# Governor's Office of Small, Minority & Women Business Affairs

Technical Training Classroom

# **State Procurement 101**

Presented by:

Alison Tavik
Director, Communications & Outreach

September 29, 2022

# **Agenda**

- Who we are
- 3 Things You Need to Know
- Procurement
- Solicitation Process
- Purchasing Categories
- State Contracting Pipeline
- Data Mining Tools



- Oversight, monitoring, and compliance of three socioeconomic procurement programs across 70 state agencies/departments
  - Small Business Reserve Program
  - Minority Business Enterprise Program
  - Veteran-Owned Small Business Enterprise Program
- Conduct statewide outreach and training programs
  - Technical Training Classroom webinars
  - Ready, Set, GROW! Procurement Connections webinars and workshops
- Curate online resources for small business growth and development

https://goMDsmallbiz.maryland.gov



# **State Procurement Programs**

## Small Business Reserve (SBR) Program

- Prime contracting program
- 15% set-aside
- Race and gender neutral
- State-defined small business eligibility standards apply
- Online certification process (eMMA)
- Annual renewal

## Minority Business Enterprise (MBE) Program

- Subcontracting program
- 29% aspirational goal
- Race and gender specific
- Application-based certification process
- Annual renewal

## Veteran-Owned Small Business Enterprise (VSBE) Program

- Subcontracting program
- 1% aspirational goal
- 3-step certification process includes verification of veteran status
- Annual renewal

MBEs and VSBEs are encouraged to perform as a prime contractor.



## **SBR Program Enhancement**

- Executive Order 01.01.2021.01
- Qualifying purchases between \$50,000 and \$500,000 are automatically designated to the SBR Program



- No cap on the dollar threshold
- 25% 30% of all open solicitations are designated as SBR



# 3 Things You Need to Know

**#1** SBR, MBE, or VSBE certification is **not** a requirement for doing business with the State of Maryland.



## Why Certify?

Nearly every contract with state funding is reviewed for small business designation and/or minority, women, and veteran inclusion.

# 3 Things You Need to Know

### #2

All vendors receiving a contract award (payment) from the State must be in good standing with the Maryland Department of Assessments and Taxation.

#### https://dat.maryland.gov

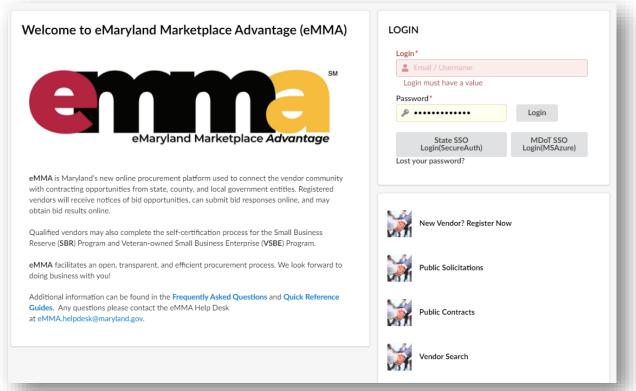


# 3 Things You Need to Know

#### #3

All state-funded purchases greater than \$15,000 must be published on eMaryland Marketplace Advantage (eMMA).

## https://emma.maryland.gov





- Learn how to navigate this system
- Maintain your profile
- Assign roles
- Complete every field, even if its not mandatory
- Include an email address
- Use the FAQs, QRGs and Vendor Training Videos
- When you need help, ask!
  - Contact the eMMA Help Desk





- State Finance & Procurement Articles (SF&P)
- Code of Maryland Regulation (COMAR)

The act of obtaining or buying goods and services through a process that includes preparation, processing, selection, compliance, and approval of payments.



 Competition is an integral part of procurement

Socioeconomic
 programs DO NOT
 eliminate competition





- **SF&P** State Finance and Procurement codified procurement law
- COMAR Code of Maryland Regulations specific process used to ensure compliance with procurement law
- Pre-proposal /Pre-bid Conference meeting held after advertising and before due date; open meeting; time to answer questions and provide a common understanding
- RFP Request for Proposals
  - Offeror Entity that submits a proposal in response to a RFP
- IFB Invitation For Bids
  - Bidder Entity that submits a bid in response to a IFB
- NTP Notice to Proceed; written notice from procurement officer that indicates specific date that contract work will begin



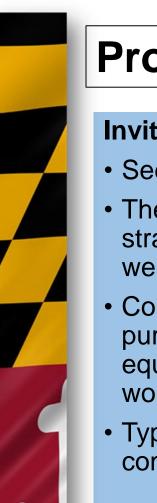


- Master Contract
- Statewide Contract
- Intergovernmental Cooperative
   Purchasing Agreement
- Best Value
- BAFO (Best and Final Offer)
- Secondary Competition

- Requisitioning Authority
- P-Card
- BPO
- ID/IQ
- Informal Bid
- Formal Bid
- Centralized Procurement
- Requisitioning Authority



Check out the **Public Purchasing Fact Sheet** on the Resources page of our website at <a href="https://gomdsmallbiz.maryland.gov">https://gomdsmallbiz.maryland.gov</a>



# **Procurement Methods**

## **Invitation for Bid (IFB)**

- Seeking a price
- The solicitation is typically a straight-forward and well- defined
- Commonly used to purchase supplies, capital equipment or construction work
- Typically, not used for complex purchases

The award is based on minimum qualifications and price.

## Request for Proposal (RFP)

- Seeking a solution
- Designed to help the contracting officer understand the various proposed methods and approaches that can be used to meet the requirements outlined in the solicitation
- Multi-step process, commonly used for complex purchases

The award is based on technical competency and price (best value).

Late submissions are NEVER, EVER accepted.



"Responsive" relates to the tangible documents submitted to the State by the designated date.

Applies to both bids and proposals

"Responsible" relates to the bidder's technical capability to deliver the product/service as required; reliability and integrity are also factors.

Applies to both bids and proposals





## Organization of State Procurement

#### State Legislators

#### **Board of Public Works**

Control Agencies Department of General Services

Office of State

Department of Transportation

University System of Maryland

State Treasurer's Office

Using Independent

Agencies Independent Agencies (59)

Executive Departments (19)

Coordinating
Offices
(12)

Aviation Administration

State Highway

Transit Administration

Transportation
Authority

Port Authority

Motor Vehicle Administration Public Universities (11 Campuses)

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# **Typical Solicitation Process**

#### The Planning Phase

#### Need Identification -

- Identify what goods or services are to be purchased
- Research and answer the following questions:
  - Are there any exemptions?
  - Is a Request for Information (RFI) needed?
  - What does market research show for cost estimates, potential resources, latest innovations, etc.?
  - What contract type will be used?

#### Pre-Solicitation -

- Determine the best method to obtain the identified goods or services
- Research and answer the following questions:
  - Are there State resources available?
  - Are there State contracts available?
  - Are Preferred Providers available?
  - Are certified small businesses available?
- Obtain fund certification
- Address delegated purchasing authority
- Select the procurement method
- Plan the solicitation
  - Establish the timeline
  - Selecting the team

#### Solicitation Preparation -

- Draft the solicitation
- Create the scope of work or statement of need
- Identify minimum qualifications and requirements
- Determine if third party consultants are needed
- Establish socioeconomic goals
- Finalize documents for review and approval



#### **The Procuring Phase**

#### Solicitation -

- Public Advertisement and Notice
  - Posted on eMaryland
     Marketplace Advantage,
     eMMA, if value is estimated
     to be over \$15,000)
- Host pre-bid/proposal conference (required if an MBE goal has been established)
- Communication between the procurement officer and vendors
- Amendments to the solicitation
- Receiving vendors' responses – bids or proposals

#### Review / Evaluation Process –

- Public Bid Opening for IFBs
- Conduct initial reviews of bids/proposals
- Technical Proposal Evaluations for RFPs
- Financial proposal opening for RFPs
- Final evaluations for RFPs
- Conduct final review for IFBs

   determining lowest
   responsive bid from the
   responsible bidders
- Award recommendation
- Unsuccessful offeror debriefings for RFPs
  - Limited to discussion of the unsuccessful offeror's proposal

#### Award Process -

- Final approvals
- Internal agency approvals
  - Control Agency Approvals
  - Board of Public Works (BPW)
     Approvals
- Execution of the contract
- Publication of contract award on eMMA
  - Not including contracts \$50,000 or less (small procurements)

# **Typical Solicitation Process**

#### **The Performance Phase**

Contract Administration
Process & Contract
Commencement –



- Conduct a kick-off meeting
- Monitor contract performance
- Payment for accepted goods and services

- Contract renewal options & modifications (if necessary)
- Re-procurement plans (if necessary)
- Contract close out/transition



Small Procurement Category I Small Procurement Category II

Small Procurement Category III

Formal Procurement



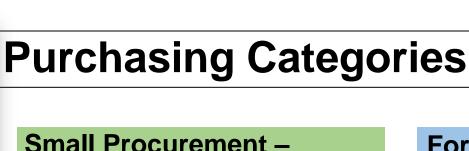
# Small Procurement – Category I:

- \$5,000 or less
- Can use oral or written solicitation to obtain quotes
- Encouraged to solicit small, minority & veteran owned businesses
- No competition requirement
- No advertisement requirement

# Small Procurement – Category II

- \$5,000.01 -\$15,000
- Can use oral, written, or published solicitations
- Required to obtain at least 2 quotes
- Encouraged to solicit small, minority & veteran owned businesses
- No advertisement requirement

## **Direct Solicitation Method**



# Small Procurement – Category III:

- \$15,000.01 \$50,000
- Written solicitation required
- Must be published on eMMA
- Must try to get a least 2 valid quotes
- Awarded to the lowest/best responsive & responsible bidder/offeror

#### **Formal Procurement:**

- \$50,000+
- Written solicitation required
- Must be published on eMMA
- Must try to get a least 2 valid quotes
- Awarded to the lowest/best responsive & responsible bidder/offeror

Generally performed by the Office of State Procurement, unless delegated back to the Using Agency.



## Prime Contractor vs. Subcontractor

- Maryland agencies/departments award procurement contracts directly to Prime Contractors
- The contractual (legal) relationship is between the purchasing unit and the Prime Contractor



## Prime Contractor vs. Subcontractor

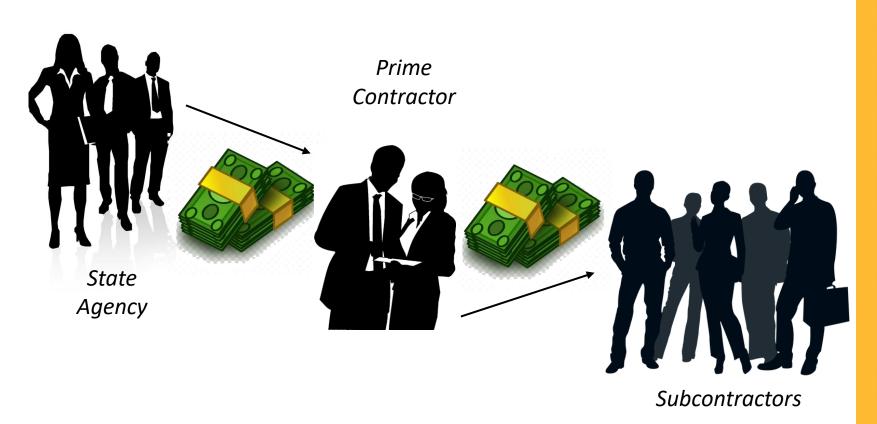
- Prime Contractors choose their Subcontractors
- The contractual (legal) relationship is between the Prime Contractor and the Subcontractor

Prime Contractor

Subcontractor

## Prime Contractor vs. Subcontractor

- The purchasing unit pays the Prime Contractor
- The Prime Contractor pays the Subcontractors





# **Prime Contractor Tips**

WHEN BIDDING

All prime contractors MUST comply with a project's subcontracting requirements.

- Socioeconomic status is not a consideration at the Prime Contractor level
- Any firm can perform as a Prime Contractor
- MBEs who perform as a Prime Contractor, may fulfill a maximum of 50% of the overall minority participation goal
- A VSBE performing as a prime contractor who is also a certified MBE, may fulfill a maximum of 50% of the overall minority participation goal.

# Prime Contractor Tips WHEN BIDDING

- Read the bid instructions fully
- Follow the bid instructions to the letter
- Attend the pre-bid/proposal meeting
- Don't guess or assume anything; ask questions until you are sure
- Don't wait until the last minute to ask questions; there is typically a defined comment period noted in the solicitation
- There is no penalty for asking questions

- Conduct MBE & VSBE outreach efforts early
- Cast a broad net and keep records of all outreach activity
- Complete the required paperwork correctly; failure to do so could eliminate you from consideration
- Submit bids on time or before they are due
- Late bids are never accepted
- Late bids cannot be accepted

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# **Prime Contractor Tips**

#### WHEN PERFORMING

- Identify a primary point-of-contact for the subcontractor(s)
- Comply with the MBE and/or VSBE subcontractor requirements; arbitrary removal is not permitted
- Submit the required payment forms throughout the life of the contract
- Comply with the prompt payment regulations
- Contact the agency liaison if any problems arise with the availability/performance of your designated MBE and/or VSBE subcontractor(s)



#### WHEN BIDDING

- Attend all pre-bid meetings
- Try to respond to all requests for quotes from Prime Contractors
- Document all correspondence up until the time of bid (names, dates, phone calls, emails, meetings, etc.)
- Don't submit quotes in a vacuum; know the scope of work, timeline, etc.

- Never sign a blank form
  - Participation Statement
  - Unavailability Certificate
- Keep copies of everything you do sign, including the contract
- Follow up on all quotes



# **Subcontracting Tips**

#### WHEN PERFORMING

- Do what you said you would do
- Identify your primary point-of-contact with the Prime Contractor
- Introduce yourself to the MBE or VSBE Liaison at the State agency
- Submit the payment forms throughout the life of the contract
- Contact the MBE or VSBE Liaison if any problems arise
- Shine!
- Ask for more work





eMaryland Marketplace Advantage (eMMA)

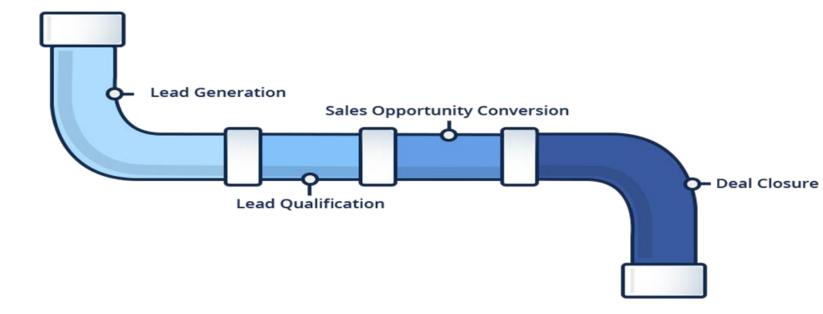


**Procurement Forecast** 



**Board of Public Works** 

# Mining the Pipeline



Data mining is the process of searching out and extracting usable data from a larger data set for the purpose of finding patterns and correlations.

The information can be used to increase revenues, cut costs, improve customer relationships, reduce risk, and more.







#### **Prime Contractors**

- Competitors
- Pricing
- Contracting cycles
- Purchasing agencies
- Purchasing officers

#### **Sub Contractors**

- Primes who win state contracts
- Contracting cycles
- Socioeconomic program inclusion
- Purchasing agencies

## **eMMA Vendor Registration**

https://emma.maryland.gov/

## Welcome to eMaryland Marketplace Advantage (eMMA) eMaryland Marketplace Advantage eMMA is Maryland's new online procurement platform used to connect the vendor community with contracting opportunities from state, county, and local government entities. Registered vendors will receive notices of bid opportunities, can submit bid responses online, and may obtain bid results online. Qualified vendors may also complete the self-certification process for the Small Business Reserve (SBR) Program and Veteran-owned Small Business Enterprise (VSBE) Program. eMMA facilitates an open, transparent, and efficient procurement process. We look forward to doing business with your Additional information can be found in the Frequently Asked Questions and Quick Reference Guides. Any questions please contact the eMMA Help Desk at eMMA.helpdesk@maryland.gov.



#### eMMA Public Solicitation Search

#### Welcome to eMaryland Marketplace Advantage (eMMA)

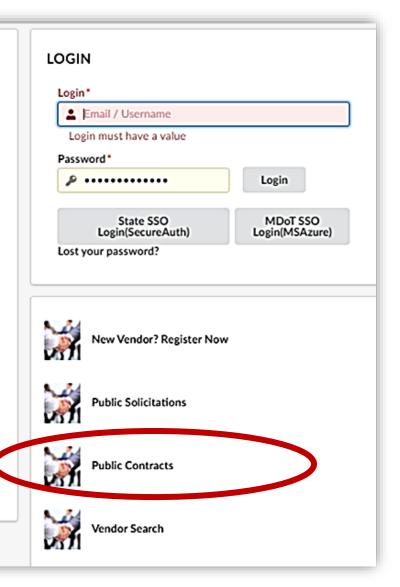


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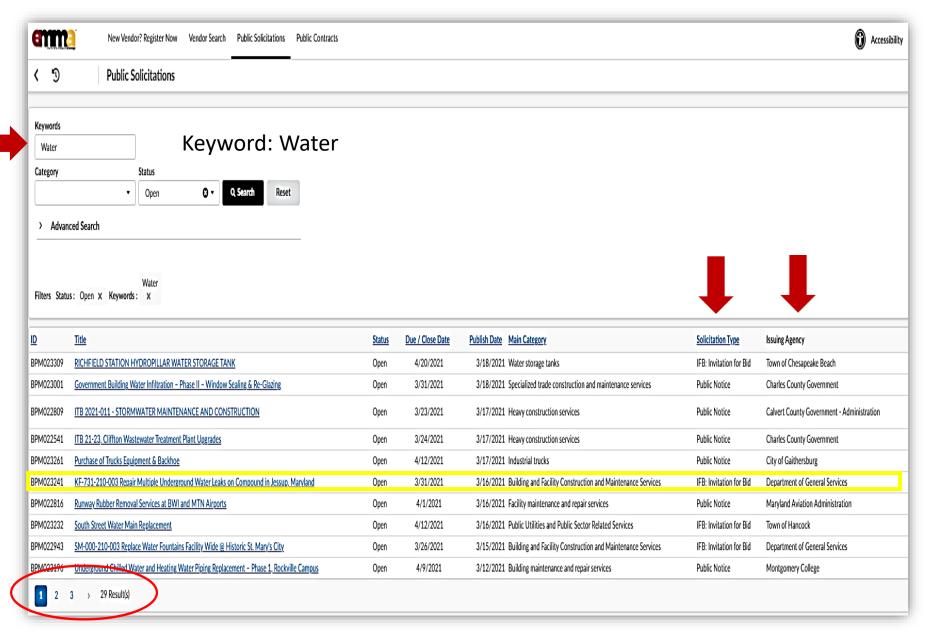
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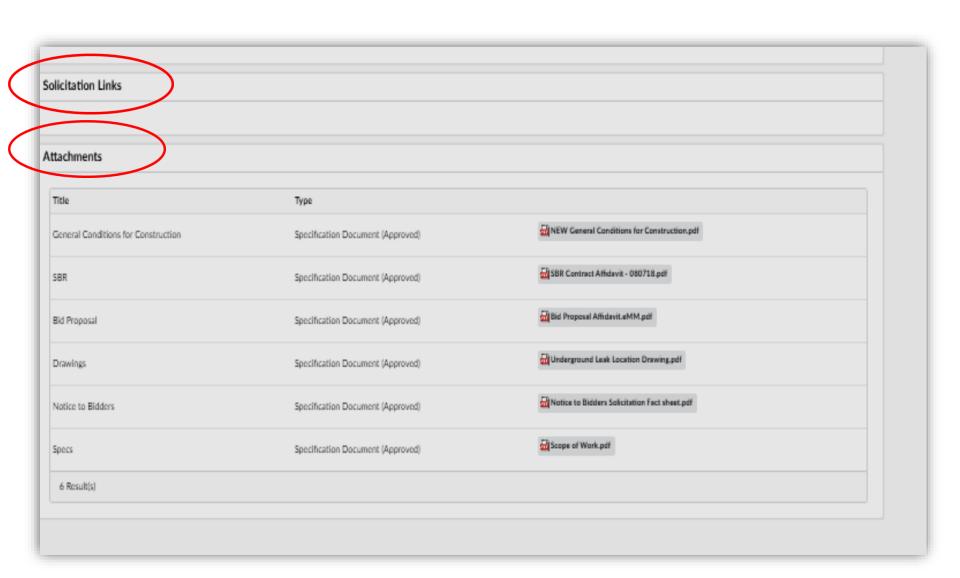
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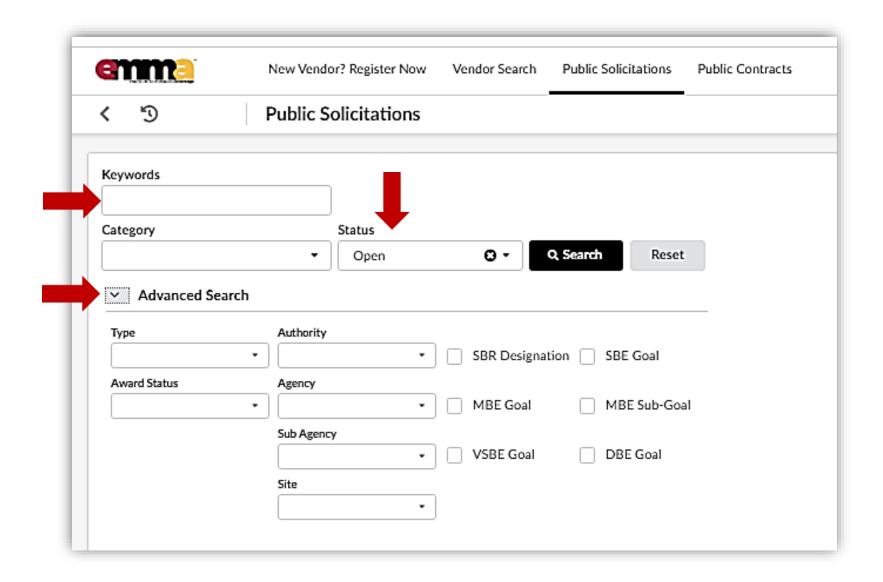
## eMMA Search – Public Solicitations

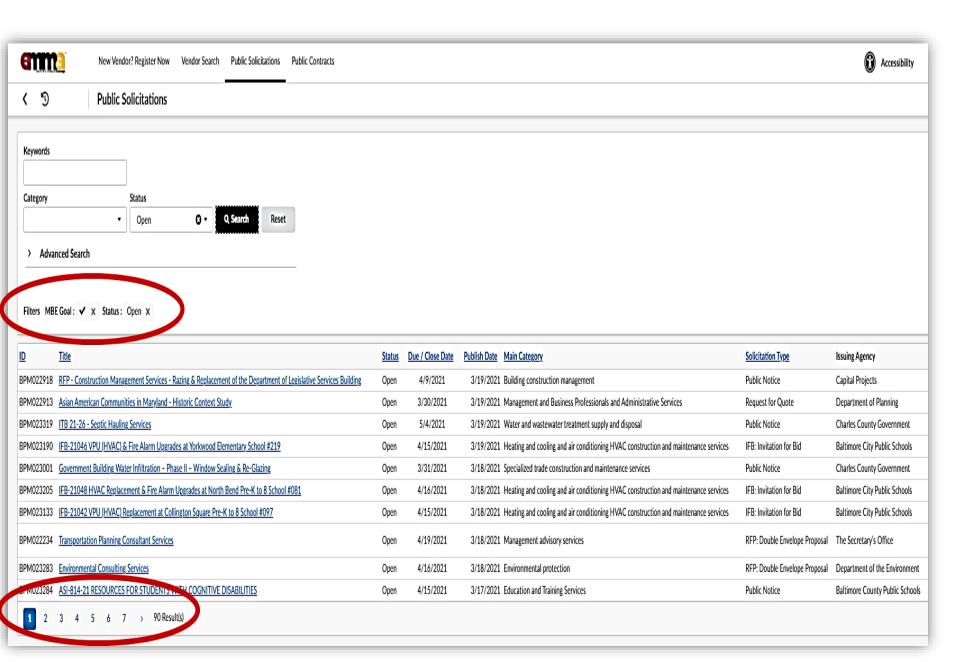


To respond to this solicitation click "Add	to My Solicitation" and either lo	gin or register.			
Add to My Solicitations					
litle KF-731-210-003 Repair Multiple Undergro	ound Water Leaks on Compound	ID In Jessup, Maryland BPM0233	Alternate ID 141 KF-731-210-003	Lot# Round# Status 1 1 Open	Due / Close Date (EST) Due / Close Date (I Mar 31 2021 3:00PM Mar 31 2021 3:00F
olicitation Type FB: Invitation for Bid Main Category					
luilding and Facility Construction and Main	ntenance Services	en			
ssuing Agency Department of General Services		en			
recurement Officer / Buyer icon POMPEY	Email Kcon.Pompcy@ma	rylandigov			
olicitation Summary lepair Multiple Underground Water Leaks i	in Jessup, Maryland				
dditional Instructions Il Minority Business Enterprises are encou	rage to respond to this Solicitati	on. THIS IS FOR SER VENDORS	ONLY-SMALL BUSINES	SS RESERVED.	
Pre-Bid Conference Date				Pre-Bid Conference Details	
3/23/2021 10:00:00 AM					r March 23, 2021 at 10.00 A.M on site @ Maryland 03 House of Corrections Road Jessup, Maryland 20794



## eMMA Public Solicitations - Advanced Search





#### eMMA Public Contracts Search

#### Welcome to eMaryland Marketplace Advantage (eMMA)

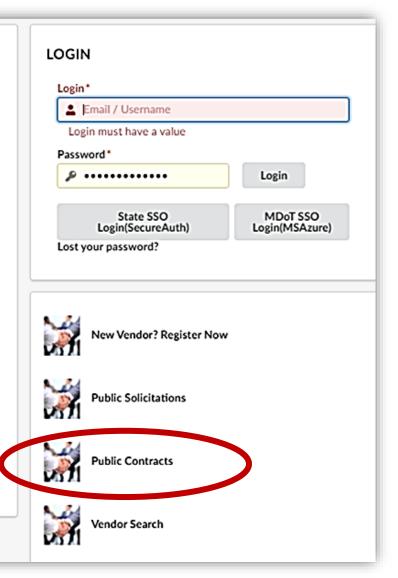


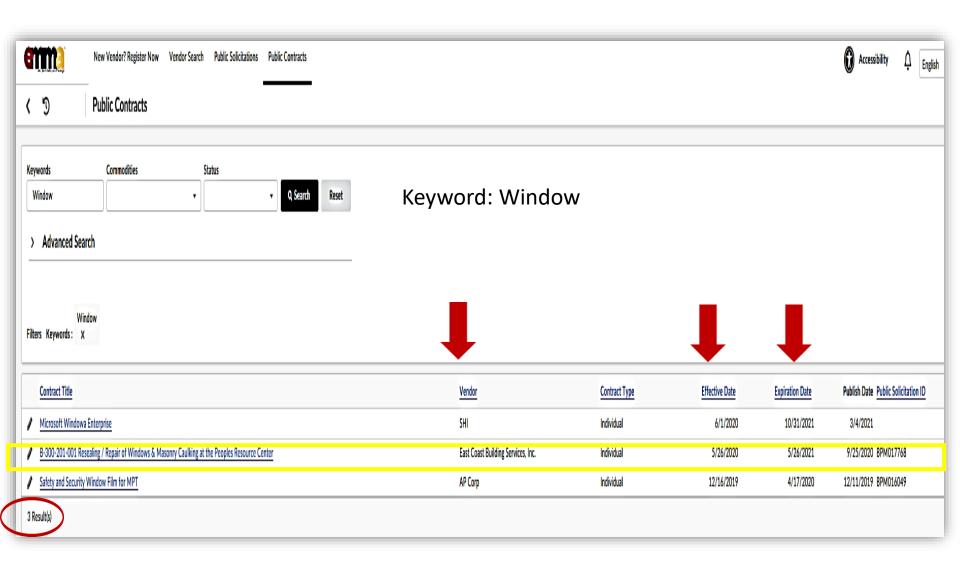
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#### IJ

#### Public Contract: CTR002253 - B-300-201-001 Resealing / Repair of Windows & Maso...

Contract Title

Effective D:
8-300-201-001 Resealing / Repair of Windows & Masonry Caulking at the Peoples Resource Center 5/25/2020

Effective Date Contract ID 5/25/2020 CTR002253 Alternate ID 001IT821113

Vendor Expiration Date

5/25/2021

East Coast Building Services, Inc.

\_\_\_\_\_, \_\_\_\_

Contract Type

Individual

Contract Amount

189,600.00 USD

Procurement Officer / Buyer Email

Daryl MOORE daryl.moore@maryland.gov

Linked Solicitation

BPM017768: B-300-201-001 Resealing / Repair of Windows & Masonry Caulking at the Peoples Resource Center

Statewide Contract

No

Federal Funding

No

Green Contract

VSBE Goal

Yes

#### **Contract Scope**

Organizations

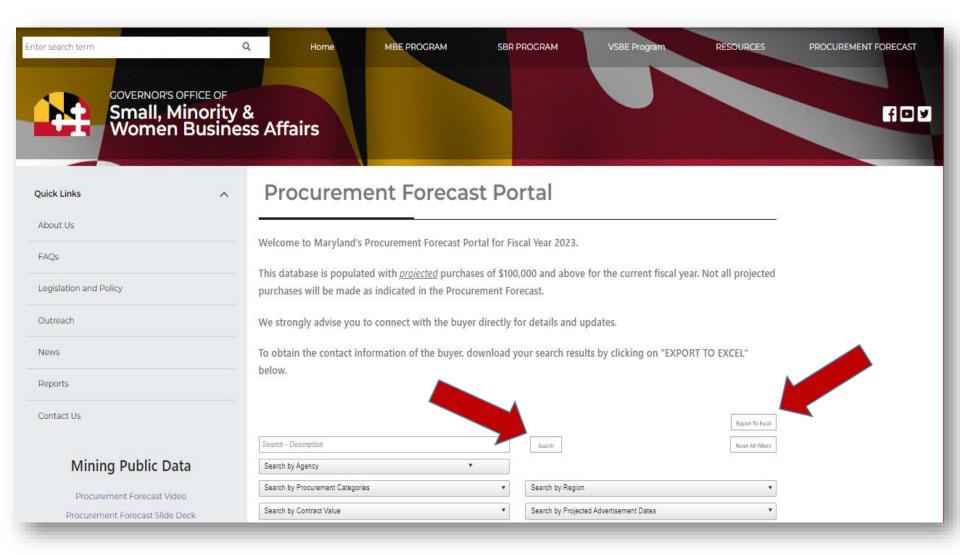
Department of General Services

Commodities

**Building and Construction Machinery and Accessories** 

#### **Procurement Forecast**

## https://gomdsmallbiz.maryland.gov/



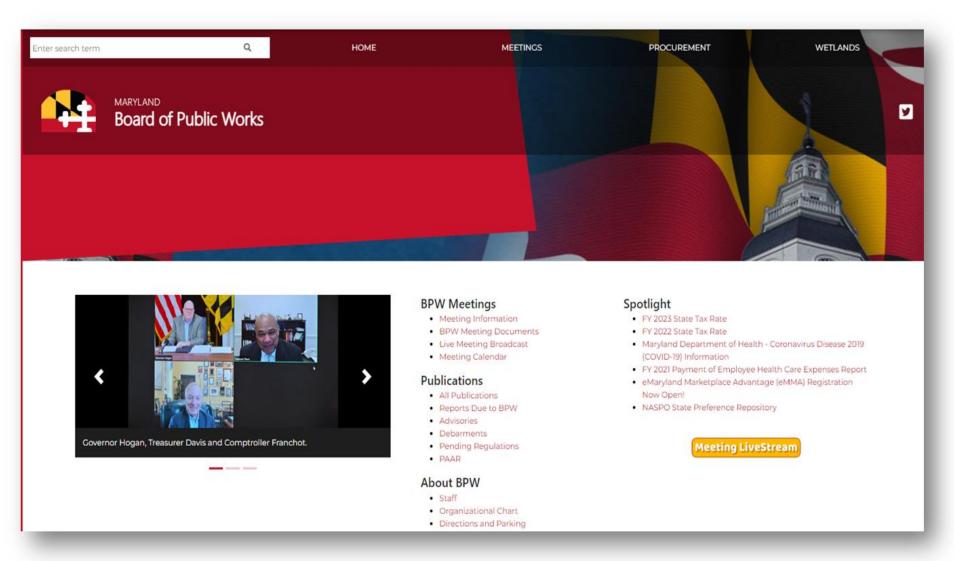
## Procurement Forecast <a href="https://gomdsmallbiz.maryland.gov/">https://gomdsmallbiz.maryland.gov/</a>

#### **Consolidated View**

		Current			- · · · · · · · · · · · · · · · · · · ·				
		MBE/DBE			Estimated Total				
		Participation		Estimated	Contract Award (no	] ]-		20.0	DO F "
Agency Name	Incumbent Name	Goal		Advertisement Date •	1 /	Term of Contract	PO Name	PO Phone 🔻	PO Email
	Chesapeake		Removal of hazardous and		\$10,000,001 to				
Environment	Geosciences Inc.	29.00%	petroleum substances	To Be Determined	\$20,000.000	5 years or more	TBD		
			Preserving World War II						
			Murals. Small Business						Shareda.Holifield2@maryland.
Military			Reserve Procurement.	To Be Determined	\$100,000 to \$500,000	To be Determined	Shareda Holifield	410-350-1967	gov
			Real Estate Consulting						
			Support Services at BWI						
Transportation -	Johnson, Mirmiran &		Thurgood Marshall and		\$1,000,001 to				
Aviation	Thompson, Inc.	15.60%	Martin State Airports	Q4 (April-June 2023)	\$5,000,000	5 years or more	Gayle Mealy	410-859-7331	gmealy2@bwiaiport.com
		7	Audit to verify validity &						
Workers			accuracy of the annual				Christine		
Compensation	Hamilton Enterprises	25.00%	information report (IC-1)	Q2 (OctDec. 2022)	\$15,000 to \$99,000	Less than 1 year	Herrman	410-864-5256	cherrman@wcc.state.md.us
Transportation - Port	Today Media Custom	_			\$500,001 to				
Administration	Communications	30.56%	Port of Balitmore Magazine	Q2 (OctDec. 2022)	\$1,000,000	5 years or more	Trisha O'Neal		
Housing and									
Community	Pinnacle								
Development	Communications	SBR	Digital Marketing Services	Q2 (OctDec. 2022)	\$100,000 to \$500,000	1-2 years	Paul Dickman	301 429 7697	paul.dickman@maryland.gov
			Laboratories						
			Administration - Courier		\$1,000,001 to				Darlene.Norman2@maryland.g
Health			Services	Q3 (JanMarch 2023)	\$5,000,000	5 years or more	Darlene Norman	443-681-8623	OV
		7	Security Services for						
Environmental			Dickerson Compost						
Services	Stronghold Security	30.00%	Facility	Q3 (JanMarch 2023)	\$100,000 to \$500,000	1-2 years	Hattie Crosby	410-729-8511	hcrosby@menv.com

## **Board of Public Works**

https://bpw.maryland.gov/



#### **Board of Public Works**

#### https://bpw.maryland.gov/

OSP 25



# DEPARTMENT OF GENERAL SERVICES OFFICE OF STATE PROCUREMENT ACTION AGENDA AUgust 31, 2022



Contact: Courtney League 410-767-5516 courtney.league@maryland.gov

23-C. CONSTRUCTION CONTRACT
Department of Health

Contract ID: Sidewalk Replacement - Holly Center; MR-000-220-002

ADPICS No.: 001B2600520

Contract Description: Replacement of sidewalk at the Holly Center in Salisbury.

Award: Colossal Contractors, Inc., Burtonsville, MD (SBE, MBE)

Contract Term: 120 Calendar Days

Amount: \$397,207

Procurement Method: Competitive Sealed Bidding (SBR - Designated)

Bids:

Bidders	Amounts			
Colossal Contractors, Inc.; Burtonsville, MD	\$ 397,207			
AJ Homes, LLC; Salisbury, MD	\$ 398,864			
Stratified, Inc.; Washington, DC	\$ 465,015			
RSD Construction, LLC; Hebron, MD	\$ 489,000			
Mission Contracting, Inc.; Lanham, MD	\$ 491,000			
C & N Associates, LLC; Glenn Dale, MD	\$ 524,372			
Harper & Sons, Inc.; Easton, MD	\$ 693,344			
Warwick Supply & Equipment Co., Inc.; Hunt Valley, MD	\$ 719,800			

MBE/VSBE Participation: 10% / N/A

Performance Security: Performance and payment bonds for 100% of contract amount.

Incumbents: N/A



# DEPARTMENT OF GENERAL SERVICES OFFICE OF STATE PROCUREMENT ACTION AGENDA August 31, 2022



OSP 27

Contact: Courtney League 410-767-5516 courtney.league@maryland.gov

#### 24-C. CONSTRUCTION CONTRACT Military Department

Contract ID: CSMS Surface Equipment and Automotive Maintenance Facility at Havre de Grace Readiness Center; M-500-180-004

ADPICS No.: 001B3600077

Contract Description: Construct a new Combined Support Maintenance Shop (CSMS) which will include a Surface Equipment Maintenance Facility (SEMF) and Automotive Maintenance Facility (AMF) at Havre de Grace Readiness Center in Harford County. The CSMS will be a multifunctional maintenance facility that will sustain the readiness of the force by performing maintenance on military equipment and other federal equipment.

Award: Towson Mechanical, Inc.; Parkville, MD

Contract Term: 550 Calendar Days

Amount: \$32,922,000

Procurement Method: Competitive Sealed Bidding

#### Rids:

Bidders	Amounts
Towson Mechanical, Inc.; Parkville, MD	\$ 32,922,000.00
Encon Corporation; Bladensburg, MD	\$ 42,923,500.00
Kimball Construction Company, Inc.; Baltimore, MD	\$ 52,827,471.19

MBE/VSBE Participation: 35% / 5%

Performance Security: Performance and payment bonds for 100% of contract amount.

Incumbent: N/A

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# **State Contracting Pipeline**

## www.goMDsmallbiz.maryland.gov



# Put it all Together



Small Procurement

- Category I

Small
Procurement
- Category II

Small Procurement - Category III Formal Procurement



eMaryland Marketplace Advantage (eMMA)



**Procurement Forecast** 



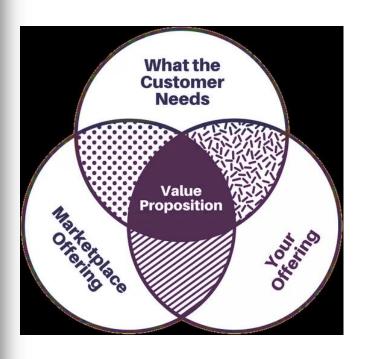
**Board of Public Works** 

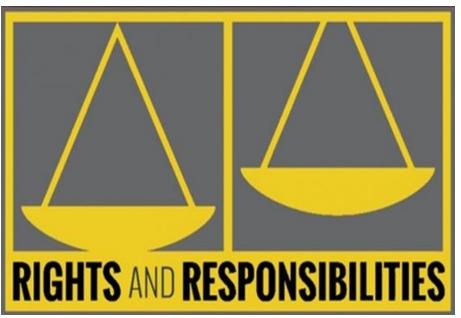


# **Compete with Confidence**

# **Clearly Define Your Value Proposition**

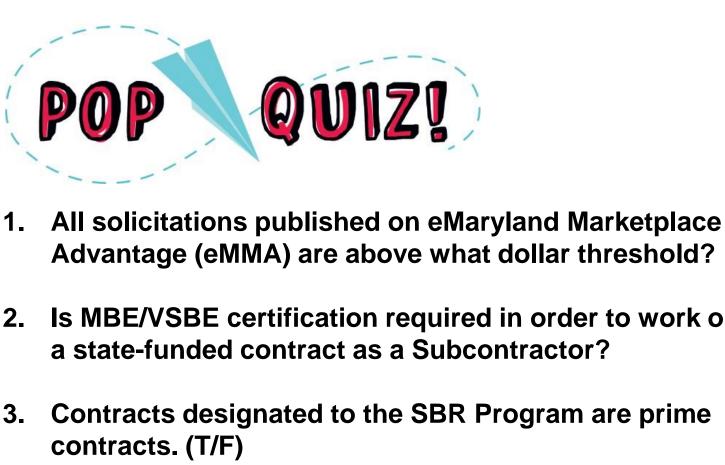












- Advantage (eMMA) are above what dollar threshold?
- Is MBE/VSBE certification required in order to work on a state-funded contract as a Subcontractor?
- Contracts designated to the SBR Program are prime
- **Certified MBE firms may only perform as** Subcontractors. (T/F)
- Where can you mine data on contracts that have already been awarded?



# Alison Tavik Director, Communications & Outreach alison.tavik@maryland.gov