



**TITLE:** Process for Issuing Requests for Proposals and Awarding Start-up Contracts

**DOCUMENT:** Procedure

**DATE REVISED:** October 26, 2011

History:

1. Policy and Protocol for Disbursement of Start-up Funding Utilizing POS Funds (*Adopted by Board of Directors on October 12, 2005.*) Developed in compliance with RC Contract, Article II, Provision 2, FY 2005-06.
2. Using Requests for Proposals to Address Client Service Needs (*Adopted by Board of Directors on December 1, 2010.*) Developed in compliance with RC Contract, Article II, Provision 2, FY 2011-12.
3. Process for Awarding Contracts in Excess of \$250,000 (*Approved by Executive Committee on July 13, 2011; Ratified by Board on August 24, 2011.*) Revision of document listed in #2.
4. Process for Issuing Requests for Proposals and Awarding Start-up Contracts (*Adopted by Board of Directors on October 26, 2011.*) Merging of documents listed in #1 and #3. Developed in compliance with RC Contract, Article II, Provision 2, FY 2011-12.

Lanterman Regional Center uses the following process for issuing requests for proposals to address client service needs, and for awarding and disbursing start-up funds for new resource development, when available.

This process was developed in compliance with the resource development provisions in Lanterman Regional Center's contract with the Department of Developmental Services (Article II – Program Provisions, Section 2 – Resource Development).

## I. Issuance of Requests for Proposals

Lanterman Regional Center will issue a request for proposals (RFP) under the following circumstances:

1. When development of a needed resource will include a start-up grant with an estimated award of more than \$250,000.00.

2. When development of a particular type of service requires the RFP process per Title 17 regulations, (e.g., family home agencies.)

Lanterman Regional Center may choose, at its sole discretion, to issue a request for proposals when a resource need is identified and there are no, or insufficient, community resources available to meet the identified need. Lanterman Regional Center may issue a request for proposals to solicit applicants for resource development whether or not there will be start-up funds available for the project.

## **II. Solicitation of Proposals**

When soliciting proposals to procure a new or additional service for clients and families, the regional center:

1. Determines, through a needs assessment process such as community placement planning, that there is a need for a new or additional program or service.
2. Develops a statement of need, and criteria defining who is eligible to submit a proposal.
3. Proactively identifies and solicits participation of potential applicants, including those who are currently providing the same or similar services or programs and who are regarded as providing high quality services.
4. Publishes a request for proposal (RFP) on [www.lanterman.org](http://www.lanterman.org) with clear schedule of events (including date of a pre-proposal conference, if applicable) for submittal and evaluation.
5. Conducts the pre-proposal bidders' conference, if applicable, accepting written questions from parties who do not attend.
6. At the bidders' conference, answers all questions, including those submitted in writing, and distributes questions and answers from the conference to all attendees, all parties who submitted written questions and other parties who request them.
7. Designates a single individual at the regional center to respond to questions and all other communications from potential proposers during the proposal development phase.

Expedited review. If it is necessary for the regional center to obtain a service or program within a time frame less than that required for the regular procurement process, the regional center may implement an expedited RFP process. In this type of situation, the regional center may:

1. Establish an expedited timeline for proposal submission and review.
2. Identify and solicit participation of potential applicants known or believed to have the knowledge and expertise required.
3. Publish the request for proposals on the regional center web site.

### **III. Receipt of Proposals**

1. The Director of Community Services or other responsible party selects an RFP Selection Committee to evaluate proposals. The Selection Committee consists of at least three regional center staff members knowledgeable about the service or program type, at least one of whom represents Client Services.
2. An individual from outside of the regional center who possesses special knowledge or expertise relevant to the desired program or service may be invited to serve on the Selection Committee if doing so would not create a potential conflict of interest for that person.
3. Proposals are held as confidential and are available only on a need to know basis by individuals involved in the review and selection process.
4. Proposals may be rejected outright if the designated format is not followed, if the budget is not submitted in the format detailed in the RFP, if the proposer does not meet the required minimum qualifications as outlined in the criteria for submission, or if the proposal is received after the specified deadline for submission.

### **IV. Proposal Review**

1. Each Selection Committee member independently evaluates the proposal against written criteria, recording his/her ratings and rationale on the Evaluation Worksheet (see Attachment).
2. Evaluators may request additional information before completing their independent ratings. Individual requests for information are consolidated and forwarded to the relevant bidder by a designated individual representing the Selection Committee.
3. Selection Committee members come together and reach a consensus on evaluations, ranking proposals in order of their summary ratings against criteria.

4. The highest-ranking bidders may be invited to individual interviews with the Selection Committee, particularly if two or more proposals are closely ranked and/or more information is needed.
5. Selection Committee members may revise their rating and ranking of finalists based on the interviews, and reach a final consensus on the award.
6. References are checked on all finalists.
7. The winning bidder is publicly announced on [www.lanterman.org](http://www.lanterman.org).

## **V. Content of Proposals**

The content of proposals may vary depending upon the type and nature of the program or service being solicited. In general, proposals will contain at least the following sections:

1. Applicant information
2. Method
  - a. Philosophy related to serving people with developmental disabilities
  - b. Description of relevant work, and project development experience
  - c. Desired outcomes of the proposed program, when and how the goals will be achieved, and how the program will be able to report if it is successful
  - d. Description of the program, how services will be delivered and what outcomes will be achieved for people served
  - e. Qualifications of personnel
  - f. How personnel will be used, including training and supervision
  - g. Time frames for development
3. Budget
4. Names and contact information for three references

## **VI. Sole Source Contracting**

Under the following specified circumstances, the regional center may use sole source contracting in order to procure needed resources:

1. A service provider has particular expertise or knowledge not possessed by other individuals or organizations available to enter into a contract with the regional center. Examples include individuals with expertise in particular

- therapeutic techniques or treatments, and programs based on innovative treatment approaches.
2. Any attempt to obtain bids would likely result in only one individual or organization being available to meet the need.
  3. The program or service must be quickly established and delay would have negative consequences for the center or clients.

A memorandum explaining the justification for a sole source contract is submitted to the regional center's executive director for approval and signature. The justification may include any or all of the following:

- a. Unique expertise or knowledge of the contractor
- b. Impact on the center or clients of delay in establishing service or program
- c. Estimated time required for another contractor to reach the same level of competence.

Any extension of a sole source contract must be accompanied by a re-evaluation of the necessity for continuing with the same person or organization.

## **VII. Awarding Contracts in Excess of \$250,000**

Any contract award of \$250,000 or more will be reviewed and approved by the regional center's Board of Directors prior to entering into the contract, in accordance with Welfare and Institutions Code, Section 4625.5.

## **VIII. Use and Disbursement of Start-up Funds**

Purchase of services (POS) funds will only be used to provide grants for start-up costs under the following conditions:

1. DDS has granted prior written authorization to the regional center for the use of POS funds to develop a new community resource to protect a client's health or safety or due to other extraordinary circumstances, and
2. The regional center has determined, through a needs assessment process, that an unmet need for the program or service exists, and that the proposed service will be of direct benefit to clients.

POS start-up funds will not be used or reimbursed for any of the following:

1. Routine maintenance of a provider's plant or facility;
2. Purchase, lease or maintenance of a provider's vehicle; or
3. Construction renovation alteration, improvement or repair of real property that does not have a direct medical or remedial benefit to clients.

Disbursement of start-up funds will be governed by a written contract between the regional center and the service provider. The contract will include:

1. A provision that describes in detail the timelines, measurable performance objectives and milestones, and end results that will be expected of the service provider.
2. A provision for prorated repayment of start-up funds if the service provider fails to retain and operate the program or service for the period of time specified in the contract's "term of service".

At the sole discretion of Lanterman Regional Center, the contract may also include a provision for repayment of start-up funds if the service provider fails to complete development of the program/service, including a description of the circumstances that may require a repayment.

The Fiscal Monitor will review all billing for compliance with contract provisions prior to disbursement of start-up funds. The regional center will retain the original contract and all billing documents and required receipts for a period of five years beyond the life of the contract.