THE IFB TEMPLATE

Using the OSP Templates

The OSP templates contain the basic, OSP-approved contractual terms that are essential to a resultant procurement contract for Arkansas.

Downloading the appropriate solicitation template will:

1. Eliminate the time and effort of re-creating the contractual terms for each procurement.
2. Ensure you are compliant with the most current Arkansas procurement laws in your solicitation.
3. Provide the standard formatting and language that the State has adopted for its solicitations.

REMINDER

It is important that you download a new template from the OSP website for each solicitation you create because the language for the contractual terms are updated by OSP as procurement laws and directives change.

Solicitation templates consist of two documents:

1. A solicitation document.
   - This provides the State’s contractual terms to the prospective contractor.
   - It does not require a response of any kind.
   - It is a key contractual document in the final procurement contract.

   - This contains the documents and forms that the prospective contractor completes and returns to the State.
   - The requested information mainly consists of the company information, bid price, other required documentation, and for RFPs, the proposed technical solution (proposal).

The buyer inserts the detailed specifications and requirements of the commodity or service into the appropriate section of the solicitation document. This includes contractual terms such as delivery requirements, contract renewal options, or information for submitting any supplemental documents.
Creating a Solicitation

Two types of information are included in a solicitation document:

1. **Specifications and/or requirements** for the commodity or service being purchased.
   - Specifications and requirements are provided by the end user. The buyer ensures they are written correctly, presented appropriately, and inserted in the designated section of the solicitation template.

2. **Contractual terms** applicable to a resultant contract.
   - This is the standard Arkansas procurement language provided in the remaining sections of the solicitation template, or as referenced by a link in the template that will take the prospective contractor to the OSP webpage where the standard terms and conditions are posted.

The templates prompt you to enter, confirm, or update specific information in the documents by displaying that text and/or instructions in a blue font.

**HELPFUL HINT**

The terms “specifications” and “requirements” are often used interchangeably; however, a specification is typically used to describe the mandatory physical or functional aspects of a commodity, whereas a requirement typically defines a mandatory aspect of the provision of a service.

**REMINDER**

Thoroughly read both template documents in their entirety and make adjustments as necessary to fit your procurement.

The Invitation for Bid (IFB) Template

The IFB solicitation template is divided into a front page and two sections thereafter.

The front page of the solicitation provides the following basic information to the prospective contractor:

- **Bid Number** – The number used to identify the solicitation, typically provided by your supervisor.
- **Solicitation Issued** – The date the solicitation is publicly posted
- **Description** – The short description/title of the commodity or service being purchased.
• Agency – The formal name of the State agency who is issuing the solicitation.
• Bid Due Date – The due date for response packets to be submitted to your agency.
• Instructions for how to submit the response packet.
• Buyer name and contact information.

The two internal sections of the IFB solicitation are:

Section 1: Requirements
• Provides information that the prospective contractor must know to accurately calculate their bid and submit their response correctly.
• Provides the specifications, and performance standards (if required).
• Includes the necessary language with prompts for the buyer to enter appropriate data elements for your specific procurement.

Section 2: General Instructions and Information
• Covers contractual terms that will be applicable to a resulting contract.
• Includes the necessary language with prompts for the buyer to enter appropriate data elements for your specific procurement.

Buyer’s Action Steps for the Front Page
The buyer’s action steps for completing the front page are to:

1. Update the document heading and all titles and references on the page to reflect your office information.
2. Enter the Bid Number provided by your supervisor.
3. Enter the Description, a simple name for the commodity/service being purchased to make it easily identifiable by all parties.
4. Enter the date that the solicitation will be issued (publicly posted).
5. Check with the end user to help determine the due date for submissions and fill in the Opening Date and Time.
   a. Some commodities/services may take longer for a prospective contractor to determine a bid price.
6. Update the delivery address for the responses.
7. Enter your contact information and your agency’s contact information and website.
Buyer's Action Steps for Section 1

The buyer’s action steps for completing Section 1 are to thoroughly read the entire section and make updates and/or additions to the language as necessary to customize the information to fit the purchase and your agency.

The blue font in the template will help guide you to where the information needs to be confirmed, adjusted, or entered.

The numbering for the items in this section appear as 1.1, 1.2, etc.

1.1 Introduction

It is important that the introduction (item 1.1 in Section 1) clearly and briefly states what the State agency is purchasing.

Examples of a clear and concise purpose statement are:

“This Invitation for Bid (IFB) is issued by the Employee Benefits Division (EBD) of the Department of Transformation and Shared Services to obtain pricing and a contract for printing, packaging, and delivery of Employee Health Benefits Identification Cards.”

OR

“This Invitation for Bid (IFB) is issued by the Arkansas Department of Finance and Administration (DFA) to obtain pricing and a contract for pest control services for DFA offices in central Arkansas.”

1.2 Live Bid Opening

Enter your agency’s information regarding your bid openings.

1.3 Clarification of Bid Solicitation

Prospective contractors sometimes have questions regarding a solicitation, especially for the complex ones. Often, the solicitation allows for the formal submission of questions, and the buyer will prepare a Q&A document to be added to the bid posting which consolidates all the questions and provides answers.

In the solicitation, enter the time and date deadline for prospective contractors to submit questions regarding the bid.
The Question and Answer (Q&A) Document

1. To make it clear what the prospective contractor is asking about the solicitation, OSP typically posts a Submission of Written Questions form with the bid. Contact an OSP buyer for a copy of this form.

   The document requests the prospective contractor to fill out information in three columns:

   a. Reference (page number, section number). The section in the bid where the prospective contractor has the question.

   b. Specific IFB Language. The actual language of the section/item for which the prospective contractor has the question.

   c. Question. The prospective contractor enters their question in this column.

   The prospective contractor submits the Submission of Written Questions form to the buyer.

2. Once the deadline for the questions is reached, the buyer copies all questions into one master list.

3. At this point, the buyer adds a fourth column to the document titled “Response”. This is where the State enters its responses to the questions.

   - Typically, the buyer will email the questions to the end user to answer, but sometimes there are questions that are more procurement-related. The buyer can enter the answers for these questions.

   - The buyer should review the end user’s answers prior to posting the Q&A to ensure they are appropriate, clear, and applicable to the question.

4. Once the State has written answers to all the questions, the Q&A document is posted to the website as an additional document to the solicitation.
**HELPFUL HINTS**

- If a prospective contractor asks a question for which an answer appears elsewhere in the solicitation, best practice is to refer the prospective contractor back to the section of the IFB where the answer to the question is located (not repeat the language from the solicitation as the answer).

- If the agency feels that the answer to the question is not necessary for a prospective contractor to know to submit a response (or basically, is irrelevant), the response may be, “This question is not applicable for a Prospective Contractor to submit a responsive bid.”

**Addenda**

If a question is asked that brings about the necessity of changing something in the solicitation, an Addendum is created in addition to the Q&A document.

To obtain a copy of the Addendum template and instruction for creating the document, contact an OSP buyer.

An addendum is usually created for one or more of the following reasons:

- Changing, adding, or deleting a specification, requirement, qualification, or contractual term in the IFB.
- Changing the bid opening date and time.
- Cancelling the bid.

An addendum may be created for other reasons too. See your supervisor for questions about creating an addendum.

**Questions Received After the Bid Clarification Deadline:**

If a buyer receives a non-substantive question from a prospective contractor after the clarification deadline, typically that type of question may be answered by phone or email without creating and posting a Q&A document. An example of this type of question might be:

- How do I seal my response?
- Can I bring in my response in person instead of shipping it?
- Does my response need to be in any particular type of binder or folder?

If a buyer has any questions about questions received after the clarification deadline, ask your supervisor for direction in how to respond to the prospective contractor.
Question and Answer Timing

Depending upon the complexity of the IFB, prospective contractors are typically given between five and seven calendar days from the posting of the solicitation to submit their question(s) to the buyer.

Also depending on the complexity of the IFB, the agency posts the responses to the questions in three to five business days.

1.4 Definition of Terms

Enter any additional terms relative to your commodity or service.

1.5 Specifications

The buyer will do most of his/her work in this section by refining the specifications provided by the end user and inserting them under this heading. The specifications are critical to obtaining an accurate price quote from a prospective contractor and best value for the State in a resultant contract.

The end user supplies specifications, but the buyer adds value to the procurement by developing the specifications to ensure they:

- Are written correctly and contractually.
- Allow for open competition.
- Are written to obtain best value for the State.

Market research can be key to ensuring the specifications meet these standards. For more information on how market research can help in developing specifications, go to Market Research.

For more information about developing specifications, go to Writing Specifications.

1.6 Delivery: FOB Destination

The language in subsection 1.6 assumes delivery of a commodity. For a commodity purchase with basic delivery, the buyer would simply enter the delivery address and timeframe as prompted by the blue font in items A and leave the remaining items (B, C, and D) as is.

If there are special instructions for the delivery of the commodity, such as a very large piece of equipment or furniture, the buyer should add the necessary information or requirements regarding the delivery by adding the appropriate specification items as E, F, G, etc.

Delivery considerations:
• Do you have specific hours that you accept deliveries?

• Can a large truck access your delivery area, or does the contractor need to deliver the item(s) in a smaller vehicle?

• Does the commodity need to be packaged in multiple, smaller boxes to fit through hallways and doorways, or to be light enough to carry?

If circumstances like these apply, write an additional specification for each delivery requirement.

If the service is one which takes place off-site, such as clearing trees from a parcel of land, the buyer should adjust, or delete, the Delivery subsection as applicable to the purchase.

For the tree-clearing example, the buyer could delete subsection 1.6 entirely as there is no actual delivery of a commodity, and it would be more logical to provide relevant information (that would typically be in subsection 1.6) in 1.5 Specifications, such as:

• The deadline for having the project completed.
• Providing notice of delay in completing the project.
• Loss or damage of the contractor’s equipment.

If the service is one which takes place off-site but includes the delivery of a final product, such as re-writing a procedural manual or creating a marketing campaign, the buyer should keep subsection 1.6. It is still applicable to the delivery of the revised manual or campaign packet.

1.8 Performance Standards

Performance standards (A.C.A. § R1:19-11-267) are statements which define the acceptable level of performance by a contractor. By law, they are required in contracts for services with an ICA of at least $1,000,000 and/or a TPC of $7,000,000.00 or more; however, it is best practice to include them in all service contracts.

For example, a simple one-time service of cutting down a tree can have performance standards for:

• Timeliness in completing the task.
• Quality of clean-up after the job is complete.

For more information about performance standards and instruction on how to create them and add them to your solicitation, go to Performance Standards.

The language in subsection 1.8 should not need to be edited. If performance standards are not included in the solicitation, simply delete subsection 1.8.
Buyer’s Action Steps for Section 2

2.1 Issuing Agency

Change this to your agency name.

2.2 Type of Contract

Stipulating the type of contract advises prospective contractors of the length of the initial contract term and if there will be renewal options for additional terms. Adjust this language to fit your contract needs.

Address the following and update as needed:

- Item A language almost always remains as written stating a “single contractor”.
  - Awarding to more than one contractor for the *exact same* commodity or service requires approval from the OSP Director. See your supervisor if you anticipate that you may need to award to more than one contractor.

- Item B prompts the buyer to enter a start date for a resulting contract. The date you enter is the “anticipated” date, meaning it could be moved out based on the needs of the State.

- Item C provides the prospective contractor with information regarding the length of the initial contract term, which is typically one year, and information regarding renewal options.
For more information on determining contract dates and setting contract renewal terms, go to Firm and Term Contracts and Contract Renewal Options.

2.3 Contractor Selection

State how the contract will be awarded.

- “By line item” means that, for example, if you have fives lines (each a different item to be purchased) you will award each item as a separate contract to the contractor with the lowest cost for that item. A single contractor may receive a contract for one or more line(s)/item(s), and the buyer often awards multiple contracts, one for each line(s).

- “All or none” means that a single contractor will be awarded a contract for either all lines/items in the bid, or nothing at all. In this case, the total cost for each line item (multiplied by the anticipated number of that item that will be purchased) will be added to arrive at a single, grand total for the purchase. The contractor with the lowest grand total cost for all items in the bid will be awarded the contract.

2.4 Response Documents

If the solicitation does not include a commodity or service that would have accessibility concerns, or if the end user does not want to allow subcontractors, you may delete 2.4.A.2.d and 2.4.A.2.e. respectively. (You would also delete the subcontractor page from the response packet.)

2.6 Additional Terms and Conditions

The buyer will not make any adjustments or additions to this language but should note that the link provided in this subsection incorporates by reference more contractual terms to the resulting contract.

2.7 Convenience Fee

If the solicitation will not result in a State contract, delete this subsection. Typically, only solicitations issued by OSP result in a State contract.

REMINDER
Remember to click into the header and change the solicitation number.
The Bid Response Packet

When issuing an IFB solicitation, you will always provide a response packet document for prospective contractors to use to submit a response.

The basic IFB response packet consists of:

1. The cover page.
2. The Bid Checklist.
3. The Exceptions form.
4. The Bid signature page.
5. The Proposed Subcontractors Form.

The cover page is simply a page identifying the document. The buyer’s action step with the cover page is to replace the SP-XX-XXXX (solicitation number place holder) with the solicitation number that the buyer’s agency has assigned to the IFB.

The bid signature page is a form that is filled out by the prospective contractor to:

- Identify their company and provide contact information.
- Address the matters of a redacted copy of the response, Illegal Immigrant Certification, and Israel Boycott Restriction Confirmation.
- Provide an authorized signature.

The bid checklist provides the prospective contractor a quick reference for all required documents that should be included in the response packet. If the VPAT and Proposed Subcontractors Form are not applicable, you can delete these items from the list.

The Exceptions Form should be used by the prospective contractor to submit any exception to any of the specifications or contractual terms in the solicitation or in the Standard Commodities Contract Template.

REMINDER
Remember to click into the footer and enter the solicitation number.

HELPFUL HINT
The prospective contractor’s signature at the bottom of this page serves as their final contractual signature (unless negotiations occur. See Negotiation.)
The proposed subcontractor form is provided for prospective contractors to list their subcontractors if subcontracting is allowed and proposed. If the end user does not want to allow subcontractors, then the buyer should remove this form from the response packet.

The prospective contractor uses the provided Official Solicitation Price Sheet to submit their bid pricing to ensure that the buyer can compare the bids using a standardized set of pricing data.

The buyer’s action step for the price sheet is to customize it to fit the purchase.

For example:

- Entering a line description, quantity, and unit of measure for each item to be priced.
- Adding lines or columns if needed to fit the purchase.
- Entering the requested delivery date or deleting this language if there is no actual delivery of a commodity.

Creating an IFB Price Sheet

Because the end user (or his/her approving authority) reviews the lowest bid to approve the contractor and pricing prior to award, he/she may request to see the pricing in a particular format.

For example, for services, the end user may want to see the pricing broken down by an hourly cost as opposed to a monthly cost; or, he/she may want to know the flat fee cost of set-up or implementation as well as the subsequent monthly cost for a service.

It is the buyer’s responsibility to create a price sheet that will:

1. Reflect the pricing format as requested by the end user.
2. Provide a pricing format that is standard for the market and is logically structured to ensure that prospective contractors can prepare a clear and accurate price quote.

Should you need to customize your price sheet in a way that is not conducive to using the provided example in the response packet, you may do so.

Many buyers prefer to use an Excel spreadsheet as the price sheet. These are easier to manipulate if you need to calculate costs using formulas.

If you use an Excel spreadsheet, the price sheet will be a separate file from the response packet. This is acceptable as long as they are provided together.

To view examples of customized price sheets, see the Bid Opportunities page under the PUBLIC category on the OSP website.

Click on one of the bid numbers listed, then click on the response packet or the price sheet link.

If in doubt about how to create a price sheet to accurately reflect the pricing format your end user requests:
• See your supervisor.
• Contact an OSP buyer for assistance or for possible price sheet examples that may fit your needs.

**Finalizing the Solicitation Documents for Posting**

When the solicitation and response packet documents are final and complete, the end user should closely review and approve the documents for posting. Best practice is for the buyer to provide the final documents to the end user by email and for the end user to reply by email with approval to post or any necessary changes.

If changes are requested, the buyer should again submit the documents to the end user for another review and approval. Once the end user approves the documents for posting, the buyer should post the documents on an approved State website.