

Tennessee Department of Labor and Workforce Development

Divisional Instructions - Contracts

OK 8/14-2017

The decision tree is created for you to complete and will guide you to the most appropriate procurement process that best meets your needs. Select the answer that most accurately describes your situation. Below are some general guidelines, most common types we use, example questions and estimated time frames. Questions and timeframes were obtained from CPO's decision tree.

https://stateoftennessee.formstack.com/forms/procurement_decision_tree

Is the purchase less than \$10,000?

Your Suggested Course of Action is: Local Purchase Order, or P-Card Purchase

For purchases less than \$10,000, you have Local Purchase Authority within the department. You can use a Local Purchase Order or use your Payment Card (P-Card) to make the purchase.

Timeline is <1-3 days

Is it on Statewide Contract (SWC) or is it on an agency term contract you have the authority to use?

Your Suggested Course of Action is: Contract Release Order

SWC-CRO Basic Timeline:

Find the correct contract and line item for the good you need to buy	2 hours
Follow process for entering a contract release order	1-2 days
Obtain any necessary approvals within the department	1-2 days
Sign and e-mail the purchase order to the vendor	1 hours
Approximate expected total time <u>prior</u> to PO processing	2-5 days

This should have a timeline of 1 week to get the purchase order to the vendor, however; if review and approval by legal office is recommended, it may take longer.

For a listing of current statewide contracts see:

https://sso.edison.tn.gov/psp/paprd/SUPPLIER/SUPP/h/?tab=PAPP_GUEST

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Informal purchases of goods or non-professional services that are between \$10,000 and \$50,000 or an ITB can be for any amount of good or services? Also, an ITB should be considered for One-Time Purchases and Agency Term Contracts over \$50,000.

Your Suggested Course of Action is: Informal Purchase or an Invitation to Bid

Contact Labor Contract Specialist through Zendesk to ensure IP or ITB is the correct method. Complete the Contract Processing Worksheet, return it to the Labor Contract Specialist attached to your Zendesk ticket. Please provide at least 2 potential times for a preliminary meeting.

IP or ITB Basic Timeline:

Research service providers to determine who can provide the service and determine an estimate on pricing. For IP, due diligence such as benchmarking of price, ensuring that terms, conditions and pricing are in the State's best interest. If >\$10,000 purchases require 3 signed and dated written confirmation of 3 competitive quotes. Develop Specifications and write procurement justification enter this data into the Edison Requisition. ITB must be through Edison. Obtain item numbers from Content Management in CPO.	1-4 weeks (depending on division's research time)
Obtain Internal Approvals	1-2 days
Your <u>Central Procurement Office</u> will prepare an ITB solicitation event and obtain three bids. (events are out for bid for 10 days)	2-3 weeks
Evaluation and recommendation for award.	1-5 days
Award Approval	1-2 days
Notify all bidders of award recommendation (notice of award is 7 days)	1-2 weeks
Purchase Order (or contract) will be approved, signed and executed	1-2 days
Approximate expected total time (lower end for IP)	6-12 weeks

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Is this good or service for use by a state agency or a third party?*

A Third Party is defined as any entity using state funds to provide a good or service to the public, where the state is not a beneficiary.

Has the grantee already been selected?*

Will multiple grantees be awarded for the service?*

Will all vendors be providing the same service within the same time frame?*

The suggested course of action is: Delegated Grant Authority (DGA).

Contact Labor Contract Specialist through Zendesk to ensure DGA is the correct method. Complete the Contract Processing Worksheet, return it to the Labor Contract Specialist attached to your Zendesk ticket. Please provide at least 2 potential times for a preliminary meeting.

DGA Basic Timeline:

Complete DGA template	1-2 weeks
DGA signed by Commissioner or designee	2-3 days
DGA routed in Edison for review/approval processing	4 weeks
Approximate expected total time <u>prior</u> to forwarding for competitive process and individual grants.	6-7 weeks

Note: If standard DGA or individual grant language is revised, then a Rule Exception Request is required.

Is the selected grantee another state department, UT, or TBR?*

The suggested course of action is: Intergovernmental Grant (IG).

Can the good or service be acquired from another government entity besides another state department, UT or TBR?*

The suggested course of action is: Non-state or federal Grant (GR).

Contact Labor Contract Analyst through Zendesk to ensure the IG or GR is the correct method and to determine if a competitive solicitation will be done. Complete the Contract Processing Worksheet, return it to the Labor Contract Analyst attached to your Zendesk ticket. Please provide at least 2 potential times for a preliminary meeting.

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IG or GR both of these have the same timeline:

Complete IG or GR template	2-3 days
IG or GR is reviewed & approved via Labor's internal process	2-3 weeks
IG or GR is sent to grantee for signature	1-2 weeks
Grantee signed IG or GR is routed & signed by Commissioner or designee	2-3 days
IG or GR routed in Edison for review/approval processing	4 weeks
Approximate expected total time	8-10 weeks

Note: If standard IG/GR or individual grant language is revised, then a Rule Exception Request is required.

Does the product or service come from another state entity?*

The suggested course of action is: Governmental Grant (GG).

Note: First contact the agency directly as they may prefer that the product be ordered through a journal voucher instead of a purchase order. See below if going forward with a GG.

Contact Labor Contract Specialist through Zendesk to ensure the GG is the correct method and to determine if a competitive solicitation will be done. Complete the Contract Processing Worksheet, return it to the Labor Contract Specialist attached to your Zendesk ticket. Please provide at least 2 potential times for a preliminary meeting.

GG Basic Timeline:

Complete GG template	2-3 days
GG is reviewed & approved via Labor's internal process	2-3 weeks
GG is sent to grantee for signature	1-2 weeks
Grantee signed IG is routed & signed by Commissioner or designee	2-3 days
IG routed in Edison for review/approval processing	4 weeks
Approximate expected total time	8-10 weeks

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Note: If standard IG or individual grant language is revised, then a Rule Exception Request is required.

Does the procurement of the good or service satisfy ALL of the following requirements: (1) You will procure it 3 or more times in a 90 day period. (2) The aggregate yearly cost will be greater than \$50,000. (3) The good or service will be used sporadically. (4) The procurement is of unpredictable volume, unit cost, or delivery.*

The suggested course of action is: Delegated Authority (DA)

Contact Labor Contract Specialist through Zendesk to ensure the DA is the correct method and to determine if a competitive solicitation will be done. Complete the Contract Processing Worksheet, return it to the Labor Contract Specialist attached to your Zendesk ticket. Please provide at least 2 potential times for a preliminary meeting.

DA Basic Timeline:

Complete DA template	1-4 weeks
DA is reviewed & approved via Labor's internal process	<1 week
DA is routed & signed by Commissioner or designee	1-2 days
DA routed in Edison for review/approval processing	4 weeks
Approximate expected total time	8-9 weeks
Start selection process outlined in DA and create contracts/POs with selected vendors.	TBD by division

Note: If standard DA or individual grant language is revised, then a Rule Exception Request is required.

Endorsements and Approvals:

- Agency level review and approval is recommended.
- CPO approval is required.
- COT approval is required.

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If the procurement method will be, or result in, one of the following contract types, **No Cost, Revenue, Sole Source, Proprietary, or Competitive Negotiation**, a Special Contract Request must be submitted and approved by the CPO and COT.

The suggested course of action is: Request for Information (RFI)

Contact Labor Contract Specialist through Zendesk to ensure RFI is the correct method. Complete the Contract Processing Worksheet, return it to the Labor Contract Specialist attached to your Zendesk ticket. Please provide at least 2 potential times for a preliminary meeting. The Labor Contract Analyst will contact CPO.

RFI Basic Timeline:

Research Vendors	2-3 weeks
Develop RFI	1 week
Conduct RFI	6 weeks
Analysis of Responses	3-4 weeks
Approximate expected total time	12-14 weeks

Conditional Scenarios:

- If you are looking to purchase a product through an ITB process, you can do an RFI in Edison. This may require a requisition.
- If you are truly unsure how to purchase, you should do an RFI through the template process where the RFI is publicly posted on the internet.

An RFQ is used when a written solicitation contains a list of qualifications that must be met before a supplier may propose a response to a RFP. Responses should be in written form and only the CPO is authorized to utilize a Request for Qualifications.

The suggested course of action is: Request for Proposal (RFP)

Contact Labor Contract Specialist through Zendesk to ensure RFP is the correct method. Complete the Contract Processing Worksheet, return it to the Labor Contract Specialist attached to your Zendesk ticket. Please provide at least 2 potential times for a preliminary meeting. The Labor Contract Specialist will contact CPO.

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RFP Basic Timeline:

Research Vendors	2 weeks
Develop Contract	4 weeks
Develop Solicitation	1 week
OIR/CPO/COT approvals	4 weeks
Conduct Solicitation	10 weeks
Contract signed and uploaded	2 weeks
Edison Contract approval process	4 weeks
Approximate expected total time	27 weeks

Endorsements and Approvals:

- OIR Endorsement may be needed for technology procurements
- Health endorsement may be needed for health and health data related procurements
- HR Endorsement may be needed for procurements related to training of State employees

Conditional Scenarios:

- Rule Exception Requests are commonly needed for changing template language, or for contracts longer than five years
- You may still need to do an RFI process
- Request for Qualifications (RFQ) may be an option for you, please contact CPO for more information.
- If the procurement method will be, or result in, one of the following contract types: No Cost, Revenue, Sole Source, Proprietary, or Competitive Negotiation; a Special Contract Request must be submitted and approved by the CPO and COT.

For current procurement procedures manual, statewide contracts or to check the listing of Debarred Vendors:

<https://admincms.tn.gov/generalservices/article/procurement-information>

Please note, contracts without renewal language require an amendment 90-180+days for review before an effective date.