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BEST PRACTICE IN PUBLIC PROCUREMENT

CATEGORY:

INNOVATION IN THE PROCUREMENT PROCESS

2017 APPLICATION

SUBMITTED BY

VALENCIA COLLEGE PROCUREMENT DEPARTMENT
Best Practice Award Application: Innovation in the Procurement Process

**Automation of RFP Evaluation Program**

**Problem Definition**

Valencia College utilized an Excel spreadsheet as an Evaluation Summary Matrix for review and committee evaluation of proposal responses. As each solicitation issued contained different and unique requirements, a new workbook and associated worksheets had to be created for each new RFP. Prior to the RFP issuance, Procurement would create a specific Evaluation Summary Matrix from the master Excel spreadsheet with the relevant RFP evaluation data.

In advance of the RFP, separate worksheets were created to accommodate the various steps of the RFP process. For example, the preliminary review of the RFP required creating a checklist of required forms and minimum mandatory requirements. The names of the respondents were manually added to the workbook and worksheets. A second worksheet was prepared to structure the RFP’s evaluation data, adding appropriate committee members, the description of evaluation criteria, weights, and other relevant RFP information. If presentations/interviews were required, a supplemental worksheet with relevant assessment data for assessing those additional evaluation events was created.

As noted, the requirements are different for each solicitation, which results in Procurement staff routinely entering new categories and evaluation data manually. Large scale RFPs generate more data and require a great deal of staff time to set up the spreadsheets. One RFP can contain up to seven evaluation categories with associated criteria, descriptions and weights. This data was required to be entered into each of the spreadsheets along with committee member information and respondents for each of the scheduled meetings. This usually generated more than 50 different entries onto the spreadsheets for a single RFP, which did take staff resources and time.

Unfortunately, the additional data required in the manual data entry process also increased the potential for human errors and miscalculation of cell errors, especially if the cells were not completely verified each time a change was made to the spreadsheet or if formulas were not audited by at least two sets of eyes.

Fast forward – One of the RFP respondents discovered an actual calculation error in the formula of one worksheet that ultimately carried over to another worksheet. This solidified our need to modernize and automate this manual process.
The Challenge

With the need for a more efficient RFP evaluation method, the Procurement team established this as one of the goals for the fiscal year: “Automate the RFP evaluation process with the objective of streamlining RFP assessments and improving operational efficiency.” The desired outcome: achieve improved accuracy, reduce staff time, provide support to committee members, and add value to procurement. The challenge - Procurement had limited funds available for this initiative.

Procurement began to research available stand-alone, cloud software solutions as an alternative to the manual system. The common RFP evaluation systems that were observed, were part of a suite of e-Procurement tools, the functionality did not match the desired outcome of our goal, or the cost of the software was clearly not within our financial plan.

Procurement first surveyed other agencies for the types of evaluation software used and the pros and cons of those systems. It was clear that the majority of procurement offices were still using a manual process or in-house database. It seemed that cloud-based products were either unsuitable for the specific process, were too complex, or the subscription fees and software/hardware expenses were cost prohibitive. Our Information Technology department did not have the time or resources to develop a new system. After our information gathering stage, it became evident that we either needed creative financing or look for a Plan B.

The Solution – Plan B

Funding increase was a capital solution for another fiscal year, so we decided to explore the feasibility of a new module and expansion of the Vendorlink software, which was the platform used for Valencia’s bid solicitation and notification services. The database was already established, and a new evaluation module would complement the product and help sell it to other agencies. Our team was familiar with the software application, which meant minimal training and implementation efforts, and we would offer the facility and manpower to design and be the beta test site for program implementation.

We contacted Carlos Martinez, CEO of Vendorlink, to discuss the project. I had previously designed and tested the Vendorlink product while at Osceola County and was familiar with the software capabilities as it related to program growth. Vendorlink was a project that I enjoyed designing with Carlos (member of staff at UCF), and the experience was very positive. The partnership was formed once more.
Next Steps

Project Team - Creating a project team with diverse skill levels and familiarity with the RFP evaluation process was important to the success of this initiative. Procurement reached out to nearby agencies to gauge interest in forming a development team. Although there was interest, it seemed to be a busy time for most procurement departments. The Seminole County team agreed to assist the Valencia team with the conceptual design, implementation and testing phase. The project team was tasked with defining the current evaluation process and outlining the desired functionality of the new program.

Requirements Planning and Design - The project team met regularly with Vendorlink, LLC to define the critical requirements, workflow and navigation of the RFP Evaluation Tool.

The project goal was established - to design an evaluation tool that was simple, easy to use and a fluid user-defined scoring approach. Scoring methods may be different from one agency to another (e.g., use of raw score, average scores and adjectival ratings). The software needed to support different evaluation scoring systems. The team reviewed various evaluation methodologies used by agencies.

Because of the need for transparency, it was equally important for the program to support an audit trail and safeguard the committee members’ (evaluators) scores during the process. The evaluators should document the strengths and weaknesses of the respondents and be able to enter preliminary scores and to make changes during the committee meeting, if required. The system needed a lock-down point that did not allow changes to scores after discussions ended.

Development and Implementation - Software design went smoothly. A procurement staff member was assigned as the agency administrator who created the sourcing event managed from a drop-down menu.

Next, the administrator created a list of evaluators (committee members) or selected evaluators from an established list of users available in the database. The program allowed for a pre-selected “Welcome” announcement to be sent to the evaluators and included “Conflict of Interest” instructions. The evaluator is required to review and to agree to the established terms to move forward in the process.

Common evaluation criteria, with complete descriptions, are created in Vendorlink and retained in the database for use in future RFPs. Common adjectival ratings can also be created and stored.

One of the benefits of using an existing software platform is the ability to use existing data warehoused within the program to populate the new module. As an example, the RFP solicitation is posted and issued through Vendorlink. The suppliers that register company information in Vendorlink are listed as plan holders of the solicitation within the system database and this data is used to populate the evaluation tool. The RFP number, title and supplier data can all be pulled from drop-down menus within the system to populate specific areas of the evaluation tool making it much more efficient.

The following table shows the key features of the RFP Evaluation Program which were developed using the existing Vendorlink data resources:

<table>
<thead>
<tr>
<th>Existing Program Source</th>
<th>RFP Evaluation Program Component</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category of Codes</td>
<td>Terms – Evaluation Member Conflict of Interest Guidelines</td>
</tr>
<tr>
<td>Used to add common Evaluation Criteria</td>
<td>Used to add common Adjectival Ratings</td>
</tr>
<tr>
<td>---------------------------------------</td>
<td>---------------------------------------</td>
</tr>
<tr>
<td>System Users</td>
<td>Used to add Evaluators and Committee Members</td>
</tr>
<tr>
<td>Suppliers</td>
<td>Used to pull Respondent data for evaluation</td>
</tr>
<tr>
<td>Add Supplemental Vendor</td>
<td>Used to add a new Supplier/Plan holder – (Not in System)</td>
</tr>
</tbody>
</table>

**System Set-up**

Phases - The RFP evaluation program enables the system administrator to create multiple phases of an RFP evaluation process, depending on the number of scheduled committee meetings: e.g. Phase 1 – Initial Evaluation; Phase 2 – Interviews and Presentations; Phase 3 – Final Evaluation Meeting. The different evaluation phases are created before the evaluation criteria and evaluators are added to the system. Each phase will have their own criteria and evaluators.

Criteria - Common evaluation criteria, associated descriptions and weights of the criteria used to measure the respondents are created in advance, stored, and then selected at the time of evaluation meeting preparation. The system allows for the use of “adjectival ratings” to be used in conjunction with the weighting factors. Evaluation criteria can be added with or without the use of adjectival ratings. The system also provides for consensus evaluations.

Evaluators - Evaluators are pre-populated in the system by name, e-mail and phone number. The system administrator selects the evaluators from the evaluator pool for each phase of the RFP process. If an evaluator does not appear in the database, they are easily added, with a name and e-mail address. Evaluators can be assigned to one or all evaluation phases.

Respondents - The list of “respondents” to be evaluated are selected from the list of plan holders or supplemental vendors. If a vendor is not listed as a respondent, they can be added through the “Add Supplemental Vendor” option.

After selection of the RFP phases, the evaluation criteria, the evaluators, and the respondents, an introductory welcome e-mail is sent to each evaluator with the “Conflict of Interest” guidelines and instructions. They are requested to confirm agreement of the rules.

**Scoring**

Once an evaluator has agreed with the Conflict of Interest statement, they are provided system access and can then select the appropriate solicitation from a drop-down menu to begin scoring the proposals. During the initial review phase, the evaluators enter the raw scores and comments relating to the key strengths and weakness of each proposal in the comfort of their office. Procurement is able to monitor the progress.

Procurement encourages the evaluators to bring their laptop/notebook to the committee meeting or, if they do not have a portable laptop, Procurement will provide loaners. Procurement maintains two laptops in the office and can obtain additional loaners through our Information Technology office.

During the committee meeting and discussions of the respondent’s proposal as it relates to the evaluation criteria, additional comments may be added by the evaluator and the raw scores previously entered may be amended, if deemed important. The evaluator can only modify the raw score during
the discussion process. For security, when evaluators submit scores upon conclusion of the discussion phase, the Procurement staff will click the “Lock” phase of the application. This locks the scoring system and does not permit changes to scores. To protect the integrity of the process, the evaluator’s initial raw scores projected on the overhead screen do not disclose the total scores, only the raw score. At this time, Procurement staff can display the final scores to the committee to determine the rank order. Comments can be reviewed by clicking “Evaluation Details” button.

If the RFP specifies that a formula will be used to evaluate the price proposal, Procurement aligns the system to enable either Procurement or the evaluator to enter a raw number/decimal resulting from the established formula calculation.

Report and Compliance – The system enables the procurement staff to generate reports of the scores and comments for the solicitation file in compliance with established procedures.

Documentation

At the end of the program development phase, a preliminary RFP system manual was developed in collaboration with Seminole County and Valencia College. After testing, the documentation was restructured to include more technical details and features. Step-by-step instructions, including screen shots, were developed for the system administrator/Procurement staff.

A separate handbook was developed as a “Guide for Evaluators” to assist in navigation and use of the system. The evaluator’s guide may be modified, as needed, to include specific screen shots relating to a different RFP evaluation process, such as for CCNA.

The guide is provided to evaluators at a pre-planning meeting in which we review the scope of the project, the evaluator’s responsibilities, conflict of interest, and evaluation and scoring.

Summary of Benefits

We have been very pleased with the development of the new evaluation tool. The automated scoring matrix has streamlined our business processes and supports key objectives of the College: customer service, sustainability and compliance.

Procurement staff time has been reduced with the program automation, drop-down menus and pre-populated database. The program has improved scoring reliability and compliance; committee members appreciate the flexibility of scoring proposals real-time electronically; and the automation of the RFP evaluation function supports the College’s goals for paper flow reduction.

The design, development and implementation timeline was accomplished within a four-month period. There were no hard costs associated with the development, only staff resources and time. As Procurement did not invest in a third party software or lease a cloud solution, which is typically based on student population, it is estimated that the College will save several thousand dollars each year with this solution.