Formal Bid / RFP Request

Introduction

Overview

This process can be initiated by any employee to request a Formal Bid, RFP, IFB, Re-Bid, etc. Creating a Formal Bid/RFP Request is the first step in the process to obtain a new Georgia Tech Contract, and/or to source non-contracted goods/services over the bid threshold. Once a Formal Bid/RFP Request is created, it will be submitted into the RQ approval process.

Once the Formal Bid/RFP Request arrives in Procurement's queue, the assigned Procurement Contract Officer will reach out to your department to assist with the next steps of the Formal Bid process. Formal Bids/RFPs can take approximately 3-8 months or longer depending on the complexity of the goods/services and which type of bid is selected. The Formal Bid/RFP process is how we will source/select supplier(s).

Considerations

Policies related to this process may be found in the [Business & Finance Policy Book](#).

- The Formal Bid / RFP process is conducted through the Procurement Department.
- **Bid Threshold:** If your department expects to spend over $24,999, per vendor, per fiscal year, and there is no existing contract for the goods/services, then a Formal Bid may be required.
- **Scope of Work:** The end-user is responsible for creating clear and explicit specifications (specs) for the Scope of Work (SOW) that the Formal Bid/RFP and the resulting Georgia Tech Contract will be based on.
- The **specs** should be a detailed list of everything that you expect to receive from the awarded supplier. You should be as detailed as possible to explain exactly what your minimum expectations are, without hindering competition.   Whatever expectations that your department would normally tell the supplier to request a quote or in a project planning meeting, needs to be included in the specs.
- **No Supplier yet**: The only time that a supplier should NOT be selected on a Requisition in Workday is when the Procurement Department needs to formally bid the goods/services.
- **Pricing Requirements**: Include how you want the vendors to price their goods/services? Some examples: Hourly rate for labor plus cost of materials, or price per square foot, or flat rate per specified task, or an itemized list of all goods being purchased, etc.

- **Type of Bid**: There are several different types of Formal Bids:
  - **IFB – Cost based**: Is cost the most important factor for this procurement? Are you looking for the lowest bidder(s) who meet all the minimum requirements?
  - **RFP – Best Value based**: Does your team want to receive detailed technical proposals with more subjective qualities and evaluate them in a Formal Committee comprised of 4-5 end-users, with pricing being only a partial factor for award (aka largest time commitment required from the end-users)?

- **For RFP Only**:
  - What **Evaluation Questions** do you want the bidders to answer for your department to evaluate?
  - Who are the **subject matter experts (SMEs)** in your area that will participate in this bid? Who will act as the **bid evaluators**? (This should be between 4-5 individuals, and they must be able to make the time commitment for meetings and evaluations). Please be advised that individuals may act as SME's without acting as an evaluator.
- The total dollar amount on the Formal Bid/RFP Request should be the **estimated total yearly dollar value** for the goods/services. We will need estimated yearly quantities for the goods/service that we are bidding.   The more accurate the estimated yearly quantities the better; those numbers are what the contract limits will be based on.
- Formal Bid/RFP Requests should NOT be submitted for zero dollars.
- No funds are being committed or obligated via the Formal Bid/RFP Request. When the bid is awarded for a TBD dollar amount, you are confirming that current or future years funds would be available. A new Procurement Requisition(s) will be required to encumber the funds and engage the supplier, after the Formal Bid/RFP process is completed.

Instructions

Initiation

Security Roles: Employee as Self

1. Enter **Create Requisition** into the search bar and select the task.

2. Enter the following fields on the first page and select **OK.**

   - **Company** – Workday required. Auto-populates based on employee.

   - **Requester** – Workday required. Auto-populates as current employee. <u>Do not edit.</u>

- **Currency** – Workday required. Auto-populates as USD. <u>Do not edit</u>.

- **Requisition Type** – Select **Formal Bid / RFP Request**.

- **Deliver-To** – Auto-populates based as current employee's HR location. Select deliver-to information by entering a short name, e.g., for the David M Smith Building room 105 enter "DM Smith 105". If this location has been updated in Workday, the Ship-To address will automatically populate. If the address has not been updated, the Ship-To address will need to be updated manually.

- **Ship-To** – Auto-populates based as current employee's HR location. Select ship-to information by entering a short name, e.g., for the David M Smith Building enter "Smith Build" for the address to populate.

- **Driver Worktags** – (Project, Grant, Gift, Designated, GTRI Charge Code and Custodial Entity) – Enter a value for one driver worktag only. Additional driver worktags will populate.

- **NIGP** – Enter NIGP if single NIGP classification applies to all lines. NIGP Codes may be modified on future screens.

Project	
Grant	
Gift	
Designated	
GTRI Charge Code	
Custodial Entity	
NIGP	

- Select **OK** to continue

3. In the **Instructions** section, review the details and useful links.

Company
CO503 Georgia Institute of Technology
Requester
Nazneen Ahmed Keen
Currency
USD
Requisition Type
Formal Bid/RFP Request

> **Instructions**

Before you process your requisition, please refer to the Georgia Tech Procurement Policies on the procurement website (https://procurement.gatech.edu). If you have questions or need additional assistance you may contact Procurement through ServiceNow. [https://b.gatech.edu/3CWjkpf]

Change Order Requisition may NOT be used for Bill Only or catalog purchase orders. If a change is required on a Bill Only or catalog purchase order, the purchase must be closed and a new requisition created.

To request a bid, please use the "Request Non-Catalog Items" option below. **Your bid should not include a supplier and the amount input should be an estimate.**

Resources
- Training: Workday Financials Training [https://procurement.gatech.edu/purchasing/training]
- Job Aids, Knowledge Articles, Tips & Tricks [https://gatech.service-now.com/financials]
- Georgia Tech Procurement [https://procurement.gatech.edu/purchasing]
- Policy Library [https://policylibrary.gatech.edu/business-finance/purchasing-and-accounts-payable]

4. In the **Select an Option** section, select **Request Non-Catalog Items** to enter a requisition for a Formal Bid/RFP Request.

Request Non-Catalog Items

1. If **Request Goods** is selected, complete the fields in the **Goods Request Details** section to add a goods line item to the cart. Otherwise, skip to the next step.

- **Item Description** – Workday required. Describe the item(s).
- **Supplier Item Identifier** – e.g., the SKU number.
- **Spend Category** – Workday required.
- **Supplier**– Leave blank for Formal Bid/RFP Requests.
- **Supplier Contract** – Leave blank for Formal Bid/RFP Requests.

- **Quantity** – Workday required. Enter the total number of units being requested.
- **Unit Cost** – Enter the cost of one unit. Even though this is not Workday required, a unit cost must be entered in order to encumber the funds.
- **Unit of Measure** – Workday required. Select the most applicable option.
- **Extended Amount** – Auto-populates as **Quantity x Unit Cost.**
- **Memo** – Enter the external memo for each line item.

2. Select **Add to Cart.** Select **OK** in the confirmation window.

- The shopping cart icon will display the items in the cart.
- Repeat the above step to add another Goods line item to the cart.
- Continue to the next step to add a Service line item to the cart. Otherwise, skip to the Checkout step.

3. If **Request Service** is selected, complete the fields in the **Service Request Details** section. Otherwise, skip this step.

- **Description** – Workday required. Describe the item(s).
- **Spend Category** – Workday required.

- **Supplier**– Leave blank for Formal Bid/RFP Requests.
- **Supplier Contract** – Leave blank for Formal Bid/RFP Requests.
- **Extended Amount** – Entered total dollar amount.
- **Memo** – Enter the external memo for each line item.

Service Request Details

Description *	
Spend Category *	☰
Supplier	☰
Supplier Contract	(empty)
Start Date	MM / DD / YYYY 📅
End Date	MM / DD / YYYY 📅
Extended Amount	0.00
Memo	

4. Select **Add to Cart.** Select **OK** in the confirmation window.

- The shopping cart icon will display items in the cart.
- Repeat the above step to add another Service line item to the cart. Otherwise, continue to the next step.
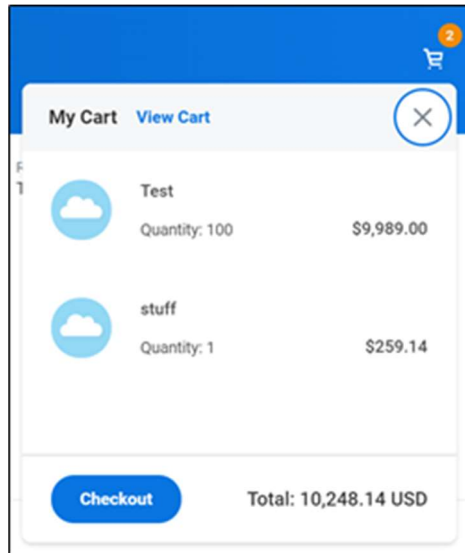
Checkout

The Requisition Information will be added to the header level of the requisition. Most of which will apply to all the line items.

1. Select the shopping cart icon in the top right corner of the screen.

Request Non-Catalog Items
(Actions) 🛒①

2. Verify each item in the cart.

- To Checkout or to make updates select Checkout.

3. Complete all applicable fields in the **Requisition Information** section. This section contains header level information that applies to each line.

- **Request Date** – Defaults from initial Create Requisition screen. <u>Do not edit.</u>

- **Currency** – Defaults from initial Create Requisition screen. <u>Do not edit.</u>

- **Requisition Type** – Defaults from initial Create Requisition screen. Should say Formal Bid/RFP Request.

- **High Priority** – Select the check box if applicable. If selected, an explanation in the Internal Memo field will be required. (Note: selecting High Priority does NOT affect the workflow. All this does it puts a note on the requisition).

- **Freight Amount** – Enter a dollar amount if applicable. The amount entered here will be applied to all applicable line items.

- **Other Charges** – Enter a dollar amount if applicable.

- **Memo to Suppliers** – Enter external memo to suppliers.

- **Internal Memo –** Enter an internal memo. This will remain internal to Georgia Tech. Use this to write explanations or notes about the specifics behind this particular requisition. This can be used for an audit trail, or to let everyone in the approval process know why something is urgent, or to provide additional info about your request, etc. This is also a good section to put a previous or similar PO#.

Requisition Information

|		
Request Date	★	03 / 09 / 2020
Currency	★	✕ USD ⋯
Requisition Type	★	✕ Procurement Requisition ⋯
High Priority		☐
Sourcing Buyer		
Submitted by		Theresa Gerhardt
Freight Amount		0.00
Other Charges		0.00
Memo to Suppliers		
Internal Memo		

4. Review all information on each line item.

- **Item Description, Spend Category, Unit of Measure, Unit Cost, Extended Amount, Memo, etc. –** Auto-populate from the Goods/Service line(s) that were entered.

- While in this section scroll to the right until the Driver Worktag columns display. In this section, the driver worktags will auto-populate if previously entered in the RQ.

  - **Driver worktags** (Project, Grant, Gift, Designated, GTRI Charge Code and Custodial Entity) – Enter a value for one driver worktag only. Additional driver worktags will populate.
  - **NIGP -** Enter NIGP if single NIGP classification applies to all lines. NIGP Codes may be modified on future screens.
  - **Additional Worktags** — Workday required. This field auto-populates based on the selection of the Driver Worktag.
  - **Split –** Use to split one line item between multiple Worktags.

5. In the **Attachments** page, upload any files relevant (e.g. Specs, Scope of Work, RFP Evaluation Questions, etc.) to the requisition.
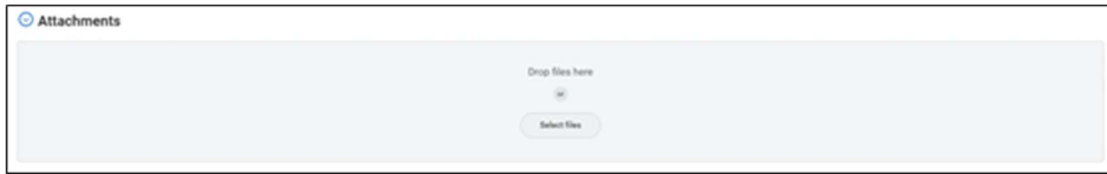
6. At the very bottom of the page in the **Activity** section, use the comment box to send specific team members a comment.

   - Enter the @ sign and the name of the person to "tag" them.
   - **Post** – Select this button to post the message. This tagged person will be notified within their Workday inbox that they have been mentioned on this Requisition.

7. Select **Submit**. Otherwise, select **Save for Later** to return to the draft and submit at a later date. After submission, the **Next Step** will display. NOTE: The RQ will NOT be submitted until the Questionnaire is complete.

8. Select **Next Step** to **Complete Questionnaire.**

9. In the **Questionnaire**, complete all fields as they are required. Provide additional info about your request or make your best estimate.

   - What is the desired delivery/start date? (e.g. For a re-bid this would be the date that the old contract is expiring).

   - What is the budget for this purchase? (Or your best estimate?)

   - Are you purchasing goods, services or both?

   - What is the driving factor of this bid process – cost (IFB) or best value (RFP)?   If RFP: Who are the subject matter experts (SMEs) in your area that will participate in this bid? Who will act as the bid evaluators? (This should be between 4-5 individuals, and they must be able to make the time commitment for meetings and evaluations). Please be advised that individuals may act as SME's without acting as an evaluator.

- Please attach scope of work or list of specifications.

10. Select **Submit**. Otherwise, select **Save for Later** to return to the draft and submit at a later date.

Remaining Process Steps

This section outlines the remaining steps in the process. In each *Approve* step, the Approver will have the following options:

Approve – The process continues to the next step until it is complete.

Send Back – Sends the process back to the initiator to make edits and will re-route to all approvers once re-submitted.

Approve

Security Role: Cost Center Manager

- The business process will route the Requisition to a manager in the initiator's Cost Center.

- A member of your department is submitting this requisition as a request to Institute Procurement to post a bid for the goods or services listed on the requisition. Please understand that no funds are being committed or obligated at this time. We are asking you to review from a budgetary standpoint. When the bid is awarded for a TBD dollar amount, you are confirming that current or future years funds would be available. A new procurement requisition will be required to encumber the funds and engage the supplier.

Review Requisition

Security Role: Buyer

- The business process will route to the assigned Procurement Contract Officer who will reach out to your department to assist with the next steps of the Formal Bid process.

- Certain fields on the requisition can be edited during this step.

After the Formal Bid/RFP is completed, it will be Canceled. And a new procurement requisition will be required to encumber the funds and engage the supplier.

Appendix

- When adding attachments, Formal Bid/RFP Requests require attachments and additional info, which may include:

  - Specs
  - Scope of Work
  - Pricing Requirements
  - Estimated total yearly dollar value
  - Requested award options
  - RFP Evaluation Questions
  - RFP List of Evaluators

- To check the status of a Requisition and Purchase Order in the approval process:

  - If a Req has a status of "In Progress," then usually it is in someone's queue. To see whose queue it currently is in, open the "Process History" Tab, and scroll to the bottom. Also, Procurement generally uses the Activity Notes at the very bottom of the Requisition to provide status updates and request additional info.

- Search Workday for Procurement Supplier Contracts for goods and/or services: https://gatech.service-now.com/asc?id=kb_article_view&sysparm_article=KB0043627&utm_source=newsletter&utm_medium=email&utm_content=here&utm_campaign=Financial%20News%20Bulletin%20May%202024