

CHAPTER 6 Solicitation Development

6.1 Chapter Overview

Subsequent to completing the pre-solicitation steps identified in [Chapter 5 Pre-Solicitation](#), solicitation documents must be constructed and prepared for competitive solicitation. This Chapter focuses on the steps in the solicitation development stage.

6.2 Solicitation Development Team

The Solicitation Development Team consists of individuals responsible for ensuring the solicitation documents contain all information needed to procure the goods or services, or solve the problem. The roles and responsibilities of the Solicitation Development Team are described below.

6.2.1 Business Owner

The agency leader (e.g., department or agency director, or designee) who is the owner of the procurement need.

6.2.2 Procurement Executive

The Procurement Executive or designee is responsible for, including but not limited to, the following:

- Ensuring the documents prepared for the solicitation contain all information needed to procure the goods or services, or solve the problem.
- Verifying that sensitive data (e.g., social security numbers, driver license numbers, financial account numbers, information that would jeopardize the security or safety of persons or property of custodial or penal institutions, security plans, security codes, passwords, etc.) is not contained in solicitation documents.
- Identifying the agency Solicitation Manager who will be responsible for addressing agency concerns related to the solicitation.
- Ensuring prior approval (CS-138) from the Michigan Civil Service Commission for the disbursement of funds to pay for services. (Additional information is on the [Michigan Civil Service Website](#)).

6.2.3 Solicitation Manager

The Solicitation Manager is the Purchasing Professional responsible for the following:

- Coordinating communications related to the solicitation.
- Developing the Statement of Work (SOW) with assistance and input from Program Manager, and Subject Matter Experts.
- Constructing the solicitation.

- Developing evaluation criteria with assistance and input from Program Manager and Subject Matter Experts.
- Verifying that sensitive data (e.g., social security numbers, driver license numbers, financial account numbers, information that would jeopardize the security or safety of persons or property of custodial or penal institutions, security plans, security codes, passwords, etc.) is not contained in solicitation documents.
- Compiling the solicitation documents.
- Managing and facilitating the solicitation process.
- Ensuring that the Procurement Executive agrees that the solicitation documents reflect the goods or services needed or the problem to be solved.

6.2.4 Subject Matter Experts

A Subject Matter Expert is an individual with expertise in the content, or a portion of the content, of the solicitation and participates in the procurement process, including but not limited to assisting with drafting any part of the solicitation, documenting the business and technical requirements, evaluating the responses received, or assisting in negotiation of any resulting contract.

6.2.5 Program Manager

The Program Manager is the individual identified by the business owner, or designee, who is responsible for the technical oversight and direction of the day-to-day administration of the contract, and all other duties as identified in Section 12.4 of [Chapter 12](#). The Program Manager is a subject matter expert and should be identified in the solicitation development stage.

6.3 Solicitation Tools

The State utilizes SIGMA and various solicitation tools to standardize the solicitation process.

6.3.1 SIGMA

The Statewide Integrated Government Management Applications (SIGMA) system is a tool used by Purchasing Professionals to provide public notice of the solicitation. Unless otherwise approved by the Chief Procurement Officer or designee, all solicitations greater than \$50,000 must be posted on the SIGMA system. At the discretion of the Solicitation Development Team, solicitations \$50,000 or less may be posted on the SIGMA system.

6.3.2 Templates

Unless otherwise approved, the Purchasing Professional must use the approved Proposal Instructions/Confidential Treatment Form/Vendor Questions Worksheet and Standard Contract Terms templates when developing the solicitation. The Statement of Work and Pricing templates are available and are customizable when required to be used in developing the solicitation.

The most current version of the documents can be found on the [Procurement website](#) under the Reference Library tab > [Forms and Templates](#) page. The templates include instructions (read and delete sections) that assist the Procurement Professional in preparing the solicitation. If aspects of a template do not make sense for a particular purchase, beyond what may be removed in accordance with the read and delete sections, seek written approval from the Policy, Training, and Outreach Division to modify the template. Blind adherence to a template rarely makes for a good business document.

To ensure that the most recent documents are used for each solicitation, download the newest templates from the intranet, rather than utilizing a saved document.

6.4 Constructing the Solicitation – Request for Proposal (RFP)

A Request for Proposal (RFP) is a formal solicitation method used for a purchase over \$50,000. The Solicitation Manager, in consultation with the Solicitation Development Team, is responsible for constructing the RFP using the approved solicitation templates. The following subsections provide guidance in the development of an RFP. The templates used in the RFP process include the following:

Section	Document
6.4.1	Proposal Instructions/Confidential Treatment Form/ Vendor Questions Worksheet
6.4.2	Contract Terms and Conditions
6.4.3	Schedule A – Statement of Work
6.4.4	Schedule B - Pricing
6.4.5	C Additional Schedules and Attachments

6.4.1 Proposal Instructions/Confidential Treatment Form/Vendor Questions Worksheet

The [Procurement website](#) under the Reference Library tab > Forms and Templates page contains a link to the “[Proposal Instructions/Confidential Treatment Form/ Vendor Questions Worksheet](#)” template, which is used to communicate the State’s instructions to the vendor community and solicit company information from the vendor. The document contains a list of questions intended to obtain information to assist the Solicitation Manager in determining if the vendor is Responsible (Responsible is defined in [Chapter 5](#), Section 5.2, and [Chapter 8](#)). The information required in the solicitation instructions is noted in Sections 6.4.1.1 – 6.4.1.11. The Solicitation Manager may add additional questions as needed or upon written approval from the Chief Procurement Officer or designee, remove questions that are not applicable to the solicitation.

6.4.1.1 Anticipated Timeline

Solicitation timelines are organized by a schedule of events, a list of activities and corresponding dates. Each solicitation, at a minimum, will have an issue date and a closing date. Additional scheduled activities may include receiving and answering vendor questions or conducting a pre-proposal meeting, and oral presentations, etc.

6.4.1.2 SIGMA Posting Requirements

The Solicitation Manager must determine the number of days the solicitation will be posted on SIGMA.

- Solicitations with an estimated value greater than \$50,000 must be posted for a minimum of 14 calendar days unless an exception is obtained from the Chief Procurement Officer or designee.

In determining the appropriate posting period, the Solicitation Manager should consider the complexity of the solicitation, and the appropriate period of time for a vendor to review the solicitation, ask questions, and prepare a sufficient response.

6.4.1.3 RFP Document List

The solicitation instructions should identify all documents included in the solicitation.

6.4.1.4 Vendor Questions

It is recommended that each solicitation identify a period of time for vendors to submit written questions prior to the close of the solicitation as well as a deadline for the State to respond to the questions. The Solicitation Manager may also elect to propose questions to prospective bidders to address during the question and answer period.

6.4.1.5 Pre-Proposal Meeting

The Solicitation Manager may conduct a “Pre-Proposal Meeting” (in person or by conference call) prior to the closing date of the solicitation. An on-site Pre-Proposal Meeting is conducted for the purpose of allowing vendors to visit the physical location where services will be performed. The solicitation must identify the meeting location, date, time, and state whether the vendor’s attendance is mandatory. Additional relevant information (e.g., driving directions, information about available parking, whether an ID is required, or whether preclearance is required) should also be included in this section.

6.4.1.6 Samples

The solicitation may require the submission of product work samples, descriptive literature, or technical data and may require inspection or testing of a product before award. If samples are desired, the solicitation should state the requirement.

6.4.1.7 Delivery of Proposal

All solicitation responses must be submitted using the SIGMA VSS system. In addition to requiring an electronic proposal submission, the Solicitation Manager may request a hard copy from the bidders if determined necessary.

6.4.1.8 Evaluation Method

The Solicitation Manager, in collaboration with the Program Manager and Subject Matter Experts, is responsible for identifying the evaluation method the State will use to evaluate proposals. There are two types of “Evaluation Methods”:

- Evaluation conducted by the Solicitation Manager in collaboration with the Program Manager and Subject Matter Experts.
- Evaluation conducted by Joint Evaluation Committee.

[Chapter 8](#) provides additional information related to the Evaluation Teams roles and responsibilities.

6.4.1.9 Evaluation Criteria

The Solicitation Manager, in collaboration with the Program Manager and Subject Matter Experts, is responsible for determining the criteria that will be used to evaluate proposals.

6.4.1.10 Award Type

The Solicitation Manager, in collaboration with the Program Manager and Subject Matter Experts, should determine the type of contract award desired, whether single, split, or multiple awards, and identify the anticipated award type in the solicitation.

6.4.1.11 Protest Period

The Solicitation Manager must identify the appropriate protest period that will be applicable to the contract award recommendation resulting from the solicitation.

6.4.2 Contract Terms and Conditions

Sections 6.4.2.1 and 6.4.2.2 identify the approved contract terms (template) that must be included with a solicitation, and the parties responsible to select the appropriate terms.

6.4.2.1 Contract Terms and Conditions – Non-IT (Information Technology)

Standard Contract Terms – The Standard Contract Terms must be used if the contract:

- Is critical to State operations, or the public.
- Would jeopardize persons, property, or the state of Michigan if the goods or services are not provided.
- Would allow the vendor to process, store, transfer or touch sensitive State data.
- Requires transition from one vendor to a new vendor.
- Allows the vendor access to State IT systems.
- Requires the vendor to process citizen credit card data.
- Is for printing services as the primary purpose of the contract.
- Requires the vendor to pay prevailing wage rates.
- Will be utilized by Extended Purchasing participants.
- Will have Administrative Fee language.

Short Form Terms – If the contract for goods or services does not fall into one of the Standard Contract Terms requirements identified above, the Short Form Terms may be used.

If the Solicitation Manager is unsure which contract terms template should be utilized, he or she should contact the Policy, Training, and Outreach Division in Central Procurement Services.

6.4.2.2 Federal Provisions Addendum

The Federal Provisions Addendum must be included in a solicitation and contract for any contract if the purchase will be paid for in whole or in part with federal funds. If the contract exceeds \$100,000, bidders and Contractor must sign the Byrd Anti-Lobbying Certificate.

6.4.2.3 Contract Terms and Conditions – IT- Related

An IT-related solicitation is a solicitation for goods or services that meet the definition of IT.

IT is defined as software, hardware, networking, Internet of Things, and telecommunication products and services that the State uses to store, manage, access, communicate, send, and receive information. IT also refers to data, voice, and video technologies. The determination of whether something is considered IT is not dependent on cost (i.e., could be a free service) or whether the product or service is hosted on state systems.

Examples of IT products or services include, but are not limited to, the following:

- On-premise, commercial-off-the-shelf (COTS) software applications installed on state systems (e.g., Adobe Acrobat).
- Externally-hosted, COTS software applications installed on a vendor's system (e.g., DocuSign, Salesforce, etc.).
- Custom-developed software applications (e.g., DHHS' CHAMPS system).
- Software-as-a-Service (SAAS) applications hosted by a vendor (e.g., LexisNexis, Survey Monkey, etc.).
- Subscription-based information services (e.g., Gongwer, Gartner, etc.).
- Social media accounts (e.g., X, Facebook, etc.).
- Mobile Applications (e.g., iTunes).
- Server hardware and software used to support applications such as database, application/web servers, storage systems, and other hosting services (e.g., Dell EMC PowerEdge Blade server).
- Hardware devices (e.g., laptops, tablets, smartphones, etc.).
- Data, voice, and video networks and associated communications equipment and software (e.g., Cisco routers and switches).

- Peripherals directly connected to computer information systems (e.g., Ricoh scan printers, printers).
- Internet of Things (IOT) are objects with electronic components that include processing and networking capabilities designed to enhance the functionality of the object by leveraging communications over the internet (e.g., ADT Security, smart thermostat, software-enabled lab equipment, refrigerator with an LCD screen, etc.).
- Vendor services for software application, installation, configuration, development, and maintenance, including staff augmentation arrangements (e.g., CNSI resources assisting with maintenance and support of the DHHS CHAMPS system).

At the onset of the solicitation, the Solicitation Manager must follow established procedures and/or consult with the Attorney General's office to identify the appropriate terms to include with an IT-related solicitation.

6.4.3 Statement of Work

The Solicitation Manager, in collaboration with the Program Manager and Subject Matter Experts, is responsible for translating the business and technical requirements into the Statement of Work. The "Statement of Work" is the document that defines specific objectives, activities, requirements, deliverables, and respective timelines. If a Request for Solution (a type of RFP – see MPPM [Chapter 5.4.1.](#)) is being used, the Statement of Work will be less prescriptive and the deliverables identified may be further defined during negotiations.

The Solicitation Manager should use concise language when drafting the solicitation. Use the words "must" or "is required" to identify mandatory (essential) requirements (use the same term throughout the solicitation). Avoid using the word "shall" as it can be ambiguous. The words "may" or "should" may be used to identify optional (or desirable) requirements.

Statement of Work Schedule A below provides the Solicitation Manager with guidance on how to develop a Statement of Work.

The [Forms and Templates](#) page intranet site provides templates that may be used in drafting a Statement of Work. The templates contain sample language that a Solicitation Manager may find useful in developing the Statement of Work. These templates are not intended to be a fill-in-the-blank format and must be modified to the specific needs of the procurement. The Statement of Work may be developed in Excel or in Word. The Solicitation Manager should develop the Statement of Work in a way that will assist the Evaluation Team in easily evaluating the proposals. The Statement of Work typically addresses these subjects:

6.4.3.1 Background

This section is typically short in length and provides an overview of the need for the procurement and why we are doing this project. This may include the business objective, and any concurrent projects, systems or programs impacted.

6.4.3.2 Scope

This section briefly states the work to be done. The information should be limited to what is necessary to convey the intent of the resulting contract. It may include a statement of the extent of work to be performed, a brief overview of the steps involved with the project, and a short description of the methodology to be used.

6.4.3.3 Location of Work

This section describes where the work is to be performed.

6.4.3.4 Ordering

This section identifies the appropriate authorizing document for the Contract.

6.4.3.5 Delivery Schedule/Timeline for Performance

This section describes the delivery schedule and timeline for performance.

6.4.3.6 Funding Source and Compliance Requirements

This section identifies any State or federal requirements and state of Michigan specific standards that must be met or adhered to.

6.4.3.7 Acceptance Criteria

This section specifies how the State will determine if the good(s) or service(s) are acceptable. Contract Terms may have general acceptance language, but the language may need to be modified for the specific procurement.

6.4.3.8 Invoice and Payment

This section identifies the appropriate invoicing process for the Contract.

6.4.3.9 Transition Requirements

If transition will be required to implement the new contract, describe in detail the transition plan and timeline. Contract Terms may have general transition language; determine if the language should be modified.

6.4.3.10 Training

This section describes any training requirements.

6.4.3.11 Reporting

This section describes the reporting requirements.

6.4.3.12 Business and Technical Requirements and Specifications

This section lists the business and technical requirements, and specifications.

The requirements and specifications describe what is needed, the technical issues that need to be resolved, how the deliverables will function, the activities to keep the deliverables functioning, and the expected results or performance of a product or service. The requirements and specifications may classify or describe the product

needed, may specify the classification in groups (i.e., type, grade, class, composition, style, color, form, weight, and size) and may also include minimum acceptable levels of performance.

It may be necessary to identify a business and technical requirement, or specification as a “Mandatory Requirement” that a vendor must meet to be considered for an award. However, a business and technical requirement, or specification must not be written to restrict competition. The Solicitation Manager must ensure that there is sufficient justification for any Mandatory Requirement identified in a solicitation. Examples of a Mandatory Requirement include:

- Pre-proposal meeting attendance
- Minimum qualifications
- Performance requirement
- Licensure or certifications
- Prior experience of similar scope and size of the solicitation

The solicitation may indicate that an approved alternate to the identified business and technical requirement, or specification will be accepted.

As approved by the Procurement Executive, or designee, an approved brand list may be used, however, the Solicitation Manager should note that using brand or trade names tend to restrict competition.

6.4.3.13 Service Level Agreements and Liquidated Damages

Service level agreements establish a framework for payment when a requirement is not met, or goods and services have not been provided. These are required for Category 4 and 5 contracts (recommended for Category 3). To determine the category level see the [Category Level List](#) on the [Reference Guides](#) page.

Parties to a contract use liquidated damages where actual damages, though real, are difficult or impossible to prove. The liquidated damages clause provides the amount of damages in the case of a contract breach.

All multi-year contracts must contain service level agreements or liquidated damages unless a written exception is granted by the Chief Procurement Officer or designee.

6.4.3.14 Integrity of Third-Party Transactions

Contracts involving Service Organizations (SOs) require additional controls to manage risk. Service Organizations are contractual entities that provide services on behalf of the State and may collect, process, transmit, store, organize, and maintain the State’s hardcopy and electronic data. If such a contract will involve money-handling (i.e. the collection, receipt, and/or process of payment of State monies), state data, financial transactions, or IT (as defined in Section 6.4.2.3), the Service Organization Risk Assessment Worksheet must be completed during solicitation development.

[The Service Organization Risk Assessment Worksheet](#), which provides users a risk score and guidance about what reports should be built into the solicitation (such as

System and Organization Controls (SOC) reports), is completed by the Solicitation Manager in collaboration with the Program Manager and Subject Matter Experts.

A [document listing commodity codes](#) that often carry risks which make reporting beneficial is posted on the Procurement SharePoint site.

6.4.4 Developing Pricing

The Solicitation Manager, in collaboration with Program Manager and Subject Matter Experts, is responsible for developing a pricing schedule. “Schedule B – Pricing” refers to the document the vendor will complete to identify the price of the requested goods, services, or problem to be solved. It should clearly identify the unit of measure, and the specific items to be priced. Consideration should be given to the useful life of the purchase; anticipate warranty, maintenance, and support services needed beyond the initial purchase; volume discounts; and milestone and deliverable-based pricing models. The intent of Schedule B - Pricing is to obtain structured pricing responses to allow the State to compare multiple responses during evaluation.

Schedule B - Pricing should describe the type of contract that will be awarded. Examples of contract types include, but are not limited to, the following:

Fixed Price Contracts

- Fixed price by unit cost or by hour
- Fixed price by total cost or lump sum (requirement, milestone and deliverable-based)
- Fixed price with incentive or commission
- Fixed price with or without price increase or decrease provision

Cost Reimbursable Contracts

- Cost reimbursable with fixed fee
- Cost reimbursable with percentage fee
- Cost reimbursable with incentive fee
- Cost reimbursable with award fee
- Time and materials

6.4.5 Additional Schedules and Attachments

Title any additional documents with the appropriate heading name and schedule reference beginning with Schedule A, or Attachment 1, 2, 3, etc. The Statement of Work must be titled as Schedule A and Pricing must be titled as Schedule B.

6.4.6 Goods or Services with an IT Component

If the solicitation for goods or services includes a component that meets the definition of IT, contact must be made with the agency’s designated DTMB General Manager, or Business Relationship Manager, for consultation on the need for DTMB IT services (e.g., Cyber Security, Agency Services, Enterprise Architecture, Telecom, etc.).

DTMB, in collaboration with the Attorney General’s office, will identify the appropriate contract terms to include with a solicitation that includes an IT component. The Solicitation

Manager must follow established procedures to engage the Attorney General’s office at the onset of the solicitation. If an agency is handling the solicitation under delegated authority, the agency must contact the Policy, Training, and Outreach Division in Central Procurement Services for a referral or assistance with engaging the Attorney General’s office to select the appropriate contract terms.

6.5 Constructing the Solicitation – Invitation to Negotiate (ITN)

An [Invitation to Negotiate](#) (ITN) is an optional formal solicitation method used for a purchase over \$50,000 when research supports there is only one vendor. If the Solicitation Manager is aware of more than one vendor that can provide the good or service, this solicitation method should not be used. Prior to using this solicitation method, the Solicitation Manager must obtain approval from the Chief Procurement Officer or designee.

The Solicitation Manager is responsible for developing and drafting the request and justification for utilizing this solicitation method. The information required to obtain approval to use the Invitation to Negotiate is noted below.

6.5.1 Constructing the Invitation to Negotiate

6.5.1.1 Description of the Purchase

The ITN must describe the purchase, and the Solicitation Manager must attach a detailed list of business and technical requirements, and specifications.

6.5.1.2 Commodity Code Reference

The appropriate commodity codes applicable to the purchase must be identified on the ITN document.

6.5.1.3 Name of Potential Vendor

The name of the potential vendor, address, and contact information must be identified on the ITN document.

6.5.1.4 Justification

Provide justification for using an ITN solicitation method by describing why the potential vendor identified is the only product or service provider. This may require explaining how the requirement fits into a larger overall program. Discuss any market research conducted and describe results. “Market Research” is an exercise used to determine any vendors capable of satisfying the State’s requirements. Market research should be focused not only on identifying alternative sources, but also on alternate goods, services or other substitutes that might fill the State’s needs with only minor modifications. If no market research was conducted, it must be stated, and the rationale provided. Regardless of the approach used, the results should provide a high level of confidence that no other qualified sources exist. Describe any actions taken or to be taken to foster competition for future purchases of the goods or services.

6.6 Constructing the Solicitation – Competitive Proof of Concept (CPC)

A Competitive Proof of Concept (CPC) is an optional formal solicitation method to solicit proposals from prospective suppliers to perform a proof of concept for a good or service that the State wishes to try out before fully implementing. Proposed proof of concepts may last no longer than 12 months and may result in the establishment of a separate implementation contract. Prior to using this solicitation method, the Solicitation Manager must obtain approval from the Chief Procurement Officer or designee.

The Solicitation Manager is responsible for developing and drafting the request and justification for utilizing this solicitation method. The information required to obtain approval to use the CPC is noted below.

6.6.1 Constructing the Competitive Proof of Concept and Justification

6.6.1.1 Description of the Purchase

The Solicitation Manager is responsible for describing the needed good or service and should include its intended use, quantity, estimated time frame, and anticipated number of proof of concept awards that will be made.

6.6.1.2 Justification

The Solicitation Manager must provide the justification for using a CPC by describing why a CPC is in the State's best interest, how a CPC meets the needs of the program, and any actions taken or to be taken to foster competition for this good or service.

Once approved, the Solicitation Manager must develop the CPC documents. The CPC documents include:

- Solicitation for Proof of Concept Proposals.
- Contract Terms (see Section 6.4.2.).
- Any additional schedules and attachments.

6.7 Constructing the Solicitation – Geographically-Disadvantaged Business Enterprise Mandatory Minimum

A Geographically-Disadvantaged Business Enterprise (GDBE) Mandatory Minimum (see [Chapter 5 Pre-Solicitation](#)) is a formal solicitation method for the purchase of a good or service with a value over \$50,000. It is used when the Chief Procurement Officer has declared that a specific contract, category of contract, or contract in a specific area must include a mandatory minimum requirement that bidders are GDBEs.

The Solicitation Manager must ensure that the solicitation includes a mandatory minimum requirement that bidders are GDBEs. The Solicitation Manager is required to develop a formal solicitation document using the RFP document set and post the solicitation on SIGMA.

6.8 Constructing the Solicitation – Request for Quote

A Request for Quote (see [Chapter 5 Pre-Solicitation](#)) is an informal solicitation method used for the purchase of a good or service with a value of \$5,000.01 – \$50,000. The Solicitation

Manager is responsible for making reasonable effort to obtain quotes from a minimum of three viable vendors and must document the vendors contacted. The Solicitation Manager is not required to, but may, develop a formal solicitation document, or post the solicitation on SIGMA. Communication with the vendors should include a discussion regarding the resulting contract period (one-time purchase, single or multi-year contract term), delivery requirements, shipping terms, warranty info, etc.

6.9 Constructing the Solicitation – Request for Quote – Michigan Supplier Community Program (MiSC)

A Request for Quote – Michigan Supplier Community Program (see [Chapter 5 Pre-Solicitation](#)) is an informal solicitation method used for the purchase of a good or service with a value of \$5,000.01 - \$500,000. The Solicitation Manager is responsible for obtaining a minimum of three quotes from viable vendors that meet the requirements of the MiSC program and must document the vendors contacted. The Solicitation Manager is not required to, but may, develop a formal solicitation document, or post the solicitation on SIGMA. Communication with the vendors should include a discussion regarding the resulting contract period (one-time purchase, single or multi-year contract term), delivery requirements, shipping terms, warranty info, etc.

6.10 Constructing the Solicitation – Direct Solicitation (DS) and Justification

A Direct Solicitation (see [Chapter 5 Pre-Solicitation](#)) is a solicitation method used for a purchase over \$50,000 when there is more than one vendor, but the pool is limited, or when posting on SIGMA would not provide sufficient response from the vendor community. Chief Procurement Officer or designee approval is needed to use this solicitation method.

The Solicitation Manager is responsible for developing and documenting the justification needed to obtain approval. The information required to obtain approval to use the Direct Solicitation is noted below.

6.10.1 Constructing the Direct Solicitation and Justification

6.10.1.1 Description of the Purchase

The Solicitation Manager is responsible for developing the detailed list of business and technical requirements, and specifications, for the purchase.

6.10.1.2 Commodity Code Reference

The appropriate commodity codes applicable to the purchase must be identified.

6.10.1.3 Potential Vendors

The name, address, and contact information for all known vendors who can provide the service must be identified.

6.10.1.4 Justification

The Solicitation Manager must provide the justification for using a DS solicitation method by describing why the potential vendors identified are the only providers that can meet that State's needs, or why posting on SIGMA would not provide sufficient

response from the vendor community. The request must describe any market research conducted. “Market Research” is an exercise used to determine the sources capable of satisfying the State’s requirements exist or can be modified so that they will satisfy the State’s needs. Market research should be focused not only on identifying alternative sources, but also on alternate goods, services or other substitutes that might fill the State’s needs with only minor modifications. If no market research was conducted, it must be stated, and the rationale provided.

Once approved, the Solicitation Manager must develop the Direct Solicitation documents. The Direct Solicitation documents include:

- Proposal Instructions/Confidential Treatment Form/ Vendor Questions Worksheet (see Section 6.4.1).
- A Statement of Work that contains the detailed list of the business and technical requirements, and specifications used in obtaining the approval from the Chief Procurement Officer.
- Contract Terms (see Section 6.4.2.).
- Any additional schedules or attachments.

6.11 Contract Period

The contract period for any resulting contract must be identified in the solicitation. When determining the appropriate contract period, the Solicitation Manager, in collaboration with the Program Manager and Subject Matter Experts, must consider the needs of the State, the total cost of ownership, useful life, and expected costs. The contract term should be for a period of time that is in the best interest of the State. An “Evergreen Contract” is a contract that is automatically renewed after the completion of an identified period unless canceled by either party. Only the Chief Procurement Officer or designee is authorized to approve an Evergreen Contract.

6.12 Compiling the Solicitation Documents

The solicitation documents may be posted on SIGMA individually, or as a single document. If a single document is used, all headings for each section must be kept intact (e.g., do not eliminate titles such as Solicitation Instructions and Vendor Question Worksheet, or Standard Contract Terms, etc.) and assembled in the following order:

Section	Document
6.4.1	Proposal Instructions/Confidential Treatment Form/Vendor Questions Worksheet
6.4.2	Contract Terms and Conditions
6.4.3	Schedule A – Statement of Work–
6.4.4	Schedule B - Pricing
6.4.5	Additional Schedules and Attachments

6.13 Review and Approval of the Solicitation Documents

The Solicitation Development Team must review the documents to ensure there is consensus that the solicitation documents reflect all information needed to procure the goods or services, or solve the problem.

The following items are required before the Solicitation Manager will publish the solicitation on the State's bid posting system, SIGMA, or otherwise communicate it to the vendor community:

- Solicitation documents which have been approved by the relevant stakeholders.
 - For commodities and services procurements: Business Owner/designee or project sponsor, Procurement Executive, Program Manager, Solicitation Manager, IT Agency Services Business Relationship Manager (for commodities and services with an IT component only) and Attorney General representative (as required).
 - For IT services and commodities procurements: Business Owner/designee or project sponsor, IT Agency Services Business Relationship Manager, Project/program Manager, Solicitation Manager, and Attorney General representative (as required).
- An approved written request or SIGMA Requisition.
- A project timeline for the solicitation which has been mutually developed and approved by the Solicitation Manager and agency business owner/designee or the IT Agency Services Business Relationship Manager as required.

6.14 Solicitation Containing Sensitive State Information

If the solicitation documents contain information that should not be released without a signed nondisclosure agreement from interested vendors, the Solicitation Manager should note this and complete a modified version of the solicitation for public posting. The vendor community must be notified of the requirements to sign a non-disclosure agreement prior to releasing the complete solicitation.