



# CREATING A REQUEST FOR PROPOSAL

State of Minnesota and  
DHS Contracting Guidelines



# CONTRACTS HELP THE STATE PROVIDE SERVICES

[www.merriam-webster.com/dictionary/contract](http://www.merriam-webster.com/dictionary/contract)

- 1 a : binding agreement between two or more persons or parties; especially : one legally enforceable
- b : a business arrangement for the supply of goods or services at a fixed price



# Examples of Contracted Services

- Printing
- Credit Bureaus
- Delivery Services
- Banking
- Genetic Testing
- Payment Center machinery & specialized software

*It is cheaper to hire the experts rather than to create whole new departments, staffs, and the right supplies to do everything!*



# DHS Contracts & Procurement

- Creates legal processes to follow for fair and effective contracting
- Follows contracting authority
  - ❖ Minnesota Legislature – MN Statutes\*
  - ❖ Minnesota Department of Administration (Admin)
  - ❖ Minnesota Management and Budget (MMB)
  - ❖ Minnesota Department of Human Services (DHS)
  - ❖ DHS Contracts and Procurement
  - ❖ Child Support Division (CSD)



# AN RFP: HELPS THE STATE FIND AN EXPERT VENDOR

- Requests for Proposals (RFP)

- MN Statute:

*A solicitation in which it is not advantageous to set forth all the actual, detailed requirements at the time of solicitation, and responses are negotiated to achieve best value for the state.*

- Best Value: price, quality, and vendor performance



# 6 MONTHS OF REQUIRED STEPS

- For a fair / equal process, confidential until posted
- Many steps:
  - ❖ Define needs & budget (use legislation)
  - ❖ Draft RFP paperwork (use legislation)
  - ❖ CSD approves paperwork (Program & Policy staff after advisement from Task Force)
  - ❖ DHS Contracts reviews and approves paperwork (1 month review, questions for CSD, 2<sup>nd</sup> review)



# POSTING & EVALUATION

- Administration posts RFPs on public site
- RFP documents can then be shared
- Posting requirement: 21 days minimum
- Proposals due 30 days after posting usually
- Team of evaluators use RFP forms and criteria to rate proposals  
*(can be lengthy if lots of proposals to read!)*



# SELECTION & CONTRACTING

- Discussion and selection of best value bidder
- Responders may be requested to reduce costs, clarify or modify the proposal, or to provide additional information
- Selected vendor is notified—are they still interested and available?



# CONTRACT PREPARED

1. CSD drafts and approves language (using legislation)
2. DHS Contracts reviews, asks questions of CSD, re-reviews
3. Vendor reviews, request modifications if any or accepts
4. CSD and DHS Contracts each repeat the review process for any vendor changes
5. Routed for signature to 4 parties  
*(DHS Contracts, CSD, Vendor, and Administration)*
6. When Administration signs, the contract is ready to use

