

Department of Social Services  
Friday, March 2, 2012  
Meeting Number 933 336 693

Mr. Drees: Good afternoon, my name is David Drees. Welcome to the Department of Social Services. Today we are going to be talking about the RFP entitled Employment Services for the Welfare to Work Program, the Food Supplement Employment and Training Program, and the Non-Custodial Parent Employment Program. Just one other note, the agency control number for this RFP is FCDSS\FIA\12-005-S. The bid number on eMaryland Marketplace is MDN0031000980. I believe everyone has signed in at the back, if not, please do so before you leave. I also want to note that this conference is actually being recorded. It will be transcribed and available online, free of charge, at eMaryland Marketplace or the DHR website. First of all, what I would like to do is have the DSS staff introduce themselves, and then because this is being transcribed, I do need each individual to identify the company that you are with, after we are finished here. Again, my name is David Drees. I am the procurement officer.

F: I'm Katie White, I am the Family Investment Assistant Director.

M: George Yorkman, I am the TCA Supervisor.

M: Riley Carpenter, Finance Officer here.

F: Leslie Slaby, Work Registration Specialist.

Mr. Drees: If you don't mind, we will just go straight back each row.

M: Rodney Carroll, Carroll Consulting.

M: Frederick Community College.

M: Charles Mott, Frederick County Workforce Services.

M: [Inaudible] Evans, [Inaudible].

F: Lisa Coblenz, Manpower.

F: Me? Faith Services Group.

M: KRA Corporation.

F: Workforce Solution Group.

F: [Inaudible.]

Mr. Drees: Thank you. Before we get started, I want to apologize up front, some of what I am going to be speaking to you about has to be read verbatim. If you would like to follow along with the agenda, what we are going to do is we are going to go over a lot of sections in the RFP. I am just pointing out some important forms that need to be completed and submitted. We will

also talk about the actual specifications and the program itself. So Section 1, the objective of the RFP, most importantly this is going to be a one year contract beginning on or about July 1<sup>st</sup>, 2012, and ending on or about July 30<sup>th</sup>, 2013. Now, along with this are three one year options to be renewed at the sole discretion of the State. Section 1.2 lists, for purposes of this RFP, the procurement officer, which is myself, will be your sole point of contact. Any questions that you may have regarding this RFP must come through me. Please do not contact any other State representative and ask questions. Section 1.5, questions and responses. We have actually received a number of questions prior to this conference and because of the time allotted we will not be answering questions today. You are free to ask as many questions as you like. What we are going to do is we are going to record the questions and provide a written response to them, which will be published on eMaryland Marketplace and/or the DHR website. If at any point during this presentation that you think we have answered your question, it is probably still a good thing to ask that question, because we may or may not have covered the entire topic. Also, all of our written responses will be reviewed by the Attorney General for legal sufficiency, so that is another good reason for you to ask any question that you may have. And if there is any discrepancy between any verbal responses that you may get from us and the written responses that we provide later, the written responses shall prevail. Also, if you could – there is a section on the agenda for the questions so if you could just hold your questions until the end. Section 1.6, the proposal due date. We are requesting that an original and five copies of the technical and financial proposals be sent to us no later than 4 PM, Tuesday, March 13<sup>th</sup>, 2012, in order to be considered. Requests for extensions of this deadline will not be accepted. Proposals arriving late will not be accepted. If you are mailing them, obviously make sure that you have given enough time for the mailing to be here before 4 PM on March 13<sup>th</sup>. Any proposal that is postmarked by the due date, but not received at the agency will not be accepted. If you personally deliver your proposal to the office I strongly suggest that you ask for me. If I'm not available you can receive a receipt which will identify the date and time that you were here. Section 1.7, non-submission of proposals. This is not mandatory, but if for any reason you decide not to bid on this RFP, we do ask that you send in the non-submission of proposal this sheet is immediately following the key information sheet in the RFP. We just need that for future procurement solicitation, and again, it's not a mandatory form. Section 1.9, what I would like to point is once the contract has been awarded, the State project manager, which will be Ms. Katie White, will then serve as your primary point of contact. If at any point you have a question regarding the contract you can actually still contact me, but Katie White would then become the sole and primary contact. Okay, general information. I am moving to Section 2.15, the bid proposal affidavit. This is also Attachment B of the RFP. This form must be completely filled out and submitted with your technical proposal. You only need to submit this form with your original technical proposal, and copies are not required in the other five. Section 2.16, corporate registration, to be awarded this contract your company must be registered with the State

Department of Assessments and Taxation in order to do business with us. Failure to do so may disqualify you from final consideration and recommendation of award. If you are not registered, there is a nominal fee. To register you have to visit the State Department of Assessments and Taxation website. Section 2.18, contract affidavit, which is Attachment C, this form is only submitted once you are awarded the contract. Please do not submit it with your technical proposal. Section 2.28, eMaryland Marketplace. Attached to your agendas is a little bit of information about eMaryland Marketplace. In order to receive a contract award a vendor must be registered on eMaryland Marketplace. They have just recently changed their website. I have listed the new website on that piece of paper. I have also included the DHR website. I'm not sure if you are familiar with that one either. If you visit the DHR website, down on the left hand side there is a section, "Doing business with DHR." If you click on the RFP section it will take you to a list of all RFPs published by the Department of Human Resources. Our RFP is the one issued February 21<sup>st</sup>, 2012. It is the only one issued on that date, so you should be able to find that one. Sections 2.3 to 2.34 deal with minority business enterprises. If you are awarded this contract you, as the contractor, agree to exercise all good faith efforts in carrying out the MBE requirement. There is an MBE participation goal of 25 percent of the total contract dollar amount for this procurement. You must ensure that any proposed MBE subcontractors are registered with the Maryland Department of Transportation and are certified MBE in the category for which they are providing services. Attachment F of the RFP is the MDOT Certified MBE Utilization and Fair Solicitation affidavit. It is important that this form is completed and submitted with your proposal. Failure to complete and submit this form will result in your proposal being deemed not reasonably susceptible as being selected for award. In other words, you will not be considered for award without returning that form. It is very important that you do read through that section, and please be sure that Attachment F is included in your submission. Section 2.40 of the RFP deals with living wage requirements. This is a State law. Basically this is saying that if you are performing – the State is divided into two tiers. Tier one are the counties of Montgomery, Prince Georges, Howard, Ann Arundel, Baltimore County and Baltimore City. Tier two is any area outside of the counties listed in Tier one. Basically, if you are performing contract services valued at 50 percent or more of the total contract value in a Tier two area, which is Frederick, you shall pay each of your employees at least \$9.39 per hour. I believe that this will be the case for this entire RFP length. It may be that you are performing some of those services in Tier one counties, but I think this should cover everyone. Attachment G of the RFP is the Living Wage requirement for service contracts and affidavit of agreement. This must be completed and submitted with the original copy of your technical proposal. Section 2.41, the hiring agreement, it is also Attachment N. A good summary of this, for those of you that have it with you, page 2 Section A-2, it is basically saying that you declare that the department is your first source in identifying and hiring candidates for any opening. Which means that if your company has an opening, that you will contact us and we will send you a list

of what we believe to be qualified customers. Basically, the customers are the people that you are serving through this contract. If we can identify people we will send them to you to be interviewed, but we are not asking you to alter your existing hiring practices. We are just asking that you give those customers an opportunity. And if you have Attachment N, that is something that is very important and needs to be included in your submission. At this time I am going to ask Katie White to talk about and give you some highlights about the actual program.

Ms. White: Before I do that I do want to talk about Section 2.25, which is payment terms and billing. I apologize for reading to you, but the successful offeror shall bill the department monthly on or before the 10<sup>th</sup> calendar day of each month for the services provided in the previous month, you can see that, attachments R-1 and R-2, which is the employment services monthly invoice and the monthly list of successful customers. Payment shall be made based on the contractor's fully loaded six unit price per customer and you can see that on the pricing proposal, Attachment A, and actual performance as each milestone is achieved for each customer type in this RFP. The contractor's fully loaded six unit price per customer shall take into consideration all activity associated with fulfilling the requirements of this RFP. Pricing adjustments will be allowed except as provided in the pricing proposals in Attachment A. Please be advised that full payment of any invoice is contingent on the timely receipt of all required report, and failure to submit reports timely may result in withholding of payment, or a portion of payment, until all outstanding reports have been submitted. So at this time I would like to go over the payout points. Of course, they are different depending on the program. Payout points for temporary cash assistance applicants and recipients and foster children who are aging out of the foster care system, the first payout is 40 percent of the fully loaded six unit price when the customer completes a 40 hour workshop training, or a combination of training and approved work activities and/or unsubsidized employment that totals the customers required number of hours. Note that applicants who become employed and are ineligible for TCA as a result of those earnings, you are ineligible for the first payout, but you may be eligible for the next two payouts. The second payout is 35 percent of a fully loaded six unit price, it is payable when the customer is employed in unsubsidized employment for a minimum of 30 hours weekly at a minimum wage of \$8.50 per hour for eight consecutive weeks. The third payout is 25 percent of a fully loaded six unit price, it is payable when the customer completes four additional weeks of unsubsidized employment working a minimum of 30 hours weekly at a minimum wage of \$8.50 per hour for a total of 12 consecutive weeks. There is also available a one-time incentive payment of \$500 dollars that may be made on up to 25 customers who complete payouts two and three and complete an additional five weeks of unsubsidized employment with benefits and the opportunity for career advancement, for a total of 17 consecutive weeks at \$10 dollars per hour or higher for a minimum of 30 hours per week. For the Food Stamp Program and the Employment Training and Able Bodied Adults without Dependents, the first payout is 40 percent of the fully loaded six unit price when the customers complete a 24 hour training workshop. The

second payout, which is 35 percent of a fully loaded six unit price is when a referred customer is employed in unsubsidized employment at the federal minimum wage for eight consecutive weeks. The third payout, which is 25 percent of the fully loaded six unit price, occurs after payout two is completed and an additional four weeks of unsubsidized employment is completed, for a total of 12 weeks. In the Non-Custodial Parent Employment Program, the first payout is 40 percent of the fully loaded six unit price when the customer successfully completes the 40 hour training workshop. 35 percent of the fully loaded six unit price is paid when a customer is successfully employed at the minimum wage for eight consecutive weeks. And 25 percent of the fully loaded six unit price is after payout two and the customer completes an additional four weeks, for a total of 12 consecutive weeks of employment at minimum wage. Okay. Now we are going to talk about Section 3. The first part that I want to discuss is some of the statistics. Currently the Temporary Cash Assistance caseload averages 520 active cases monthly. The Food Stamp Program caseload is an average of 16,565 recipients. The Non-Custodial Parent Employment Program averages 15 customers per month, but not all referrals are sent to the contractor. For the period of November 2010 through October of 2011, our current contractor served 240 TCA customers, 142 were placed on unsubsidized employment, and 21 of those customers were re-referrals. 92 Food Stamp customers were trained, and 15 non-custodial parents were served with 10 being placed in unsubsidized employment. The objective for all of the programs is to end the customers' dependence on State benefit program and become independent by obtaining job skills and supports necessary to obtain full time, unsubsidized employment. The scope of the program is that TCA, non-custodial parents, and foster care children are interviewed by employment resource case managers and an in-depth assessment is completed, which is found in Attachment T3. The case managers develop an action plan, which is found in Attachment T2. If appropriate, the customers are referred by a weekly list, which is Attachment U. No later than the afternoon of the Friday prior to the date the contracting service is to begin the referral is received. The work program should be designed to enable the customers to obtain full time, unsubsidized employment. The minimum qualifications, the contractor should have experience working with a varied population and implementing job related programs and providing performance based outcomes. The work hours are from 8 AM until 4:30 PM, Monday through Friday. And there should be a minimum of two staff on site. The contractor will be required to supply the technology items that are outlined in Section C. The contractor should develop workshop work activities, job placement and support services as outlined in Section 3D. And the contractor shall monitor participation, notify within two business days in writing participants who are not meeting the requirements, unexcused absences will be communicated to our employment resource center within 24 hours by email. And the contractor will track, verify, and record, all job activities. The work participation rate goal is that 70 percent of TCA recipients who enroll and participate are expected to meet the work participation rate each month. If they are not met, a corrective action plan would be submitted by the

contractor. The definition of re-referrals, in case you are wondering, for TCA is someone who is sanctioned and who must reapply or it could be those customers whose cases have closed due to employment, they leave that employment and they reapply. You can see in Section G a better definition. For outreach, the contractor will create, advertise, and work at job fairs at least quarterly, as outlined in Section 3H. The contractor will maintain case files in accordance with Section I and will maintain confidentiality in accordance with Section J. The contractor will attend performance monitoring meetings to discuss potential problems and issues, and the problem escalation process will be followed as per Section 3L. The contractor shall develop and provide, no later than 60 days prior to the contract expiration date a transition plan out at no cost to the State. A project manager will be identified by the contractor to fulfill all the duties under Section 3.5 and 3.6. That's it.

Mr. Drees: Now the requirements for proposal preparation and evaluation procedures. Attachment O of the RFP, I strongly suggest that you follow that form. That will lead you through preparation and ensure that you have included everything that needs to be included. The proposal contains two volumes, a technical volume and a financial volume. Accompanying those two volumes is a transmittal letter. This letter should be on company letterhead and contain the name of your company, the title of the solicitation, your federal tax id number or your social security number. And be signed by the individual who is authorized to bind the company to the information within the proposal. The transmittal letter should also acknowledge receipt of any amendments or addenda to the RFP that have been issued. Please refer to Section 4.2.b for the format of this technical proposal. Please address all sections listed. Please also ensure that your discussion of proposed service, Section 4.2.d, follows the format as listed in this section to include the scope of the project, minimum offer of qualifications, contractor requirement reports, identity of the contractor's project manager, and their intention to participate in the post-award orientation conference. In the contractor requirement section please ensure that each area listed in Section 4.2.f is addressed. That is one of my other pieces that I had to read. In Section G, references, they should be submitted in a sealed envelope, and they should be included in the technical proposal. In Section I, financial responsibility and stability, you need to submit only one of the four items listed to satisfy that requirement. In Section J, economic benefits to the State of Maryland, the important piece here to remember is to include percentages only, do not include dollar amounts. Section M, forms, these forms only need to be submitted with your original copy of the proposal. We do not need copies of those forms with the five additional copies. Also, please ensure that the documents are completed fully and signed. Section 4.3, financial, the financial proposal, Attachment A, contains all financial information for all services proposed. Financial information should not be presented in any portion of the technical proposal. Please make sure that the financial proposal is sealed separately from the technical proposal. Section 5, evaluation, the proposals will not be opened publicly, but there will be opened in the presence of at least two State employees. And

evaluation committee established by the department will evaluate all proposals received by the closing deadline. The evaluation committee will rank the proposals according to the evaluation criteria listed in section 5.5 of the RFP. The evaluation committee will evaluate your proposal according to the following criteria, which is listed in descending order of importance: proposed service, understanding the problem, minimum offer qualifications, financial responsibility and stability, key personnel, references and other State of Maryland contracts, and economic benefit to the State of Maryland. If necessary the committee may request clarifications of any information in your proposal to better understand your response. In addition, offerers may be required to give oral presentations of their technical proposals in order to further clarify the information, and that could possibly be done in a very short visit. Oral discussions may be used in order to answer any question that is not resolved through clarification. Technical proposals will then be ranked based upon the evaluation criteria stated previously. Proposals will be determined to either be reasonably susceptible for award or not reasonably susceptible for award. Technical proposals deemed to be reasonably susceptible for award will continue in the evaluation process. The others will be dropped from further consideration. Following the technical evaluation the financial proposals will be opened and evaluated. If necessary and if determined to be in best interest of the State, best and final offers for the financial proposals may be requested of you. After review of all financial proposals and/or the best and final the financial proposals will be evaluated and ranked based upon price. A recommendation for award will be made based upon the proposal which best represents the best value to the State, given both the financial and technical factors. In the overall evaluation, the technical proposal is given equal weight as the financial proposal. Now at this point we will open it up to questions. And as I said earlier, we did receive a number of those, which we will read to you, just in case you may have the same question. And when it is open for questions, again, because this is being transcribed, I just ask that you identify yourself before asking the question. I will have Donna read the questions that have been previously submitted.

Donna: The first question is:

Question 1: "The number of customers estimated to be referred as specified, 708 per year, but the number does not seem to match other figures shared. TCA average of 520 per month now, on page 36 3.1, versus 240 plus 92 plus 15 for 347 served in the year between November 2010 and October 2011 -- chart on page 37 is what they are referring to. Perhaps I am not reading the materials correctly, I am just asking you to confirm that 59 per month or 708 per year is the estimate inclusive of all categories of customer."

Question 2: "The RFP indicates that phone and internet service will convey to the successful proposer at no cost. What about other facility costs, such as utilities, cleaning, repairs, and general maintenance?"

Question 3: “Is the entirety of remittance based on performance as outlined in the various payout sections? Or is there a base of funding that also would be reimbursed for general expenses? For example, in theory there might be a month where zero work participation occurs, despite great effort by staff. So would there be zero payout? There will be fixed and variable costs every month for various obligations, regardless of specific performance in a month.”

Question 4: “Will you share the total budget allocated for the current year to cover the same or largely the same services outlined in the RFP?”

Question 5: “How many incumbent staff are at work now to render these same, or largely the same, services?”

Question 6: “This is a request for job readiness and employment services and very little ancillary activities. If you are a company that already delivers job readiness and employment services where does the State see room for 25 percent NBE participation?”

Question 7: “There is quite a lot of monthly reporting stipulated. Can you discuss whether there is some flexibility? Or is it all mandatory.”

Question 8: “Is there an expectation that the successful proposer will provide supportive services, pay for job related incidentals or items such as driver’s licenses, eyeglasses, childcare expenses, tools, work boots, uniforms, etc.? And is there a defined budget for such support?”

Question 9: “Subsidized employment is an option? Any employment subsidies for payment of customers will be paid for separately? Is this correct? They come out of a separate budget, not this program budget?”

Question 10: “There are numerous references to ‘the’ workshop. Referring to page 19, ‘the 24 hour workshop,’ and page 20, ‘the 40 hour workshop.’ Is this defined somewhere or is this in reference to the 40 hour week of activities which likely would include workshop where 24 hour needs to be some mixed or core federal activities, etc.?”

Question 11: “The shown estimate of referrals is 708. So we staff for 708 referrals and our anticipated per customer reimbursement will be based on 708 referrals. What if there are only 508 referrals or 608 referrals? We will not have any chance to recover the sunk costs even if performance literally is perfect.”

Question 12: “Is there an advance or prepayment of some amount? Even if performance is stellar reimbursement will lag substantially behind achievement. For example, from the first day of the contract we incur 100 percent of monthly costs, but we only have the opportunity to recover a maximum of 40 percent of the costs for the first two months, and then only 75 percent the next month.”



Question 13: "Is there another work space? There are two work stations, perhaps three, for what appears to be a larger staff needed."

Question 14: "Is there an expectation that the successful proposer would facilitate occupational training for customers? And is there a defined budget for such training, like there is for internships, as an example?"

Donna: And that's it.

Mr. Drees: Does anyone else have any questions at this time? Again, we will continue to take questions up until the closing date.

F: I'm from Hardy Consulting. I would like to piggyback on one of the questions about subsidized employment. Are we expected to give them employment and also pay for them or would that be another agency or the State that would do that?

Mr. Drees: Could you repeat that again? I'm sorry.

F: Basically I want to know if we do find a position for them and it would have to be subsidized employment, does the State pay for that or does that come out of the contract?

Mr. Drees: Any other questions?

F: I'm with Manpower. If the vendor selected does not get renewed, because it is a one year contract and then it could be renewed for another one year, if they don't get renewed for half of that one year any of the customers that were being served in the last possible months obviously won't have the time opportunity to meet the payout amount after that. So is there a way that the vendor will be compensated after the contract ends for those [inaudible]?

Mr. Drees: Thank you. Any other questions?

F: I have another one. All of the payout amounts or performance amounts are the same no matter whether it is a PCA customer or a food stamp customer or a non-custodial parent customer? Policy does not require the food stamp clients to participate in any work activities past 24 hours in 12 months. So is it reasonable for the vendor to get that participation for those clients beyond that 24 hour period?

M: My name is David Crow, and I am from Frederick Community College. If a customer doesn't hit their required work week hours and they continue to in the following weeks, are they sanctioned out of the program? And I have another question. What tools might be available to help document wage earnings, for example, access to the wage and labor database, that will record employment and wages or is that something the vendor would have to cover with the

participant? And my third question, is there an age limit in the technical proposal for [inaudible]?

Mr. Drees: Yes, sir. In the back?

M: [Inaudible.] My next question is what happens if there is [inaudible] proposal to take more money than [inaudible]. My last question is who is the current vendor and what are the current price points of his model?

F: I'm from American Work. One of the questions I have is payout, number one, [inaudible] tracking once funding has [inaudible] and is tracking still required after that? The other question is a general question, what is currently working versus what's not working?

F: For Section 2.3.2G it mentions community service, do you mean community service as far as a high school definition? Or like a non-profit agency like or [inaudible]? How do you define community service?

Mr. Drees: Yes, sir?

M: Is the \$9.39 or living wage based on the [inaudible] working on the contract, or is it based on the staffing of the overall agency?

Mr. Drees: Any others?

F: When can we expect to hear answers to these questions?

Mr. Drees: That I can answer right now. We will get everything transcribed. Actually we should have responses by mid next week. Again, they will be posted on eMaryland and the DHR website. Once anything is posted on eMaryland you will get an email stating that there has been a change, a particular page has been changed. So you will know what's out there.

M: I have one question.

Mr. Drees: Yes, sir.

M: Frederick Community College. Is there any administrative support on site that will be available?

F: I have a question, can we still submit questions online after today?

Mr. Drees: You can continue to submit questions. If I'm not mistaken, there is no due date or cut off for questions.

M: How much funding is available for [inaudible]?

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Mr. Drees: I do want to thank everyone for coming today. Just a reminder that the proposals are due 4 PM local time March 13<sup>th</sup>, 2012. We will give a tour of the workspace if anyone is interested. If not, feel to hang out here and talk amongst yourselves if you want. For those interested we will go and take a look at the space. Okay? Thank you.

[End of conference.]