry period; post inquiry responses; and receive solicitation responses.

**Stage Five: Evaluation Process**

Administrative review; determine competition; evaluate technical proposal; analyze cost proposal; conduct negotiation; select supplier; and finalize savings.

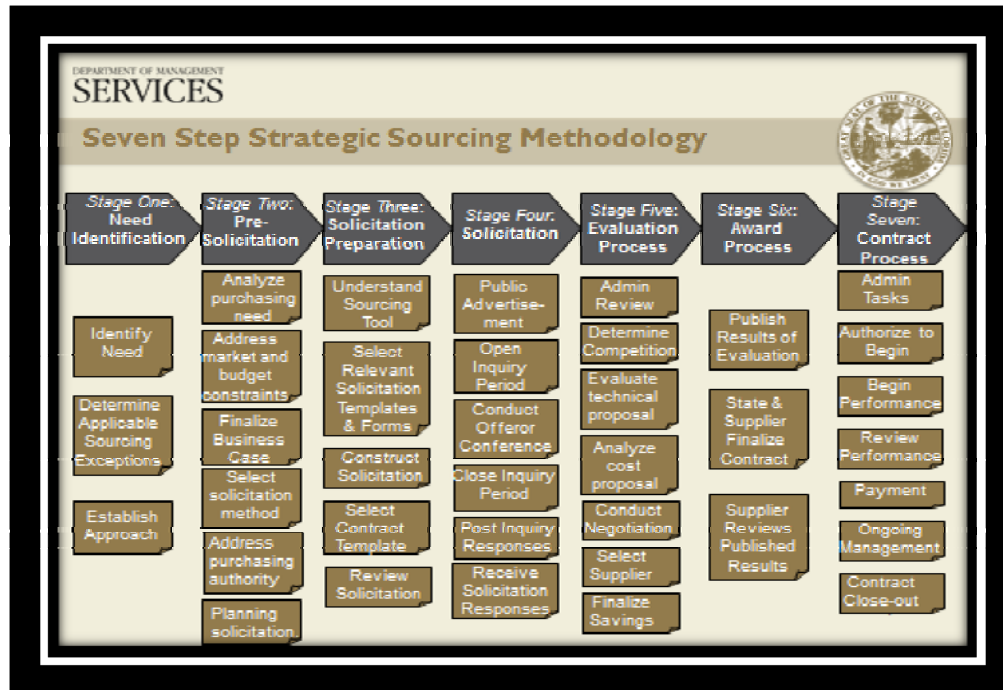
**Stage Six: Award Process**

Publish results; State and supplier execute contract.

**Stage Seven: Contract Management Process**

Ongoing contract management; administrative tasks; the Service Provider begins performing; Department reviews performance; on-going management, and contract close-out.

Exhibit 1.1



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**1.5 SPECIFIC GOALS OF THE ITN**

The goals of this ITN may change through the negotiation process. The following goals have been identified to date:

- Reduce the State of Florida's costs of goods and services, resulting in a reduction in agency spending for goods and services and saving Florida taxpayer dollars.
- Achieve or exceed the cost savings requirements identified in this ITN within the specified timeframe by issuance of new State Term Contracts or renegotiation of existing contracts through strategic sourcing.
- Establish a collaborative relationship with the Service Provider that will allow the Department to complete the goals identified in this section of the ITN.

**1.7 WHO MAY RESPOND**

- Respondents who satisfy the Pass /Fail requirements identified in FORM 2.
- Respondents who are authorized to conduct business with the State.
- Respondents or their Subcontractors who possess the experience and personnel resources to provide the services described in this ITN.

**1.8 CONTACT PERSON**

The following person is the Department's **SOLE** point of contact for this solicitation, from the date of release of this ITN until a contract award decision is made by the Department:

Donna Smith  
Procurement Officer  
Division of State Purchasing  
4050 Esplanade Way, Suite 360  
Tallahassee, FL 32399  
Telephone: (850) 488-8855  
E-mail: [Donna.Smith@dms.MyFlorida.com](mailto:Donna.Smith@dms.MyFlorida.com)

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**1.9 TIMELINE**

Please keep in mind when responding to this ITN that this project has a compressed timeline.

Listed below are important dates and times by which actions are scheduled to be taken or completed. If the Department finds it necessary to update any of the dates or times noted, the Department will post an Amendment to the ITN on the Vendor Bid System (VBS). Dates reflected as anticipated dates below may change without revising this timeline. Respondents are responsible for monitoring the VBS for postings of amendments to this ITN.

DATE	TIME	ITEM
June 19, 2012		Release of Solicitation
June 26, 2012	9:00 A.M. – 11:00 A.M. ET	Pre-Response Conference (Non-Mandatory) Department of Management Services 4050 Esplanade Way, Suite 101 Call in Number 1-888-670-3525 then use Passcode 2653733051 then press #
June 29, 2012	2:00 P.M. ET	Questions and Comments Due from Respondents
July 17, 2012		Post Answers to Questions on the VBS (Anticipated Date)
July 31, 2012	2:00 P.M. ET	Replies Due / Public Opening
August 14, 2012		Evaluation of Replies Concluded (Anticipated Date)
August 21, 2012		Negotiations Commence (Anticipated Date)
October 22, 2012		Public Meeting for Negotiation Team to make a best value recommendation.
January 8, 2013		Contractor Start Date (Anticipated Date)

**The State’s performance and obligation to pay under this contract are contingent upon an annual appropriation by the Legislature.**

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## **SECTION 2: SPECIAL INSTRUCTIONS TO RESPONDENTS**

### **2.1 ORDER OF PRECEDENCE**

Respondents are encouraged to carefully review all materials contained herein and prepare Responses accordingly. In the event any conflict exists between the Special and General Instructions, the Special Instructions shall prevail. In the event any conflict exists between the Special and General Conditions, the Special Conditions shall prevail.

All Replies are subject to the terms of the following sections of this ITN which, in case of conflict, shall have the order of precedence listed:

- a) ITN Amendments or Addenda
- b) Introduction
- c) Statement of Work
- d) Special Conditions
- e) Special Instructions
- f) General Contract Conditions (PUR 1000)
- g) General Instruction to Respondents (PUR 1001)
- h) Respondent's Reply

### **2.2 QUESTIONS AND ANSWERS**

Respondents should present any questions regarding this solicitation in writing via e-mail to the Procurement Officer identified on the cover sheet of this solicitation. The subject line of the e-mail should begin with: ITN DMS-11-12/031. Questions are due from Respondents on or prior to the date and time identified in the Timeline found in Section 1.9 of this ITN. The Department will post the answers to the questions on the VBS by the date identified in the Timeline found in Section 1.9.

### **2.3 AMENDMENTS OR ADDENDA TO THE ITN DOCUMENTS**

The Department reserves the right to issue amendments or addenda to the solicitation. Notice of any amendment or addenda will be posted within the VBS. Such notice, if required, will contain the appropriate details for identifying and/or reviewing the formal changes to the solicitation. Each Respondent is responsible for monitoring the sites for new or changing information concerning this solicitation.

### **2.4 RESERVATIONS**

The Department reserves the right to reject any and all Replies received pursuant to this ITN, if the Department determines such action is in the best interest of the State or the Department. The Department reserves the right to negotiate concurrently or separately with competing Respondents. The Department reserves the right to accept portions of competing Respondent's Replies and merge such portions into one project, including the inclusion of the entity offering such portions. The Department reserves the right to waive minor irregularities in submitted Replies.

In accordance with section 287.057(1)(c), F.S., the Department anticipates awarding a contract to the responsive and responsible Respondent whose Reply is assessed as providing the best value. The Department may award the contract to multiple Respondents if it determines that such a solution will provide the best value.

The Department reserves the right to evaluate the financial strength of any or all Respondents.

## 2.5 ORAL PRESENTATION AND PROJECT MANAGEMENT

The Department reserves the right to require any Respondent to perform an operational demonstration and an oral presentation on any hardware, software or professional services included in its Reply. If the Department determines that an operational demonstration and oral presentation is necessary, the Department shall schedule the presentation.

A written summary of the operational demonstration and oral presentation prepared by the Respondent shall be regarded as confirmation of this requirement and shall become part of the Respondent's reply. A list of attendees and copies of the agenda and all visuals should accompany the written summary. The inability of the Respondent to conduct the operational demonstration and oral presentation within ten days of written notification by the Department may result in disqualification.

The Respondent's should have a certified PMP from the Project Management Institute as part of the team and available at the time the Reply is submitted to the Department.

## 2.6 DISCLOSURE OF RESPONSE CONTENTS

All documentation produced as part of this ITN will become the exclusive property of the Department and may not be removed by an employee or agent of the Respondent. All Responses will become the property of the Department and will not be returned to the Respondent. The Department shall have the right to use any or all ideas or adaptations of the ideas presented in any Reply. Selection or rejection of a Reply will not affect this right.

## 2.7 CERTIFICATION OF DRUG-FREE WORKPLACE PROGRAM

The Department supports and encourages initiatives to keep the workplaces of Florida's suppliers drug-free. Section 287.087, F.S., provides that, where identical tie proposals are received, preference shall be given to a proposal received from a Respondent that certifies it has implemented a drug-free workforce program. If applicable, the Respondent shall sign and submit the attached "Certification of Drug-Free Workplace Program," **FORM 4**, to certify that the Respondent has a drug-free workplace program.

## 2.8 DIVERSITY

The Department is dedicated to fostering the continued development and economic growth of small, minority and women-owned businesses. Participation of a diverse group of Respondents doing business with the State is central to the Department's effort. To this end, it is important that small and minority and women-owned business enterprises participate in the State's procurement process as both prime Respondents and subcontractors under prime contracts. Small, minority, and women-owned businesses are strongly encouraged to submit replies to this solicitation.

## 2.9 INAPPLICABLE PROVISIONS OF THE PUR 1000

The following provisions of the PUR 1001 are not applicable to this ITN or are amended as provided below:

Section 3      Electronic Submission of Replies  
Replies should be submitted in accordance with Section 2.10

Section 4 Terms and Conditions  
Amended only to the extent the order of precedence of this solicitation is provided in Section 2.1 above.

Section 5 Questions  
Questions should be submitted in accordance with Section 2.2.

## 2.10 REPLY SUBMITTAL

Replies should be prepared simply and economically, providing a straightforward, concise delineation of the Respondent's capabilities to satisfy the requirements of this ITN. Fancy bindings, colored displays, promotional and confidential or proprietary material are not desired. Emphasis in each reply should be on completeness and clarity of content.

**Respondents are responsible for submitting Replies to this ITN to the Procurement Officer by the date and time specified in Section 1.9 of this solicitation. The Department will not consider late replies.**

In Reply to this ITN, Respondents should:

- A. Submit one signed original hardcopy.
- B. Submit five searchable electronic copies of Reply on CD-ROMs or thumb drives. The hardcopy and the electronic Reply should be identical; however, in the event of differences between the information contained on the CD-ROMs or thumb drives and the original written version, the written version will prevail.
- C. Sealed packages to be delivered should be clearly marked on the front cover of both the original and copies with the solicitation number, the Respondent's company name, and the due date and time.

## 2.11 CONTENTS OF REPLY SUBMITTAL

Replies are to be organized in TABs as directed below. Respondents should complete each section entirely or the Respondent may be deemed not responsive.

The reply should be organized as follows:

### **TAB A Cover Letter with Contact Information, Executive Summary, and Pass / Fail Certification (Limit ten pages)**

**TAB A** will contain a cover letter on the Respondent's letterhead with contact information and the name and signature of the responding organization authorized to legally obligate the Respondent to provide the Services. The cover letter should state that the Respondent agrees to provide the Services as described in the ITN. Also, **TAB A** should contain an executive summary of the Respondent's Reply. The executive summary should describe the proposed solution, cost model, and an operational model the Respondent proposes in a concise and meaningful manner. No pricing information is to be included in the executive summary.

**TAB A should also include the completed Pass / Fail Requirements Certification (FORM 2 to this ITN) signed by the same person who signs the above-mentioned cover letter.**

### **TAB B Experience and Ability to Provide Services (limit 20 pages)**

**TAB B** should include the following information:

## 1. References

Using **FORM 1** to this ITN, Respondents should provide three references from businesses or government agencies for which the Respondent has provided services of similar scope and size to the services identified in the ITN. The references should clearly state if the reference is for the Respondent or a subcontractor.

References should pertain to current and ongoing services or those that were completed prior to January 1, 2012. References may not be given by:

- Persons employed by the Department within the past three years.
- Persons currently or formerly employed or supervised by the Respondent or its affiliates.
- Board members within the Respondent's organization.
- Relatives of any of the above.

References should be signed by the person providing the reference. The Procurement Officer reserves the right to contact the Respondent's and subcontractor's references to verify the information was actually provided by the reference and the negotiation team may elect to contact the references to obtain further information regarding the Respondent's performance. In addition, the negotiation team reserves the right to contact and consider references other than those provided by the Respondent when making its best value determination.

## 2. Prior Work Experience

Prior work experience may include the combined work experience of the Respondent and their subcontractors.

### a. Similar Contracts and Services

Describe the Respondent's and or subcontractor's experience in providing strategic sourcing services, savings achieved through providing such services, and procurement and pricing models that were used in providing such services. Respondents should describe all contracts executed in the last six years that are of similar scope and size to the services sought in this ITN. The listing of similar contracts should contain the organization name, contact name, address, telephone number, and e-mail address of the entity who received the services from the Respondent.

- b. The Respondent should also identify savings that previous clients have achieved by implementing the Respondent's recommendations and compare those savings to any original estimate of savings projected by the Respondent or the client.

## 3. Subcontractor Information

If the Respondent uses subcontractors to provide any of the Services, the Respondent is required to provide detailed information for all subcontractors it plans on contracting with to provide any of the services under the prospective contract. This information should be provided using **FORM 8**, "Subcontracting." This information shall, at a minimum, include the following: name, contact information, the service(s) subcontractor will be providing under the prospective contract, the number of years subcontractor has provided services, projects of similar size and scope to the services sought via this ITN the subcontractor has

provided, and all instances of contractual default or debarment (as a prime or subcontractor) the subcontractor has had in the past five years.

#### 4. Project Management Credentials

The Respondent and or subcontractors should describe any project management credentials it holds that are relevant to the services sought through this ITN and the Respondent's approach to strategic sourcing project management.

#### TAB C Description of Solution (limit 30 pages)

In **TAB C**, the Respondent should describe:

- Its understanding of the goals and general requirements of this solicitation.
- Its overall approach to satisfying the requirements and goals of this solicitation.
- How the Respondent will assist the Department with satisfying the purpose of this ITN.
- How the Respondent's approach supports the Department's specific goals of the ITN.
- Any risks and challenges and risk mitigations with the Department's goals.
- Why the Respondent's solution is best for the State.
- In what capacity any subcontractors may be used to provide the solution.

#### TAB D Completed Forms

Unless otherwise directed Respondents should complete the following forms and submit them to the Department in **TAB D** of its response:

FORM 1	BUSINESS / CORPORATE REFERENCE (TAB B)
FORM 2	PASS / FAIL CERTIFICATION (TAB A)
FORM 3	RESPONDENT'S CONTACT INFORMATION
FORM 4	CERTIFICATION OF DRUG-FREE WORKPLACE PROGRAM
FORM 5	NOTICE OF CONFLICT OF INTEREST
FORM 6	NON-COLLUSION CERTIFICATION
FORM 7	CERTIFICATION OF NO INVOLVEMENT
FORM 8	SUBCONTRACTING

#### 2.12 REPLY EVALUATION CRITERIA

An evaluation team will be established to review and evaluate Replies to this ITN.

##### A. REPLY EVALUATION

###### 1. Experience and Ability to Provide Services

Evaluation of the Respondent's and Subcontractor's experience and ability to provide Services will be based upon information contained in the entire Reply, but primarily on the information contained in **TAB B**.

###### a. References

This section will be evaluated using, but will not be limited to, the following considerations:

- 1) How relevant are the services described in the references to the Services sought via the ITN?

- 2) How well do the references demonstrate the Respondent's experience as well as the Subcontractor's experience in performing contracts of similar size and scope for the Services sought?
- 3) How well do the references demonstrate the Respondent's ability to provide the requested Services and total solution submitted in the Reply?
- 4) Are there any issues or concerns identified in the references regarding the Respondent's or Subcontractor's experience and ability to provide the Services?

**b. Prior Work Experience**

This section will be evaluated using, but will not be limited to, the following considerations:

- 1) Has the Respondent as well as the subcontractor demonstrated in its Reply that it has experience in performing contracts of similar size and scope for the Services sought?
- 2) How well did the Respondent convey its ability to provide the Services?
- 3) Are there any issues or concerns identified regarding the Respondent's experience and ability to provide the Services?

**2. Description of Solution**

Evaluation of the Respondent's proposed solution will be based upon information contained in the entire Reply, but primarily on the information contained in **TAB C**. Replies will be evaluated using, but will not be limited to, the following considerations:

- a) How well the proposed solution satisfies the following criteria:
  - 1) Demonstrates the Respondent's or subcontractor's ability to efficiently and effectively conduct strategic sourcing events for commodities and services so as to achieve the desired savings.
  - 2) Offers innovative solutions.
  - 3) Creates efficiencies for the State.
- b) How well does the summary of the solution and the explanation of why it is the best solution for the State address and meets the goals, needs, and expectations of the State?
- c) How well does the Respondent understand the goals to be achieved through this solicitation?
- d) How well does the Work Plan describe the processes to be used in achieving the goals of this ITN?
- e) How well does the Respondent describe the staffing planned for the proposed solution?
- f) How well has the Respondent described the Services staffing and roles and responsibilities?
- g) Has the Respondent provided an organization structure / chart?
- h) Are the Respondent's staffing requirements consistent with the purpose and scope of this solicitation?

- i) How well does the Risk Mitigation Plan describe identified risks and the risk mitigation that will be employed?
- j) Has the Respondent clearly identified the savings to be achieved, and ensured that the savings are real and not soft savings as described in section 6.2, Opportunities Assessment?

## **2.13 REPLY EVALUATION AND NEGOTIATION PROCESS**

In determining whether to select or reject a Reply, the Department will consider and evaluate all information submitted in response to this ITN; information provided during oral presentation (if required); other information received from Respondent during negotiations; information gathered by the Department regarding this solicitation. Replies that do not contain all the required information may be considered non-responsive and may be rejected. In its assessment of Replies, the Department will analyze the information submitted in relation to the information requirements and evaluation criteria of this ITN, the applicable provisions of the Florida Statutes and the Florida Administrative Code. Using the evaluation criteria, in order to establish a competitive range of Replies reasonably susceptible of award, the Department will evaluate and rank the Replies and, at the Department's sole discretion, proceed to negotiate with the Respondent(s). The Department may then select one or more Replies for further consideration, or may reject all Replies.

Selected Respondent(s) will be invited to provide more detailed clarifications of their Replies, to provide interactive presentations of the Replies, and to enter into negotiations with the Department. Based on the clarifications, presentations, and negotiations, the Department will either (i) award a contract to the Respondent(s) who provides the best value for the Department and the State, or (ii) reject all Replies. The Department reserves the right to negotiate concurrently or separately with competing Respondent(s).

Before award, the Department reserves the right to seek clarifications, to request reply revisions, and to request any information deemed necessary for proper evaluation of replies. Respondents that proceed to negotiations may be required to make a presentation or demonstration and may be required to provide additional references or an opportunity for a site visit. The Department reserves the right to require attendance by particular representatives of the Respondent. Any written summary of presentations or demonstrations provided by the Respondent should include a list of persons attending on behalf of the Respondent, a copy of the agenda, copies of all visuals or handouts, and should become part of the Respondent's Reply. Failure to provide requested information may result in rejection of the Reply.

The negotiation process will also include negotiation of the terms and conditions of a contract in accordance with sections 287.057 and 287.058, F.S., as applicable to the services being procured pursuant to this ITN.

By submitting a Reply a Respondent agrees to be bound to the terms of the General and Special Contract Conditions. Respondents should assume these terms will apply during the Contract, but the Department reserves the right to negotiate different terms and related price adjustments if the Department determines that it provides the best value to the State.

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**SECTION 3: (PUR 1001) – GENERAL INSTRUCTIONS TO RESPONDENTS**

The PUR 1001 is incorporated by reference and may be viewed at the following link:

[http://www.dms.myflorida.com/business\\_operations/state\\_purchasing/documents\\_forms\\_references\\_resources/purchasing\\_forms](http://www.dms.myflorida.com/business_operations/state_purchasing/documents_forms_references_resources/purchasing_forms)

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## **SECTION 4: SPECIAL CONTRACT CONDITIONS**

Proposed Respondent's suggested changes to this ITN, including these Special Contract Conditions, will be handled via the question and answer phase of this ITN. In other words, a Respondent should not submit "redline" versions of these special contract conditions, or other requirements of this ITN, with its Reply.

Respondents should assume that the terms and conditions contained in this ITN will apply during the solicitation process, but the Department reserves the right to negotiate different terms and related price adjustments if the Department determines that it provides the best value to the State.

### **4.1 TERM AND RENEWAL**

The term of the Contract will be two years with the potential for renewal in accordance with Section 287.057(1)(a)F.S., and if deemed in the best interest of the State.

### **4.2 BACKGROUND CHECK**

The Service Provider shall ensure that background history checks, including criminal history, are conducted on all current and newly-hired employees, including all subcontractor employees, prior to the employee or subcontractor providing services under the Contract. All employees and subcontractors of the Service Provider providing services per the Contract are considered to be persons of special trust and shall therefore undergo a Level II background screening by the Department's Inspector General. The Service Provider must pay the Florida Department of Law Enforcement and Justice Department fees for this screening. The Service Provider shall not allow any employee or subcontractor employee to assist in the providing of services under the Contract if the background checks indicate that the employee fails to meet the qualification standards established for certain State employees pursuant to section 435.04(2), F. S.

The Service Provider shall require all of its employees and all subcontractor employees to report to the Department any criminal matter that employee has been involved in, whether it is an arrest, charge, indictment, information, conviction, plea of guilty or plea of no contest, regardless of whether adjudication is withheld as soon as reasonably possible, and in no event later than two business days, of such incident.

The Department shall have the right to audit compliance with this section at any time, and the Service Provider and its subcontractors shall cooperate with this audit process.

### **4.3 SUBCONTRACTING**

The Service Provider shall be fully responsible for all work performed under the Contract resulting from this solicitation including but not limited to planning, managing, implementing, operation, supporting, and warranties if applicable. If the Service Provider needs to subcontract for any services (other than those already outlined in its Reply) the Service Provider should submit a written request to the Department's Contract Manager. The written request should include, but is not limited to, the following:

- A.** The name, address, and other information identifying the subcontractor;
- B.** A description of the services to be performed by the subcontractor and why the Service Provider is unable to perform this service;
- C.** The period of time during this contract that the subcontractor will performance the identified services;

- D. A description of how the Service Provider plans to monitor the subcontractor's performance of the identified services;
- E. Certification by the Service Provider that the subcontractor has all licenses and has satisfied all legal requirements to provide the Services per the Contract. Also, the Service Provider shall certify that the subcontractor is approved by the Florida Department of State to transact business in the State of Florida;
- F. Certification by the Service Provider that the subcontractor has successfully engaged in the identified business for a specified period of time, has successfully completed work comparable in scope and specification to that required by the resultant contract, and is qualified both technically and financially to perform services via a subcontract.;
- G. A copy of the written subcontract agreement; and
- H. Acknowledgement from the subcontractor of the Service Provider's contractual obligation to the Department and that the subcontractor agrees to comply with all terms and conditions of the Contract.

All subcontractors must be approved in writing by the Department before the subcontractor is authorized to subcontract.

The Service Provider is solely responsible for insuring that the subcontractor performs as specified in the Contract. The Service Provider's use of a subcontractor not identified in its Reply or approved by the Department's Contract Manager as provided above shall constitute a breach of Contract. During the term of the Contract, and subject to prior written approval of the Department, subcontractors may be substituted or added.

#### **4.4 DEFAULT**

Failure to adhere to Contract terms and conditions may be handled in accordance with Rule 60A-1.006, Florida Administrative Code. The Department may take any other actions deemed necessary and appropriate to make the State whole in the event of such default.

#### **4.5 CONTRACT EXPIRATION (RESPONSIBILITIES OF THE SERVICE PROVIDER)**

At termination of the Contract, regardless of the reason for termination, the Service Provider will return all data owned by the State in a standard electronic format of the State's choosing. This shall be done no later than 30 days after termination of the Contract. Once all data has been returned and accepted by the State, the Service Provider shall erase, destroy, and render unrecoverable all State-owned data and certify in writing that these actions have been completed and that destruction has been performed according to National Institute of Standards, Special Publication 800-88, "Guidelines for Media Sanitization" (2006). This shall be done within 14 days of acceptance of the data by the State.

#### **4.6 COMPLIANCE WITH LAWS**

The Service Provider shall comply with all laws, rules, codes, ordinances, and licensing requirements that are applicable to the conduct of its business, including those of Federal, State, and local agencies having jurisdiction and authority. By way of non-exhaustive example, Chapter 287, F.S., and Chapter 60A-1, of the Florida Administrative Code, govern the Contract. By way of further non-exhaustive example, the Service Provider shall comply with Section 247A(e) of the Immigration and Nationalization Act, the Americans with Disabilities Act, and all prohibitions against discrimination on the basis of race, religion, sex, creed, national origin, handicap, marital status, or veteran's status. Violation of any applicable laws or rules shall be grounds for Contract termination.

#### **4.7 GEOGRAPHIC LOCATION OF DATA AND SERVICES**

The State requires that all data generated, used, or stored by the Service Provider pursuant to the prospective Contract will reside and remain in the continental U.S. and will not be transferred outside of the continental U.S. The State also requires that all Services provided to the State under the Contract, including call center or other help services, will be performed by persons located in the continental U.S.

#### **4.8 INAPPLICABLE PROVISIONS OF PUR 1000 GENERAL CONDITIONS**

The following provisions found in the PUR 1000 are not applicable to this ITN or are amended as provided below:

- Section 2. Purchase Orders is not applicable
- Section 4. Price Changes Applicable only to Term Contracts
- Section 27. Purchase Order Duration is not applicable

#### **4.9 INTELLECTUAL PROPERTY**

Any intellectual property created as a result of the Contract is subject to following provisions:

- A. Anything by whatsoever designation it may be known, that is produced by, or developed in connection with, the Contract shall become the exclusive property of the of the State and may be copyrighted, patented, or otherwise restricted as provided by Florida or Federal law. Neither the Service Provider nor any individual employed under the Contract shall have any proprietary interest in the product.
- B. With respect to each deliverable that constitutes a work of authorship within the subject matter and scope of U.S. Copyright Law, 17 U.S.C. sections 102-105, such work shall be a "work for hire" as defined in 17 U.S.C. Section 101 and all copyrights subsisting in such work for hire shall be owned exclusively by the Department on behalf the State.
- C. The foregoing shall not apply to any preexisting software or other work of authorship used by the Service Provider to create a deliverable that exists as a work independently of the deliverable, unless the preexisting software or work was developed by the Service Provider pursuant to a previous Contract with the Department or a purchase by the Department under a State Term Contract.
- D. The Department shall have full and complete ownership of all software developed pursuant to the Contract including without limitation.
  - The written source code;
  - The source code files;
  - The executable code;
  - The executable code files;
  - The data dictionary;
  - The data flow diagram;
  - The work flow diagram;
  - The entity relationship diagram; and
  - All other documentation needed to enable the Department to support, recreate, revise, repair, or otherwise make use of the software.

This ownership interest will continue after the expiration or termination of the Contract.

#### **4.10 SECURITY ACKNOWLEDGEMENT**

The prospective Contract will include security provisions addressing the following:

- A. The Department's "Information Security Manager" will be the primary point of contact that the Service Provider will coordinate with relative to information security issues that may arise in any resulting Contract.
- B. Prohibiting the exposure of any State data without prior approval from the State's primary contact;
- C. Prohibiting the access of any State data without the prior approval from the State's primary contact;
- D. Granting the State the ability to conduct or use a third party to conduct security assessments to verify compliance with security requirements;
- E. Stating that ownership of State data will remain with the State;
- F. Stating that the Respondent will not use or redistribute any State information processed, stored, or transmitted by the Service Provider except as specified in the Contract;
- G. Stating that at no time will State data be processed on or transferred to any portable or laptop computing device or any portable storage medium by the Service Provider unless that device or storage medium is in use as part of the Service Provider's designated backup and recovery processes;
- H. Stating that at Contract termination, all State data will be returned to the State in a usable format to be agreed upon by the State and the Service Provider; and
- I. Stating that at Contract termination, after all termination requirements have been met, the Service Provider shall erase, destroy, and render unrecoverable all State data and certify in writing that these actions have been completed within specified Contract timeframes and that destruction will be performed according to National Institute of Standards, Special Publication 800-88, "Guidelines for Media Sanitization" (2006). See <http://csrc.nist.gov/>.

#### **4.11 TRANSACTION FEE**

All payments made under the Contract will be assessed a transaction fee as provided in this Section 14 of the PUR 1000. Please review this section for more information regarding the Transaction Fee.

#### **4.12 INSURANCE REQUIREMENTS**

##### **Insurance Coverage**

Commencing no later than five calendar days after execution of this Contract, the Service Provider shall, at its own expense, secure and maintain the insurance coverage required by law and explicitly required by this Section and shall provide proof to the Department for approval. Performance may not commence on this Contract until such time as insurance is secured by the Service Provider and approved by the Department.

##### **Commercial General Liability**

The Service Provider shall secure and maintain commercial general liability insurance in a face amount of \$5,000,000. The Department shall be named as an additional insured in the general liability coverage policy. Each policy shall include ninety (90) calendar days prior written notice to the Department of cancellation for any coverage.

### **Workers' Compensation Insurance**

The Service Provider shall secure and maintain workers' compensation insurance as required for the State under the relevant workers' compensation law. The workers' compensation insurance shall cover all employees connected with the Services provided under this Contract. In case any work is sublet, the Service Provider shall require the subcontractor similarly to provide workers' compensation insurance for all of the subcontractor's employees unless such employees are covered by the protection afforded by the Service Provider. Such insurance shall comply fully with the Federal and Florida workers' compensation law. In case any class of employees engaged in hazardous work under this Contract at the site of the project is not protected under the workers' compensation statute, the Service Provider shall provide, and cause each subcontractor to provide, adequate insurance, satisfactory to the Department, for the protection of employees not otherwise protected.

### **Professional Indemnity Insurance**

The Service Provider shall secure and maintain professional indemnity insurance that shall cover Professional Liability and Error and Omissions in the face amount of \$5,000,000.

### **Business Interruption Insurance**

The Service Provider shall secure and maintain business interruption insurance coverage in the face amount of \$5,000,000. The State and the Department shall be named as a loss payee on the policy.

### **Auto insurance**

The Service Provider shall secure and maintain liability coverage in minimum limits of \$2,000,000 (with umbrella) on all automobiles used in performing the services under the Contract.

### **Subcontractor Provider Insurance Coverage**

Any subcontractor of the Service Provider shall provide insurance as follows:

General Liability - \$2,500,000;  
Workers' Compensation – statutorily required amount; and  
Automobile Liability (with umbrella) - \$2,000,000

The Service Provider's major subcontractors shall provide the following additional insurance:

Errors and Omissions -- \$2,500,000; and  
Business Interruption -- \$2,500,000.

### **Proof of Insurance**

At the request of the Department, the Service Provider shall provide all relevant certificates and endorsements as proof of such insurance or proof of its ability to self-insure, including renewal or replacement evidence of insurance at least 30 days prior to the expiration or termination of any insurance.

### **Deductible Amounts**

The deductible amounts for any peril shall not exceed those determined by the Service Provider to be customary in the industry. The Service Provider shall be responsible for payment of its deductible.

### **Self-Insurance**

For any required insurance coverage, the Service Provider may use a self-insurance program, provided such program has received prior written approval of the Department.

#### **4.13 E-VERIFY**

Pursuant to State of Florida Executive Order No.: 11-116, the Service Provider is required to utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment of all new employees hired by the Service Provider during the contract term. Also, the Service Provider shall include in related subcontracts a requirement that subcontractors performing work or providing services pursuant to the State Term Contract utilize the E-Verify system to verify employment of all new employees hired by the subcontractor during the contract term.

#### **4.14 SCRUTINIZED COMPANIES LIST**

In responding to this ITN, the Service Provider certifies that it is not listed on either the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, created pursuant to section 215.473, F. S. Pursuant to section 287.135(5), F. S., the Service Provider agrees the Department may immediately terminate the Contract for cause if the Service Provider is found to have submitted a false certification or if the Service Provider is placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List during the term of the Contract.

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**SECTION 5 : (PUR 1000) GENERAL CONTRACT CONDITIONS)**

The PUR 1000 is incorporated by reference and may be viewed at the following link:

[http://www.dms.myflorida.com/business\\_operations/state\\_purchasing/documents\\_forms\\_references\\_re\\_sources/purchasing\\_forms](http://www.dms.myflorida.com/business_operations/state_purchasing/documents_forms_references_re_sources/purchasing_forms)

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## SECTION 6: STATEMENT OF WORK

### 6.1 SCOPE OF WORK

This purpose of this solicitation is for the Department to contract with a service provider to work with the DMS in completing at least 20 new sourcing events within ten months after execution of the Contract. The result of such sourcing events is for the Department to achieve substantial savings within 10-18 months after contract execution. Savings achieved should reach a minimum \$100 million. Sourcing events will be conducted using the State's online eProcurement system, MFMP.

### 6.2 PHASES I, II, AND III

The Services will be provided in three phases, as described below:

#### **Phase I (A) - Spend Analysis and Opportunities Assessment**

The Service Provider will be expected to review and evaluate State-provided annual spend data, using its own tool(s) to identify appropriate categories for strategic sourcing and spend management. The Service Provider will then prepare a sourcing and spend management plan and manage the sourcing teams, along with the State project manager oversight, through the implementation of the plan.

Services are anticipated to include, at a minimum:

#### **Spend Analysis:**

Service Provider will perform a data/procurement review that includes examining baseline spending by category of purchased goods and services and benchmarking current pricing. The Service Provider will analyze electronic data from the State as well as hard and soft data from individual agency systems and/or other databases if needed.

The Service Provider should describe in detail their approach to reviewing, cleansing, categorizing, and analyzing the State's spend data as well as how they would propose to develop and carry out a plan of spend management activities which includes strategic sourcing.

#### **Opportunities Assessment:**

After completing a spend analysis, specific attention should be given to describing the various spend management activities that would be used to generate total cost of ownership savings and what methodology would be used to prioritize opportunities.

The Service Provider should explain how it will identify which products/services could be provided to the State at more favorable pricing. The Respondent should provide data to verify the pricing obtained by entities with comparably buying power.

The Service Provider should detail the analytic processes used to determine whether certain products should be standardized, and where opportunities present themselves for aggregate purchases.

The Service Provider should highlight which areas will likely provide short term savings and which will likely provide savings over the long term. Although savings in total cost of ownership will be captured, savings that do not directly impact category expenses – 'savings' such as productivity improvement, reduced maintenance costs, reduced personnel, etc. – will not count toward the hard dollar savings target.

The Service Provider should include details on the processes that would be used to identify those contracts that should be sourced or renegotiated and the specific services the Service Provider would

provide to assist the State in that process. In particular, Services Providers should address how the renegotiation processes would work within the parameters of Florida State procurement statutes and rules.

The Service Provider will identify the timeframes for implementation and track progress as described elsewhere in this ITN.

The Service Provider should describe how it will ensure that the appropriate transfer of knowledge to the State occurs throughout the project. Respondents are encouraged to identify specific steps that will be taken to assist State staff in developing necessary skills to fully implement strategic sourcing techniques.

### **Phase I (B) Develop a Sourcing and Spend Management Opportunities Plan**

The Service Provider will provide leadership to the State in identifying and prioritizing spend management savings opportunities. For each agreed upon targeted area and category, the Service Provider will identify:

- Specific savings opportunities;
- Baseline spending;
- Initial projected savings range;
- Timeframes for implementation;
- Risk and risk mitigation for the sourcing event; and
- A savings monitoring system to allow tracking of actual and projected spending and savings.

Phase I will be completed by no later than two months after Contract execution. A draft report and draft spend management opportunities plan will be delivered to the Department's Contract Manager two weeks before the completion of this Phase.

### **Phase II - Implementation of Sourcing and Spend Management Opportunities Plan**

As specific areas of focus are agreed to by the State, the Service Provider will assign dedicated teams to:

- Develop and finalize category specific work plans;
- Develop solicitations and negotiation strategies;
- Manage the implementation and communications efforts to achieve actual savings;
- Conduct sourcing events;
- Provide assistance to the State in contract renegotiations or negotiating new contracts;
- Identify relationships among agencies, local governments, and other States to expand the State's buying power through coordinated and cooperative agreements;
- Establish an ongoing savings monitoring system; and
- Transfer knowledge to DMS to ensure that the State is following best practices and fully implementing strategic sourcing techniques.

Phase II will include the Service Provider providing progress reports by target area and team, on at least a bimonthly basis. These interim progress reports will address implementation work completed and remaining, as well as updates on actual and projected spending and savings. Further, the Contractor will prepare semi-annual reports during the contract term that summarize the implementation activities over all target areas and teams.

### **Phase III – Change Management**

The Service Provider will provide a change management process for the Department to utilize when it is implementing the strategic sourcing best practices and methodology in MFMP.

Topics that should be incorporated in the process are:

- Transfer of knowledge to DMS to enable the Department to provide strategic sourcing best practices and methodology to other agencies
- How to assess readiness for adoption of new processes
- Communication and communication planning
- Coaching and manager training for change management
- Change management training
- Celebrating and recognizing success
- Contract, vendor, and demand management

### 6.3 SOURCING STRATEGY PLAN

For each new sourcing event conducted as part of the Contract, the Service Provider will be required to submit a Sourcing Strategy Plan (SSP). Each SSP will contain the following:

#### A. Detailed Description of the Commodity or Service to be Procured;

- Description of how appropriate categories will be identified, prioritized, and sequenced, highlighting necessary predecessor work elements and specific relationships between strategic sourcing and spend management, knowledge transfer, and capability-building work elements.

#### B. Market Analysis

#### C. Savings Projection Overview

#### D. Milestones

- Events, tasks, and milestones that that need to be conducted or achieved to meet or exceed the projected savings.
- Description of how strategic sourcing efforts will be phased and the amount of identified savings that the Respondent would expect to be generated in each phase.

#### E. After Action Report

- Due ten days after the conclusion of the resulting competitive solicitation.
- Report contents will be mutually agreed upon by the Service Provider and the Department:

The State believes that aggressively pursuing “low hanging fruit” and simpler, large-spend categories can result in significant savings early in the process. As such, the Service Provider is expected to support “front-loaded” savings estimates with detailed descriptions of work elements and resource allocations that will be required in achieving the savings estimates as well as specific examples of how the Respondent’s accelerated savings from spend analysis and strategic sourcing for other clients.

### 6.4 CONTRACT DELIVERABLES

As listed in Section 1.3, Overview, certain potential procurement areas have already been identified as candidates for aggregated purchasing. This list is not meant to exclude any other opportunities that may be identified during the term of this agreement.

- 6.4.1 The Respondent will provide reporting by target area and team, on a weekly basis. These reports will address ramping up resources, planning, implementation completed, as well as updates on actual versus projected spending and savings. Further, the Service Provider will prepare quarterly reports and during the contract term that summarize the implementation activities over all target areas and teams. Under this Contract all categories that will be sourced and undertaken by the Service Provider are subject to the approval of the State.

- 6.4.2 The Respondent will augment State staff and will provide subject matter experts and marketing expertise. The State will provide desks, telephones, copiers, and supplies. The Service Provider will provide its own computers.
- 6.2.3 Within one week of Contract signing, which is anticipated to be September 6, 2012, the Service Provider should have a Mobilization Plan to present to the Department that addresses on-boarding of its staff. A certified Project Management Professional (PMP) should be allocated to the Service Provider's team and available to this project at that time.

The Respondent should provide a proposed work plan at the time of submission of its Reply to this ITN.

#### 6.2.4 Proposed Work Plan (Work Plan)

The Work Plan should be based on the Service Provider's approach and savings methodology. It should describe the appropriate work elements to be carried out, as well as the intended outcome, deliverable or milestone of each work element. The Respondent must include in its Reply a project implementation plan in the form of a Gantt chart or other similar graphic presentation indicating proposed timelines and relationships for each work element as well as significant outcomes, milestones, and deliverables. The Work Plan should address the Service Provider and State resources required, and the roles and responsibilities for each work element. Finally it should include a schedule that will provide for a successful completion of all milestones and associated deliverables.

The Work Plan should include a description of how each Phase will be organized and performed. The plan should include a description of how appropriate categories will be identified, prioritized and sequenced, highlighting necessary predecessor work elements and specific relationships between strategic sourcing/spend management, and knowledge transfer. It should also identify the amount of savings that the Service Provider would expect to generate in each category identified.

#### 6.2.5 Proposed Risk Mitigation Plan

The Respondent should identify all risks that it feels will affect the project. In the proposed plan the Respondent should provide mitigation plans for each risk that has been identified.

#### 6.2.6 State's Expectations

Due to the compressed timeline for this project, the Department's expectations for project phase completion is as follows:

- a) Phase 1, Spend Analysis and Opportunities Assessment, will be completed in the first one to two months of the contract.
- b) Phase 2, Implementation of Sourcing and Spend Management Opportunities Plan, will be completed during the next seven months.
- c) Phase 3, Change Management, will be completed during the course of the Contract.

#### 6.2.7 Firms Roles and Responsibilities

The Department reserves the right to review and approve the qualifications of all key personnel who will be assigned to this effort regardless if the personnel is the Respondent or the Subcontractor, and regardless of the contractual relationship with the State. Minimum qualifications may be found in Form 2, Pass / Fail Certification.

## SECTION 7: INFORMATION REGARDING PROJECT FUNDING AND PAYMENT

### PROJECT FUNDING OPTIONS

Note: Nothing within this section is required to be submitted with the Respondent's initial Reply.

**Respondents are reminded that the State's performance and obligation to pay under this contract are contingent upon an annual appropriation by the Legislature.**

During the negotiation process, the Department and the Respondent will discuss different funding options. The following information is for consideration by the Respondent. Information stated below is not meant to limit the Respondent in its Reply to this ITN. It is merely meant to provide ideas and options.

Respondents will be encouraged during negotiations to identify fee structures that include guaranteed minimum savings. In addition, Respondents may submit multiple fee structures or scenarios which may be correlated to separate contracts. The State encourages Respondents to be creative in its fee structures.

Funding for the project may change based on availability of funds. Therefore, it is suggested that Respondents consider pricing not only for the entire project, but also funding that identifies different waves of sourcing events to provide the State with more options for implementation.

During negotiations the Department and the Respondent will have the opportunity to finalize all of these options. The State reserves the right to negotiate with any or all of the Respondents to utilize the best combination of resources and proposed methods in order to achieve maximum savings and the most effective and efficient process and organization possible.

#### 7.1 PRICING ASSUMPTIONS

- 7.1.1 Engagement will be conducted in Tallahassee, Florida at State-provided facilities.
- 7.1.2 State-provided financial information will be readily accessible and available. This will be made available at negotiation initiation.
- 7.1.3 State-provided resources and subject matter experts will be available and a decision-making schedule will be agreed upon by all parties.
- 7.1.4 The project should consist of at least 20 sourcing events over a ten-month timeline.
- 7.1.5 The addressable spend is approximately \$2.8 billion.
- 7.1.6 The Department may opt to negotiate guaranteed savings after completion of the spend analysis and validation.

#### 7.2 PRICING MODELS

As stated above, the Department will consider different funding models for this sourcing ITN. The Department has provided some potential funding models **as examples**. This does not preclude a Respondent from submitting any other funding model(s). Here are some different scenarios for the Respondents' consideration:

**MODEL A:** The Department enters into a contract with a consulting firm experienced in strategic sourcing based on the firm's fixed price during the two-year contract period or by waves and two potential renewal years of the contract term. The rates included in the proposal are the firm's lowest discounted governmental rates. The State desires that some portion of the Respondent's compensation for this scenario be "at risk" against successful accomplishment of the State's goals.

**MODEL B:** The Respondent, a consulting firm experienced in strategic sourcing, enters into an agreement with a consortium, or some other similar type of organization that will provide the Respondent a revenue stream to recoup the Respondent's costs while providing services to the State in its strategic sourcing efforts. The legal relationship between the consulting firm and the consortium would be strictly between the

two parties, and the State would have no part in any agreement that may be entered into by the two parties.

MODEL C: Upon achieving the \$100 million savings target, the Respondent could be eligible to be compensated, in addition to the fees contained in any contract awarded pursuant to this ITN, an incentive percentage of the total implemented project savings accruing from actions within the scope of the contract taken during the project period. However, the State desires that the compensation paid under this type of arrangement not exceed \$1 million. Any compensation due under this arrangement would be paid at the end of the project period. The incentive amount can be negotiated at a later time.

MODEL D: The Department enters into a contract with a consortium, whereby the consortium provides all strategic sourcing resources that meet the requirement of this ITN, but, at no cost or minimum cost to the State. These resources could include but not be limited to, data analysts, strategic sourcing service providers, subject matter experts, program management and marketing assistance, as needed, to supplement the State's staff in conducting the sourcing events. The State must approve all resources and sourcing initiatives.

The consortium's costs would be recovered through its revenue model of administrative fees from awarded suppliers of the new STCs. The STCs issued under this agreement would be promoted by the consortium to other governmental agencies nationwide. The consortium would assist in contract administration for the term of the contract. In this scenario, the State would like to share in the revenue stream over the life of the contract, once the consortium has recouped their expenses from the strategic sourcing service provider who assisted in the implementation of new STCs.

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## **SECTION 8: FORMS**

Unless otherwise directed Respondents shall complete the following forms and submit to the Department in its response:

- FORM 1 REFERENCES**
- FORM 2 PASS / FAIL CERTIFICATION**
- FORM 3 RESPONDENT'S CONTACT INFORMATION**
- FORM 4 CERTIFICATION OF DRUG-FREE WORKPLACE PROGRAM**
- FORM 5 NOTICE OF CONFLICT OF INTEREST**
- FORM 6 NON-COLLUSION CERTIFICATION**
- FORM 7 CERTIFICATION OF NO INVOLVEMENT**
- FORM 8 SUBCONTRACTING**

**FORM 1: BUSINESS/CORPORATE REFERENCE**

Florida Department of Management Services  
Invitation to Negotiate No.: **DMS-11/12-031**

Invitation to Negotiate Contract For  
Strategic Sourcing Service Provider

This Business/Corporate Reference form should be completed by the person giving the reference for the Respondent and its Subcontractor. For purposes of this form, the Respondent is the business entity that currently provides, or has previously provided, services to your organization, and is submitting a reply to the above-mentioned competitive solicitation. References shall pertain to current / ongoing services or those that were completed prior to January 1, 2012.

Upon completion of this form please return original to Respondent.

**NOTE:** References shall not be given by: employees of the State of Florida, persons employed by the State within the past three (3) years, persons currently or formerly employed or supervised by the Respondent or its affiliates, board members within the Respondent’s organization, or relatives of any of the above.

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This reference is provided for: (Please circle one) Respondent    Subcontractor

1. This business reference is for (Respondent’s or Subcontractor’s Name):
  
2. Name, title (including organization), and other contact information of the person providing the reference:

Name:	
Organization:	
Title:	
Business Address:	
Telephone:	
E-mail:	

3. Please describe your relationship with the Respondent or its Subcontractor.
  
  
  
  
  
  
  
  
  
  
4. How many years have you done business with the Respondent or its Subcontractor? Please provide dates.



**FORM 1: BUSINESS/CORPORATE REFERENCE (Continued)**

5. Please describe the strategic sourcing service(s) the Respondent or its Subcontractor provided/currently provides to your organization under your contract(s), making sure to describe in detail the quality of the services, the savings achieved to date, and how effective Respondent was or is in meeting its obligations under the contract.
  
6. Did the Respondent or its Subcontractor act as a primary provider or as a subcontractor?
  
7. Do you have a business, profession, or other interest in the Respondent's or Subcontractor's organization? If yes, please identify the interest?
  
8. Has your organization experienced any contract performance issues or problems with the Respondent's or Subcontractor's organization? If so, please describe.
  
9. Please describe your level of satisfaction with the overall services provided by Respondent's or Subcontractor's.
  
10. Would you conduct business with the Respondent's or Subcontractor's organization again?
  
11. Are there any additional comments you would like to make regarding the Respondent's or Subcontractor's organization?

Signature

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date:**

\_\_\_\_\_  
**Name (Printed):**

**FORM 2: PASS / FAIL CERTIFICATION**

This Pass / Fail Certification form must be completed by a representative of the organization who is authorized by the organization to contractually bind the organization to agreements with a value equal to or greater than \$1,000,000 and is capable of certifying that the organization will satisfy these requirements in any prospective contracts executed pursuant to this competitive solicitation. Prior work experience may include the combined work experience of the Respondent and their subcontractors.

- A. All data generated, used or stored by Respondent or Subcontractor pursuant to the prospective contract will reside and remain in the United States and will not be transferred outside of the United States;
- B. All services provided to the State under the prospective contract will be performed by persons located in the United States;
- C. Respondent or its Subcontractor has a minimum of at least six years of experience providing Strategic Sourcing Services in the private or public sector;
- D. Respondent's or its Subcontractor's Project Manager shall have at least six years of experience managing strategic sourcing projects, with a minimum of two years of experience in public sector projects.
- E. The Respondent's or its Subcontractor's team shall have a certified PMP from the Project Management Institute.
- F. Respondent's or its Subcontractor's Senior Consultant(s) shall have at least four years of experience in strategic sourcing, with a minimum of year in public sector projects.
- G. Respondent's or its Subcontractor's Associate Consultant(s) shall have at least one year of experience in strategic sourcing and a Bachelors or a Masters degree.
- H. Respondent's proposed solution and all services provided under the contract will be compliant with all laws rules and other authority applicable to providing the services including, but not limited, Florida's Open Government laws (Article I, Section 24, Florida Constitution, Chapter 119, Florida Statutes);
- I. Respondent is registered, or will agree to register, in the State of Florida's eProcurement system, MyFloridaMarketPlace before execution of the prospective contract. **SEE PUR 1000, SECTION 14.** The 1% MFMP surcharge applies to this contract and is detailed in PUR 1000.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Organization: \_\_\_\_\_

**FORM 3: RESPONDENT'S CONTACT INFORMATION**

The Respondent should identify the contact information as described below.

**For solicitation purposes, the Respondent's contact person shall be:**

**For contractual purposes, should the Respondent be awarded, the contact person shall be:**

Name: \_\_\_\_\_

\_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

\_\_\_\_\_

Fax: \_\_\_\_\_

\_\_\_\_\_

E-mail: \_\_\_\_\_

\_\_\_\_\_

**FORM 4: CERTIFICATION OF DRUG-FREE WORKPLACE PROGRAM**

**287.087 Preference to businesses with drug-free workplace programs.**--Whenever two or more bids, proposals, or replies that are equal with respect to price, quality and service are received by the State or by any political subdivision for the procurement of commodities or contractual services, a bid, proposal or reply received from a business that certifies that it has implemented a drug-free workplace program shall be given preference in the award process. In order to have a drug-free workplace program, a business shall:

- (1) Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violations of such prohibition.
- (2) Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
- (3) Give each employee engaged in providing the commodities or contractual services that are under bid a copy of the statement specified in subsection (1).
- (4) In the statement specified in subsection (1), notify the employees that, as a condition of working on the commodities or contractual services that are under bid, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of guilty or nolo contendere to, any violation of chapter 893 or of any controlled substance law of the United States or any State, for a violation occurring in the workplace no later than 5 days after such conviction.
- (5) Impose a sanction on, or require the satisfactory participation in a drug abuse assistance or rehabilitation program if such is available in the employee's community, any employee who is so convicted.
- (6) Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign the statement, I certify that this firm complies fully with the above requirements. False statements are punishable at law.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Organization: \_\_\_\_\_

**FORM 5: NOTICE OF CONFLICT OF INTEREST**

**Organization Responding to Solicitation:** \_\_\_\_\_

**Solicitation Number:** \_\_\_\_\_

For the purpose of participating in this solicitation process and complying with the provisions of chapter 112, of the Florida Statutes, the undersigned corporate officer hereby discloses the following information to the Department of Management Services:

1. Identify all corporate officers, directors or agents of the Respondent who are currently employees of the State of Florida or one of its agencies, were employees of the State of Florida or one of its agencies in within the last two years, or are currently a spouse, parent or sibling such of an employee of the State of Florida or one of its agencies:

\_\_\_\_\_

2. For all persons identified in section 1 above, please identify if they own an interest of ten percent (10%) or more in the company/entity named above:

\_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Organization: \_\_\_\_\_

**FORM 6: NON-COLLUSION CERTIFICATION**

**Organization Responding to Solicitation:** \_\_\_\_\_

**Solicitation Number:** \_\_\_\_\_

On behalf of the organization I represent I hereby certify that the following is correct and true:

1. The price(s) and amount(s) of this Response have been arrived at independently and without consultation, communication or agreement with any other Provider, potential provider, Proposal, or potential Proposal.
2. Neither the price(s) nor the amount(s) of this Response, and neither the approximate price(s) nor approximate amount(s) of this Response, have been disclosed to any other firm or person who is a Provider, potential Provider, Proposal, or potential Proposal, and they will not be disclosed before Proposal opening.
3. No attempt has been made or will be made to induce any firm or persons to refrain from submitting a Response for this contract, or to submit a price(s) higher than the prices in this Response, or to submit any intentionally high or noncompetitive price(s) or other form of complementary Response.
4. The Response of my firm is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive Response.
5. \_\_\_\_\_, its affiliates, subsidiaries, officers, director, and employees  
(Name of Firm)  
are not currently under investigation, by any governmental agency and have not in the last three years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to Proposal, on any public contract, except as follows:

I certify that I and the firm I represent understand and acknowledge that the above representations are material and important, and will be relied on by the State of Florida for which this Response is submitted. I understand and my firm understands that any misstatement in this affidavit is, and shall be treated as, fraudulent concealment from the State of Florida of the true facts relating to the submission of responses for this contract.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Organization: \_\_\_\_\_

**FORM 7: CERTIFICATION OF NO INVOLVEMENT**

I, \_\_\_\_\_, as an authorized representative of the aforementioned company, certify that no member of this firm nor any person having any interest in this firm has been involved with the Department of Management Services to assist it in:

1. Developing this solicitation; or,
2. Performing a feasibility study concerning the scope of work contained in this Invitation to Negotiate.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Organization: \_\_\_\_\_

**FORM 8: SUBCONTRACTING**

The Respondent should complete the information below on all subcontractors that will be providing services to the Respondent to meet the requirements of the resultant contract, should the Respondent be awarded. Submission of this form does not indicate the Department's approval of such subcontractor(s), but provides the Department with information on proposed subcontractors for review.

Complete a separate sheet for each subcontractor.

Service: \_\_\_\_\_

Company Name: \_\_\_\_\_

Contact: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

E-mail address: \_\_\_\_\_

Current Registered as Certified Minority Business Enterprise (CMBE) or Women-Owned Business (WBE)?

Yes \_\_\_\_\_

No \_\_\_\_\_

Occupational License No: \_\_\_\_\_

Acknowledgement from Contractor that this subcontractor has successfully complied with the "Subcontractor Acceptance Process":

Yes \_\_\_\_\_

No \_\_\_\_\_

W-9 verification: Yes \_\_\_\_\_

No \_\_\_\_\_

In a job description format, identify the responsibilities and duties of the subcontractor based on the technical specifications or scope of services outlined in this solicitation.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_