

Don't Get Knocked Out! The Top 10 Mistakes of RFP Preparation

Presented by

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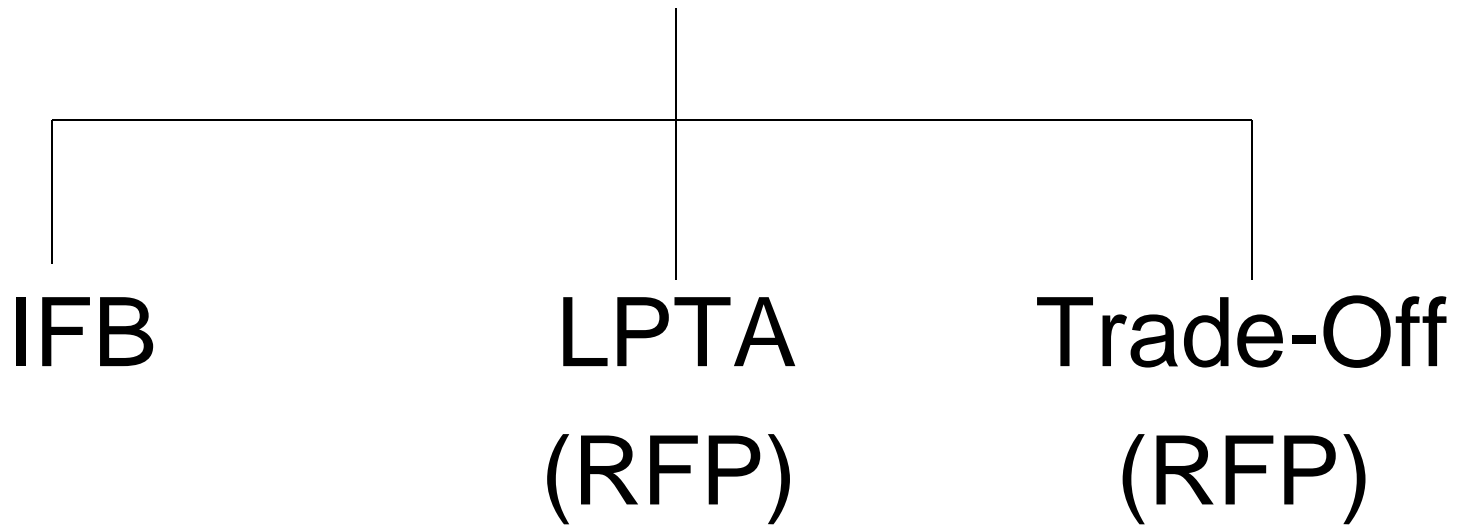
**Flight 93
National Memorial**
*A common field one day.
A field of honor forever.*





The Basics

Best Value Continuum





- **Best Value Continuum,**
 - ▶ INVITATION FOR BID – Used when requirement is easily definable.
 - ▶ Time permits.
 - ▶ Award w/be made on price & price-related factors alone.
 - ▶ No Discussions will be needed.
 - ▶ Reasonable expectation of receiving more than one bid.





- Request for Proposal (RFP)– 2 types
- **Lowest Priced Technically Acceptable (LPTA)**
 - ▶ Award w/be made to offer that meets (or exceeds) the requirement that is the lowest price.
 - ▶ Technical Requirements clearly defined in RFP.
 - ▶ Discussions may be conducted, if needed to clarify.
 - ▶ All offers, after exclusions, are rated as either technically “acceptable” or “unacceptable.” (Go -No Go)
 - ▶ Of those rated Acceptable, award is made to Lowest-Priced offeror.
 - ▶ No proposal revisions or competitive range
 - ▶ No Trade-offs allowed





- Request for Proposal (RFP)– 2 types,
 - **Trade Off Process**
 - ▶ Time permits.
 - ▶ Award w/be made on other than lowest-priced offer or highest technically-rated offer.
 - ▶ Discussions may be conducted.
 - ▶ Evaluation Factors Clearly Defined in RFP
 - ▶ Permits different approaches from offerors – generally a performance “spec.”
 - ▶ Competitive range determination/ FPR allowed
 - ▶ Award is made to highest rated offeror, price and non-price factors included.





■ Minor vs. Material Mistakes

- Minor mistakes – can be allowed – KO prerogative. Minor means that the intent was clear – e.g. you might have transposed a figure on your pricing but your end price was correct.
- Material mistakes – Material means it affects approach, price, schedule, etc. Failure to comply could result in performance failure.
- Failure to acknowledge a material amendment could render you non-responsive to the RFP



Contracting

FAMILY
FEUD

FAMILY FEUD

Not Being Ready to do Biz w/ Govt **10**

Underestimating Resources **5**

Not Following Instructions **9**

Unbalanced Pricing **4**

Not Reading/Underst. the RFP **8**

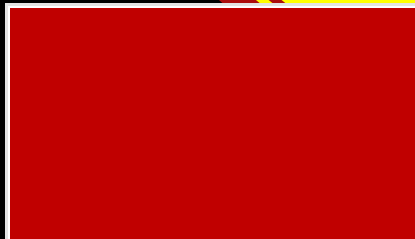
Too Much Subcontracting **3**

Not Asking Questions **7**

Assuming U get 2nd chance **2**

Not Attending Pre-Bid Mtg **6**

Incompl./Irrelevant Past Perf. **1**





■ 1. Not Being Ready

- Experience, skill sets – know your capability, don't guess
- Business acumen – Federal work is complicated with lots of red tape. Concentrate on more simple procurements like commodities before you get into long term commitments to manage
- Attitude – the Government doesn't "owe" you a contract. You have to work for it.
- Education/knowledge – get as much education about Federal contracting as you can. Know how the agency you want to do business with does it's contracting.
- Market Research – who buys what you sell? Stop wasting time and concentrate on only those that gives you the best opportunity to get a contract.
- Wanting it all...must be willing to start small or be a subcontractor. Pick one Agency to start with and learn how they do business before adding more.
- Financial Planning – floating multiple contracts
- Choosing the right partners for successful performance and not getting used as a pass-thru for your status.





■ 2. NOT FOLLOWING RFP INSTRUCTIONS

- Providing irrelevant information – get to the point, don't use fluff or fillers.
- Not demonstrating in sufficient detail that you are hitting all points in the technical requirement. Remember that a real, live person is reading the proposal – they shouldn't have to make a huge leap to connect the dots or “hunt” for information.
- Not complying with formatting requirements, page limitations, layout, volume content, skipping sections or required information, errors, etc.
 - If you are varying your content, address it and explain why it still meets the requirement
 - Whatever you send must clearly illustrate that you meet the technical qualifications for the work. Extra pages will not be evaluated.
- DELIVERY OF YOUR PROPOSAL – You must deliver to the office identified in the RFP. Merely getting it to the mailroom or “in the mail” does not suffice. It must be in the bid box by the date/time designated or it's LATE. UPS does not guarantee delivery by date & time. Use a service that guarantees delivery - you will have to pay for that but it's worth it.
- NO ELECTRONIC RESPONSE unless the RFP specifically allows it.
- Acknowledge all amendments; sign the proposal!





■ 3. Not Reading/Understanding the RFP

- Read the whole thing more than once
- Get someone else to read the whole thing
- Look up all the clauses – they can change as new laws are enacted.
(example – HUBZone price preference clause changed)
- Don't make assumptions based on a previous procurement...
- Make a checklist identifying—
 - Evaluation factors & points to hit
 - Submission requirements
 - Check all off as you do them – then have someone else look at it...





■ 4. Not Asking Questions

- Your chance to clarify ambiguities
- Don't assume someone else will ask...
- Submit in writing by date specified
- You're not alone...don't be afraid to ask. You won't get a "reputation" for being difficult (unless you ARE).
- READ all the answers posted and make sure your proposal covers those
- Don't expect to be given specific instructions – will most likely clarify a point or direct you to relevant solicitation provision or clause/section.
- Questions should be direct in pointing out exact reference area of solicitation and then state the question or discrepancy in clear concise terms. If a contradiction exists, point out that as well.
- DON'T ask useless questions – if it says “no more than 10 pages” – don't ask if that includes a summary sheet or if you can exceed it.
- **ACKNOWLEDGE AMENDMENTS** resulting from the RFI's posted.





■ 5. Not Attending Pre-Bid Mtg or Site Visit

- Verify what the job looks like, the requirements, interface with Govt', ask questions, see who's bidding, identify possible suppliers or teaming partners
- Don't make assumptions based on photos or drawings – you're stuck with what you offer or bid.
- Schedule a separate visit at Gov't convenience if you can't make the scheduled meeting.
- Attend industry days set up for particular procurements – this is one way how the government determines interest from all aspects of industry.
- Look at copies of previous contracts for same items from same agency. Note any changes. Previous prices paid only useful if scope didn't change.
- Don't expect any specific answers unless it's something that can be clarified right then. Most questions will be collected from audience and published in an amendment.





■ 6. Underestimating Resources / Capabilities

- Not planning for the “worst case” - what’s the plan if it happens?
- Not knowing market conditions and affect on future pricing
- Can you REALLY do this work? What happens if I lose my primary subcontractor? Can I continue?
- How labor laws (minimum wages) affect pricing, job categories (have you classified your employees correctly and are you paying them the right wage?)
- Do you have enough people assigned to work the contract; if you’ve doubled up on positions, does the contract allow that?
- Are you in compliance with the “Limitations on Subcontracting” Clause – are you self-performing the minimum percentage required?
- What you price now cannot be changed – even if you underestimated resources.





■ 7. Frontloading and Unbalanced Pricing

- Allocating costs to inappropriate pool
- Including costs not allowable (familiarity with FAR Part 31)
- Shifting costs to 1st year under option year contracts to get paid for investment items
- Double accounting – costs included (duplicated) in more than one line item
- Including “contingency” cost for those “just in case” scenarios
- Unrealistic profit percentage for low percent of self-performance.
- Not explaining in your proposal why you did what you did. If you must include a cost that makes your pricing look unbalanced, explain why.





■ 8. Too Much Subcontracting !

- Not meeting the “Limitation on Subcontracting” clause requirement for self performance.
- Taking on work outside core capabilities and passing it on to another company
- Pass-throughs! Getting involved in teaming solely for size status
- Overly reliant on another company’s resources, expertise, etc. Risk of Affiliation... No backup if arrangement goes sour.
- Higher costs – hard to be competitive if most is subcontracted out – affects price, management, billing, coordination amongst subs, etc.
- Increased risk of failure – especially if a critical subcontractor walks.





■ 9. Assuming You Get A Second Chance

- LPTA is one shot deal – No negotiations. You don't get to revise.
- Trade-Off - assuming you will get to negotiate and revise based on a better understanding of what is involved. You could be eliminated from the competitive range at first round for an incomplete or poorly developed proposal.
- Trade-Offs can be held without discussions – don't count on being able to “explain” your proposal or elaborate on anything.
- Submitting a “boilerplate” proposal used before assuming you can revise it later. A one-size-fits-all approach is a bad decision.
- Not treating a proposal as if it's the best and final offer and price.





■ 10. Incomplete – Irrelevant Past Performance

- Assuming Past Performance is same as Experience – not the same
Experience = I can do it Past Performance = I did it well
- Furnishing PP on a dissimilar project without explaining why that information is relevant to the current RFP.
- Not sending the specified information – if it calls for examples of 3 projects in last 5 years, don't send 4, don't send 2 and don't send anything older. If you send less, explain why
- Sending information from a contract that you were not the prime unless the RFP allows it.
- Not admitting you don't have relevant past performance – FAR Part 15 (for LPTA ONLY) allows that you get an "Acceptable" rating anyway – don't try to fake it. Admit in writing that you don't have relevant past performance.
- If found unacceptable, the KO must refer to SBA
- Not maintaining a file of current successful PP sheets from your customers – get one filled out at close of every job. Don't rely on them to submit for you in response to an RFP – it could cost you your rating.

