**Competitive Small Procurement Outline Template for Services - Overview**

1. The essence of a Maryland small procurement is brevity and short time-frame between issuance and award. There is no required standard template, per se, and usually only a price form and a very short standard small procurement contract\* as attachments. Accordingly, for the most part, the only content of a small procurement solicitation should be just what information is needed for vendors to properly respond, i.e., there should be no fluff, just the essentials.
2. Generally, an entire small procurement solicitation will be 4-10 pages in total length, not counting the price form and standard contract. And small procurements can be awarded within days, or at most a few weeks, compared to months for non-small procurements.
3. But because of the abbreviated nature of a small procurement, there are strict rules on what constitutes a small procurement (awards that don’t exceed $50,000, including a prohibition against what is deemed “artificially dividing” a non-small procurement into multiple small procurements. And with few exceptions, the consequence of all responses to a small procurement solicitation exceeding the small procurement level, will be that the procurement will either need to be done over as a regular (non-small) procurement, or, for critical situations, declared an emergency and awarded under emergency procurement procedures, including being reported to the Board of Public Works and appearing on a Board agenda.
4. Further, for small procurements expected to exceed $5,000, the objective is to receive at least 2 “awardable” bids or proposals. “Awardable” means the bidder/offeror is responsible and a bid is responsive or an offer (proposal) is technically acceptable. To enhance the likelihood of receiving at least 2 awardable bids/proposals, there should be direct outreach, not simply an eMMA notice, to a number of vendors, including MBEs.
5. The suggested MDH small procurement outline and appropriate instructions follow. As described below, certain of these sections may be deleted or added, with resulting section renumbering.
6. Whereas, via the attached outline OPASS is providing instructions on how to create a small procurement solicitation document rather than producing a small procurement template, per se, individual MDH units and facilities are encouraged to produce their own semi-standard template. (Semi-standard because probably only about 25% of a small procurement solicitation can be prepared in advance as a template. Most of each solicitation will have to be customized or completed in accordance with the particulars of what is being procured and applicable submission times and dates.)

For instance, a unit might have a template already completed with the name of the Department and unit and some or all of the following from the small procurement outline:

* identity of the procurement officer and all contact information (outline item 3);
* procurement method (outline item 6);
* submission instructions (outline item 7 b, c and e);
* billing address (outline item 9 a);
* Department Obligations (outline item 10);
* The Department Small Procurement Contract.

If a unit/facility has recurring small procurements of a similar nature (without artificially dividing a regular procurement), perhaps much more of the outline contents might be pre-developed in a template.

Units/facilities that pre-prepare or semi--prepare small procurement templates are encouraged to submit these partial templates to OPASS for review and comment.

\*The standard small procurement contract contains 2 required and 8 suggested abbreviated standard clauses and, when completed, will identify the contracting parties, have contact information, actual start and end dates, perhaps some deliverables narrative or incorporation by reference language, and signatures.

Maryland Department of Health

The name of the issuing MDH unit

Title of solicitation

Begin with “Request for Proposals for” or “Request for Bids for”

Then continue with the solicitation title

1.Summary Statement and Background

* 1. Generally, a few sentences summarizing the purpose of the procurement, usually as “1.A Summary Statement.”
  2. Perhaps a paragraph or two of background information as “1.B Background”, usually explaining why the procurement is being done.

1. Minimum Requirements
   1. The establishment of minimum bidder/offeror requirements is optional.
   2. If they are established, they should not be unreasonably severe so as to improperly bar vendors from responding. For small procurements expected to exceed $5,000, the objective is to receive at least 2 bids or proposals that are responsive (bids) or technically acceptable (proposals), and overly restrictive minimum requirements may negatively impact whether at least 2 vendors will properly respond.
   3. If there are no minimum bidder/offeror requirements, this section should be deleted and the following sections renumbered.
2. The identity of the Procurement Officer

Name, phone and fax numbers, email address and usually physical address.

1. Deliverables

This section should be as detailed as is appropriate to convey to vendors what they will have to do and by when, so that they can properly calculate a price(s), and, if necessary, prepare a proposal addressing how they will accomplish the deliverables.

1. Contract term
   1. Keep in mind that the contract term will have an impact on the price and may cause the expected award amount to exceed the small procurement limit. (See 5.B.iii, below.) Remember, a **given procurement requirement may not be broken into more than 1 small procurement to avoid having to do a regular (non-small) procurement.** 
      1. Effective 10/1/2017 the small procurement limit is $50,000.
      2. It is OK to limit a contract term to just a single fiscal year to avoid exceeding the small procurement limit, even if the subject of the contract might be needed year after year. In this situation, there would simply be a new small procurement for each fiscal year.
      3. It is **not** OK to limit a contract term to a portion of a fiscal year – e.g., a few months, or so - to keep from exceeding the small procurement limit, if it is reasonably expected that there will need to be more than 1 small procurement awarded for the same activity during the same fiscal year.
   2. If there are any renewal options, the value of such option(s) must be included in the overall value to determine if the expected combined total will be below the small procurement limit; i.e., the base term value and the value of any option period(s) must be combined to determine whether the resulting total is below the small procurement level.
      1. If the resulting total is expected to exceed the small procurement limit, either eliminate one or more option periods **before** issuing the solicitation or conduct a regular (non-small) procurement.
      2. After receiving bids/proposals in response to a small procurement solicitation that included renewal options, a decision cannot be made to ignore the renewal option(s) on the premise that it/they will not be exercised to keep a procurement from exceeding the small procurement limit.
      3. If a small procurement results in a proposed award that exceeds the small procurement limit, with very limited exception that will have to be discussed with OPASS, the procurement will have to be cancelled and redone as a regular (non-small) procurement. Accordingly, it is very important to only initiate a small procurement when there is a very firm expectation that the bids/financial offers will not exceed the small procurement limit.
2. Procurement method

The procurement method for a small procurement will always be the Small Procurement procedure as described in COMAR 21.05.07. Despite the title as described above, saying RFP or IFB, etc., the procurement method is still **Small Procurement**.

1. Bid/Proposal submission information
   1. The date and time when the bid/proposal is due;
      1. For small procurements expected to exceed $15,000:
         1. At least 3 days must be allowed between when the small procurement solicitation is published/issued and when responses are due.
         2. For small procurements that require more than a simple bid response – e.g., when proposals are required – a sufficient duration of time should be permitted to help ensure that there will multiple responses and the responses will be sufficient for proper evaluation. Often evaluated small procurements allow 10 days, 2 weeks, etc. for responses.
         3. The procurement opportunity must be advertised in eMarylandMarketplace Advantage (eMMA), again at least 3 days before responses are due.
            1. Bids (IFB) small procurements may be conducted exclusively on eMMA, but do not have to be.
            2. Proposals (RFP) small procurements should only use eMMA for notification (advertising) purposes, not for the receipt of proposals.
      2. For small procurements that are not expected to exceed $15,000 there is no required minimum response timeframe, i.e., responses can be due within 1 day, 2 days, 3 days or any amount of elapsed time that is judged appropriate to permit multiple vendors to respond.
      3. Since, as described in Section 2, the objective of a small procurement valued over $5,000 is to receive at least 2 viable (awardable) bids/proposals, a response timeframe that is deemed by vendors to be too short, especially when a proposal is required, may result in a single, or even no, response.
   2. Where the response must be received.
      1. Usually this will say the responses are due electronically to the Procurement Officer and at the email address referenced in Section 3
      2. While it is permissible to require bids/proposals to be delivered to the Procurement Officer at his/her physical office address, such a requirement is contrary to the speed and simplicity that are the chief benefits of this procurement method, and is not recommended. (Also, see 7. C. i and ii.)
   3. How the response is to be transmitted.
      1. For small procurements, usually the response is simply received via email at the email address of the Procurement Officer. Email responses are due by the time and date listed in the solicitation.
      2. Although not recommended, if responses are to be transmitted solely by hard copy, not electronically, the hard copy response is due at the physical location stated in the solicitation by the date and time listed in the solicitation.
   4. What must be submitted.
      1. The bid form with appropriate pricing
      2. For an evaluated (RFP-type) small procurement, a proposal containing specified information. The information offerors are instructed to provide should allow a proper assessment of the capabilities of the offerors, but not be so onerous that multiple potential offerors may decide it would be cost prohibitive to prepare in comparison to the expected value of the contract. Finally, as stated in 7.a.iii, the response due timeframe should be reasonable compared to the complexity of what bidders/offerors are required to provide.
   5. Inquiries Statement

This section should also have a statement that potential bidders/offerors can submit questions or comments to the Procurement Officer at the email address in Section 3, prior to the due time and date.

1. Award Determination
   1. Only 1 of 2 possibilities is permitted here:
      1. Most Advantageous Offer (“Most advantageous” is defined in COMAR 21.01.02.01.B (56) and requires consideration of both price and evaluation criteria), or
      2. Most Favorable Bid Price (“Most favorable” is defined in COMAR 21.01.02.01.B. (57).)
      3. The actual wording used in this section would be something like,” The Contract to result from this solicitation will be awarded to”, and then either, “the Offeror submitting the Most Advantageous Offer” or “the Bidder submitting the Most Favorable Bid Price.”
   2. If the award is to be made by Most Advantageous Offer:
      1. Include this statement: “The Most Advantageous Offer will be determined based upon each Offeror’s price plus the following technical evaluation factors (Technical Evaluation Criteria).”
      2. List the Technical Evaluation Criteria
      3. Note:
         1. Whereas price must be included as one of the award factors, it will not be a technical evaluation criterion.
         2. For maximum flexibility, do not provide for relative weighting among technical evaluation factors (criteria) or between price and the technical evaluation factors.
   3. If the award will be by Most Favorable Bid Price, say this will be the “**lowest** **responsive bid from a responsible** **bidder”** in all instances, except if a contract will produce revenue for the State. For revenue producing contracts the “**highest** **responsive bid from a responsible** **bidder”** – the one that will produce the most revenue – will be the successful one.
   4. While not typical, it is possible to make multiple awards or regional or functional awards from a single small procurement. If this is done, the resulting awards in total would still have to be below the small procurement limit. Further, this section would then have to describe how usage under the contracts would be apportioned among the awarded vendors.
2. Payment
   1. Where invoices should be submitted. Usually, this will be to the Procurement Officer as listed in Section 3.
   2. When invoices can be submitted. e.g.:
      1. 1 time upon completion of all deliverables as determined by the Procurement Officer.
      2. Upon completion of each deliverable for which individual prices are requested on the Price Form.
      3. For elapsed time; e.g., for each month. If payment will be made on this basis, the time-period covered by the invoice must be identified.
   3. What evidence or substantiation, if any, must be submitted with each invoice to justify its payment.
   4. That amount invoiced must be at the price(s) quoted by the Contractor on its price form and must be itemized.
   5. Other required information to be included on invoices, such as Federal tax ID number, ADPICS number, unique invoice number.
3. Department Obligations
   1. Often the only items/activities listed here will be such things as: provide guidance concerning contract activities, as needed; evaluation and acceptance when appropriate of deliverables; or payment of invoices. However, there may be times when the Department will provide space, data, reports, equipment, coordination with other contractors, etc. that will help the contractor to perform.
   2. The opening wording of this section should be, “The Department agrees to:” Then each item the Department commits to do will be listed thereafter.
4. MBE, Small Business Reserve, Veterans’, Requirements
   1. It is permissible to establish MBE and/or Veterans goals for a small procurement. Once small procurements start approaching $50,000 in value, very serious consideration should be given to establishing one or both goals. If this is done, the wording and forms should be taken from the regular – non-small – procurement templates.
   2. Small procurements can, and often should, be done under the Small Business Reserve (SBR) procedures. If this is done, this requirement should be noted under the solicitation title with “See Section X”, and then detailed in this section, which may be section 11, or another number depending upon whether sections have been added or deleted as described above. The specific wording for a SBR section would be taken from the Title page and section 4.37 of the non-small procurement RFP template.
5. Contract Extended to Other Governments and/or to Maryland Non-profit Organizations
   1. If it is reasonable for a contract awarded by the Department to also be used by other governments and/or non-profits, including the same deliverables, time-frames and pricing, the same wording as is used for regular procurements (see MDH RFP template, section 4.38) should be included here.
   2. The value of any usage of the contract by other governments or non-profits does not count against the overall contract value and will not impact whether a given procurement can be conducted as a small procurement.
   3. Omit this section if the small procurement is not reasonably extendable.
6. Price form as an attachment

1. Small Procurement Contract as an attachment. The standard small procurement contract can be obtained from the OPASS web site.