



**Amended Request for
Proposals for
RI Procurement Pilot Initiative**

I. Project Intent

The Rhode Island Commerce Corporation (“Commerce Corporation”) seeks to retain one or more vendors (“Contractor” or “Offeror”) to provide overall program management and infrastructure, and seeks to retain one or more vendors to provide complementary services in support of a network-based cohort of larger employers in Rhode Island with the goal to increase local procurement.

This document constitutes an Amended Request for Proposals (“RFP”), in a competitive format, from qualified individuals and organizations. This request is an offer by the Commerce Corporation and other funding sources to underwrite, in accordance with the terms and conditions of this RFP, the services proposed by the successful Offeror(s), by contract.

The respondents to this RFP shall provide a proposal, in accordance with the terms and conditions set forth herein, to provide all or part of services to the Commerce Corporation as described in the scope of services.

II. Project Overview and Background

Over the last year, the Commerce Corporation has engaged a group of anchor institutions and large employers (“Anchor Group”) to carry out an in-depth analysis to determine the categories and composition of their procurement spend, to evaluate the landscape of local suppliers in each category, and to identify opportunities to increase purchasing with Rhode Island suppliers, including small and diverse suppliers (See Appendix 1 attached).

Most recently, the anchor group has committed to collaborating on a local procurement pilot initiative in which the group will share infrastructure and coordinate efforts to increase local procurement (See Appendix 2 attached). It is expected that each participant in the Anchor Group will sign a Memorandum of Understanding (“MOU”). Anchors participating in the pilot program may include :

- Brown University
- Blue Cross Blue Shield
- Delta Dental
- Lifespan
- Rhode Island School of Design
- Roger Williams University

To this end, the Commerce Corporation and the Rhode Island Foundation, with the anchor group, have developed a pilot program design and seek to retain one or more Contractors to launch and staff the pilot.

Please note that additional employers may decide to participate in the PILOT initiative in whole or in parts to be determined.

III. Project Goals

The goals of the procurement pilot are to:

- Establish “proof of concept” that a focused effort with appropriate support can achieve a meaningful increase in local spend that will:
 - Create new jobs for Rhode Island residents;
 - Start, nurture and grow companies in Rhode Island, including women, minority-owned and other disadvantaged businesses; and
 - Encourage out-of-state suppliers and customers to relocate or expand in Rhode Island
- Build, test, and refine infrastructure that can support anchors on a long-term basis;
- Improve supply-chain responsiveness and efficiencies within the Anchor Group.

IV. Scope of Services

Respondents are invited to respond to Part 1 – Overall Program Management and Infrastructure, and/or any of the components in Part 2 – Complementary Services.

PART 1: Overall Program Management and Infrastructure

A. Program Management - Provide staff capacity and expertise to manage the initiative, which will be overseen by the Commerce Corporation, Rhode Island Foundation, and the Anchor Group. Key activities will include but are not limited to:

- Build and maintain a database, selected by the Commerce Corporation, to capture high-potential suppliers by category; develop search terms and badging protocol; define vetting methodology in consultation with Anchor Group and Commerce Corporation
- Develop close working relationships with Anchor Group contacts in target categories; identify upcoming opportunities/contracts and provide timely, vetted supplier introductions proactively and on demand; advise on potential contract structure and policy changes

B. Supplier outreach, sourcing, and assessment. Work with the Anchor Group and the selected program management and infrastructure contractor and assist in conducting

recruitment campaigns and events to identify, cultivate, and assess readiness of prospective local suppliers.

- Build referral networks for business service organizations (“BSO”) partners and others to refer suppliers to the program; Schedule, plan, and organize 3-4 matchmaking events in collaboration with program management, anchors, and funders
- Develop and execute promotional and marketing strategies to identify, cultivate and vet new suppliers in target/in-demand categories; build sourcing relationships with BSO partners
- Develop an intake process for engaging new local suppliers
- Develop and utilize methodology to vet suppliers and assess readiness for anchor procurement
- Design referral pathways with BSO partners for suppliers to secure business support and capital

PART 2: Complementary Services

A. Assist in Supplier outreach, sourcing, and assessment. Work with the Anchor Group and the selected program management and infrastructure contractor and assist in conducting recruitment campaigns and events as noted in component B of the Part 1 – Program Management and Infrastructure.

B. Supplier training and development. Provide training and support services for prospective local suppliers, including but not limited to:

- Codify and train suppliers on “how to do business” with each institution
- Provide training and direct support for supplier responding to anchor RFPs/bids, including planning/identifying opportunities, estimating, certifications, complying with key terms, and other elements; leverage PTAC and other relevant models
- Leverage from existing resources with BSO partners and Commerce Corporation to make pilot program successful
- Provide customized training and direct support for suppliers in key categories to build capacity, for example:
 - Construction and facilities management
 - Custodial services and supplies
 - Professional services

- Identify and fill critical supplier needs, e.g., affordable General Liability and Surety Bonds

C. Research and Other Services. Provide research or survey services in support of the scope items. Respondents may also propose other services not listed in this scope in support of the initiative.

D. Supplier Database. Supply, install and service a database product that can be shared by the participating employers, the Commerce Corporation and the Contractor that will provide overall program management.

V. Term

The pilot will be carried out from January to December 2018 with the potential for a further engagement after the pilot.

Non-Disclosure: The Contractor recognizes that the data they request and/or received from participants in the Anchor Group contains sensitive information regarding their suppliers. The teams involved shall maintain all data in confidence, and shall only share aggregated information (i.e., combined spend data for multiple institutions), or specific anchor information only with permission. As a condition to any engagement, any selected entity shall sign a Non-Disclosure Agreement (NDA) with the Participating Institution affirming that this information will be protected.

VI. Budget

We anticipate that the total budget for the PILOT will be around \$325,000. The majority of the budget will be for overall program and infrastructure. The final budget and management of Part 1 and the individual components of Part 2 in the scope of services will be negotiated between the Commerce Corporation and the selected Contractor(s).

VII. Technical Proposal Qualifications

All proposals shall provide information relating to one or more of the scope items in sufficient detail to allow Commerce Corporation to conduct a selection process. Failure to include sufficient information may have an adverse impact on the evaluation of a proposal. A cover letter of the proposal should be included.

1. Complete Appendix 3 and indicate whether your company is responding to Part 1 – Overall Program Management and Infrastructure, and/or which components of Part 2 – Complementary Services in the Scope of Services. Your proposal will be judged accordingly.
2. Provide the name of your company and the name, address and telephone number and email address of a person with whom our office can communicate regarding this RFP.
3. Firm Background: Please provide a summary of your firm. Brochures and marketing materials may be included in an appendix to the proposal.
4. A discussion and justification of the methods proposed to fulfill all of the above Scope

of Services.

5. A work plan description shall include a list of project deliverables, in line with the schedule above, including milestones and processes that will be employed to administer the project, the Offeror shall include task assignments of staff members and level of effort for each linked to the cost proposal and project deliverables.
6. Project Team: Please identify the key members of the proposed Contractor team who will manage and staff this contract or anticipated new hires expected to assume the roles. The expectation is e that the selected Contractor will need to dedicate 1.5 FTEs to this project for the entire scope.. Please provide professional resumes and billing rates for all identified personnel.
7. Relevant Project Experience: Please provide information on no more than five (5) highly relevant assignments, within or outside Rhode Island, within the past five (5) years. The selected projects should demonstrate the experience of the proposed consultant team with the special purpose uses described in the Scope of Services. Where applicable, please indicate where individual members of the proposed consultant team have worked on the relevant projects.
8. References including client name, address, contact person, telephone number, email, project start and end date, as well as a project description. References should be for similar or related projects that proposed key staff members for this project have worked.
9. Copies of all documentation which demonstrate the firm(s) has the legal ability to perform the services in the State of Rhode Island, described generally heretofore.
10. Acknowledgement of a Confidentiality Agreement and Conflict of Interest Affidavit requirements
11. All proposals must include a completed RFP Response Certification Cover Form, included in this document.

VIII. Cost Proposal Elements

Please provide a cost proposal per scope item as follows:

- o Information relating to Contractor's fee structure; and
- o A total, maximum price to accomplish the scope items incorporated in the proposal.

IX. Evaluation Criteria

Proposals for Part 1 – Overall Program and Infrastructure will be scored separately from proposals for Part 2. In addition, proposals for each component of Part 2 will be scored independently.

1. The quality of the proposal and the degree to which it demonstrates the Contractor's approach and full understanding of and the ability to perform the Services to be rendered and the content of the proposal demonstrating the Contractor's full understanding of the Project schedule and budget (40%)
2. The Contractor's experience in providing services either nationally or regionally similar to scope items reflected in the Contractor's proposal (20%).
3. To the extent applicable to any of the aforementioned scope items, the quality of the proposed Contractor Team including (without limitation) the experiential background of the members of the Contractor Team (20%).
4. The Contractor's cost proposal (20%).
5. ISBE Participation Evaluation (see below for scoring)
 - a. The Rhode Island Commerce Corporation encourages MBE/WBE/DisBE participation in this Request. In accordance with Title 37, Chapter 14.1, and Title 37, Chapter 2.2 of the Rhode Island General laws, the Corporation reserves the right to apply additional consideration to MBE/WBE/DisBE up to six (6) additional points in the scoring evaluation as provided below:
 - b. Calculation of ISBE Participation Rate
 - i. ISBE Participation Rate for Non-ISBE Vendors. The ISBE participation rate for nonISBE vendors shall be expressed as a percentage and shall be calculated by dividing the amount of non-ISBE vendor's total contract price that will be subcontracted to ISBEs by the non-ISBE vendor's total contract price. For example, if the non-ISBE's total contract price is \$100,000.00 and it subcontracts a total of \$12,000.00 to ISBEs, the non-ISBE's ISBE participation rate would be 12%.
 - ii. ISBE Participation Rate for ISBE Vendors. The ISBE participation rate for ISBE vendors shall be expressed as a percentage and shall be calculated by dividing the amount of the ISBE vendor's total contract price that will be subcontracted to ISBEs and the amount that will be self-performed by the ISBE vendor by the ISBE vendor's total contract price. For example, if the ISBE vendor's total contract price is \$100,000.00 and it subcontracts a total of \$12,000.00 to ISBEs and will perform a total of \$8,000.00 of the work itself, the ISBE vendor's ISBE participation rate would be 20%.
 - c. Points for ISBE Participation Rate:
 - i. The vendor with the highest ISBE participation rate shall receive the maximum ISBE participation points. All other vendors shall receive ISBE participation points by applying the following formula:

(Vendor's ISBE participation rate ÷ Highest ISBE participation rate X
Maximum ISBE participation points)

For example, assuming the weight given by the RFP to ISBE participation is 6 points, if Vendor A has the highest ISBE participation rate at 20% and Vendor B's ISBE participation rate is 12%, Vendor A will receive the maximum 6 points and Vendor B will receive $(12\% \div 20\%) \times 6$ which equals 3.6 points.

See Appendix A for information and the MBE, WBE, and/or Disability Business Enterprise Participation Plan form(s). Bidders are required to complete, sign and submit these forms with their overall proposal in a sealed envelope. Please complete separate forms for each MBE, WBE and/or Disability Business Enterprise subcontractor/supplier to be utilized on the solicitation

X. Notifications

1. Equal Employment Opportunity (RIGL 28-5.1) – 28-5.1-1 Declaration of policy – (a) Equal opportunity and affirmative action toward its achievement is the policy of all units of Rhode Island State government, including all public and quasi-public agencies, commissions, boards and authorities, and in the classified, unclassified, and non-classified services of State employment. This policy applies to all areas where the State dollar is spent, in employment, public services, grants and financial assistance, and in State licensing and regulation. For further information, contact the Rhode Island Equal Opportunity Office at (401) 222-3090.
2. In accordance with Title 7, Chapter 1.1 of the General Laws of Rhode Island, no foreign corporation, a corporation without a Rhode Island business address, shall have the right to transact business in the State until it shall have procured a Certificate of Authority to do so from the Rhode Island Secretary of State (401-222-3040). This is a requirement only of the successful Contractor.
3. Interested parties are instructed to peruse the Corporation's website www.commerceri.com on a regular basis, as additional information relating to this solicitation may be released in the form of an addendum to this RFP. Addenda will also be posted to the Rhode Island State Division of Purchases' website at www.purchasing.ri.gov.
4. The purchase of services under an award made pursuant to this RFP will be contingent on the availability of funds and made at the discretion of the Corporation.
5. Awarding this RFP is based on the Evaluation Criteria set forth in this RFP. Vendors are advised, however, that all materials and ideas submitted as part of this proposal and during the performance of any award shall be the property of and owned by the Corporation, which may use any such materials and ideas.

XI. Administrative Proposal Elements

1. Acknowledgement of the Conflict of Interest Affidavit requirements under RI General Laws 36-14-6.
2. Acknowledgement that a Certificate of Good Standing from the Rhode Island Division of Taxation will be delivered to the Corporation upon award.
3. The Commerce Corporation will not provide any reimbursement for any cost associated with the development or presentation of a proposal.

Responses to this RFP are due **by Wednesday, December 27, 2017 by 2:00pm**. One (1) electronic (PDF) version on a thumb drive and five (5) printed copies of the complete proposal must be mailed or hand-delivered in a sealed envelope marked:

Rhode Island Commerce Corporation
Attention: RI Procurement Pilot Initiative RFP
315 Iron Horse Way, Suite 101
Providence, RI 02908

Note: No phone calls and late responses will not be accepted and responses received via electronic submission only will be disqualified.

Questions, interpretations, or clarifications concerning this RFP should be directed by e-mail to Dan Jennings at dan.jennings@commerceri.com no later than 4:30pm on December 18, 2017. Responses to questions, interpretations, or clarifications concerning this RFP will be posted online via addendum at www.commerceri.com and www.purchasing.ri.gov by Thursday, December 20, 2017 to ensure equal awareness of important facts and details.

The Corporation reserves the right to terminate this solicitation prior to entering into any agreement with any qualified firm pursuant to this Request for Proposal, and by responding hereto, no firms are vested with any rights in any way whatsoever.

Rhode Island Commerce Corporation reserves the right to reject any or all projects for not complying with the terms of the Request for Proposal. The Corporation further reserves the right to negotiate with the selected bidder in the event that the lowest responsive and responsible bid price exceeds available funds. Rhode Island Commerce Corporation also reserves the right to merge Contractor teams and proposals in its sole discretion, subject to the acceptance by such entities. Any proposal received after the time and date specified shall not be considered. No respondent may withdraw a bid within sixty (60) days after the actual date of the opening thereof.

RFP RESPONSE CERTIFICATION COVER FORM

Instruction: To fulfill your RFP response, this form must be completed, printed, signed and included with your submission.

SECTION 1 - RESPONDENT INFORMATION

RFP Number:

RFP Title:

RFP Respondent Name:

Address:

Telephone:

Fax:

Contact Name:

Contact Title:

Contact Email:

SECTION 2 —DISCLOSURES

RFP Respondents must respond to every statement. RFP Responses submitted without a complete response may be deemed nonresponsive.

Indicate "Y" (Yes) or "N" (No) for Disclosures 1-4, and if "Yes," provide details below

____ 1. State whether the Respondent, or any officer, director, manager, stockholder, member, partner, or other owner or principal of the Respondent or any parent, subsidiary, or affiliate has been subject to suspension or debarment by any federal, state, or municipal governmental authority, or the subject of criminal prosecution, or convicted of a criminal offense within the previous 5 years. If "Yes," provide details below.

____ 2. State whether the Respondent, or any officer, director, manager, stockholder, member, partner, or other owner or principal of the Respondent or any parent, subsidiary, or affiliate has had any contracts with a federal, state, or municipal governmental authority terminated for any reason within the previous 5 years. If "Yes," provide details below.

____ 3. State whether the Respondent, or any officer, director, manager, stockholder, member, partner, or other owner or principal of the Respondent or any parent, subsidiary, or affiliate has been fined more than \$5000 for violation(s) of any Rhode Island environmental law(s) by the Rhode Island Department of Environmental Management within the previous 5 years. If "Yes," provide details below.

____ 4. State whether any officer, director, manager, stockholder, member, partner, or other owner or principal of the Respondent is serving or has served within the past two calendar years as either an appointed or elected official of any state governmental authority or quasi-public corporation, including without limitation, any entity created as a legislative body or public or state agency by the general assembly or constitution of this state.

Disclosure details (continue on additional sheets if necessary):

SECTION 3 —OWNERSHIP DISCLOSURE

Respondents must provide all relevant information. Respondent proposals submitted without a complete response may be deemed nonresponsive.

If the Respondent is publicly held, the Respondent may provide owner information about only those stockholders, members, partners, or other owners that hold at least 10% of the record or beneficial equity interests of the Respondent; otherwise, complete ownership disclosure is required.

List each officer, director, manager, stockholder, member, partner, or other owner or principle of the Respondent, and each intermediate parent company and the ultimate parent company of the Respondent. For each individual, provide his or her name, business address, principal occupation, position with the Respondent, and the percentage of ownership, if any, he or she holds in the Respondent, and each intermediate parent company and the ultimate parent company of the Respondent.

SECTION 4 —CERTIFICATIONS

Respondents must respond to every statement. Responses submitted without a complete response may be deemed nonresponsive.

Indicate "Y" (Yes) or "N" (No), and if "No," provide details below.

THE RESPONDENT CERTIFIES THAT:

____1. The Respondent will immediately disclose, in writing, to the Rhode Island Commerce Corporation any potential conflict of interest which may occur during the term of any contract awarded pursuant to this solicitation.

____2. The Respondent possesses all licenses and anyone who will perform any work will possess all licenses required by applicable federal, state, and local law necessary to perform the requirements of any contract awarded pursuant to this solicitation and will maintain all required licenses during the term of any contract awarded pursuant to this solicitation. In the event that any required license shall lapse or be restricted or suspended, the Respondent shall immediately notify the Rhode Island Commerce Corporation in writing.

____3. The Respondent will maintain all required insurance during the term of any contract pursuant to this solicitation. In the event that any required insurance shall lapse or be canceled, the Respondent will immediately notify the Rhode Island Commerce Corporation in writing.

____4. The Respondent understands that falsification of any information in its RFP response or failure to notify the Rhode Island Commerce Corporation of any changes in any disclosures or certifications in this Respondent Certification may be grounds for suspension, debarment, and/or prosecution for fraud.

____5. The Respondent has not paid and will not pay any bonus, commission, fee, gratuity, or other remuneration to any employee or official of the Rhode Island Commerce Corporation or the State of Rhode Island or any subdivision of the State of Rhode Island or other governmental authority for the purpose of obtaining an award of a contract pursuant to this solicitation. The Respondent further certifies that no bonus, commission, fee, gratuity, or other remuneration has been or will be received from any third party or paid to any third party contingent on the award of a contract pursuant to this solicitation.

____6. This RFP response is not a collusive RFP response. Neither the Respondent, nor any of its owners, stockholders, members, partners, principals, directors, managers, officers, employees, or agents has in any way colluded, conspired, or agreed, directly or indirectly, with any other Respondent or person to submit a collusive response to the solicitation or to refrain from submitting response to the solicitation, or has in any manner, directly or indirectly, sought by agreement or collusion or other communication with any other Respondent or person to fix the price or prices in the response or the response of any other Respondent, or to fix any overhead, profit, or cost component of the price in the response or the response of any other Respondent, or to secure through any collusion, conspiracy, or unlawful agreement any advantage against the Rhode Island Commerce Corporation or the State of Rhode Island or any person with an interest in the contract awarded pursuant to this solicitation. The price in the response is fair and proper and is not tainted by any collusion, conspiracy, or unlawful agreement on the part of the Respondent, its owners, stockholders, members, partners, principals, directors, managers, officers, employees, or agents.

____7. The Respondent: (i) is not identified on the General Treasurer's list created pursuant to R.I. Gen. Laws § 37-2.5-3 as a person or entity engaging in investment activities in Iran described in § 37-2.5-2(b); and (ii) is not engaging in any such investment activities in Iran.

____8. The Respondent will comply with all of the laws that are incorporated into and/or applicable to any contract with the Rhode Island Commerce Corporation.

Certification details (continue on additional sheet if necessary):

Submission by the Respondent of a response pursuant to this solicitation constitutes an offer to contract with the Rhode Island Commerce Corporation on the terms and conditions contained in this solicitation and the response. The Respondent certifies that: (1) the Respondent has reviewed this solicitation and agrees to comply with its terms and conditions; (2) the response is based on this solicitation; and (3) the information submitted in the response (including this Respondent Certification Cover Form) is accurate and complete. The Respondent acknowledges that the terms and conditions of this solicitation and the response will be incorporated into any contract awarded to the Respondent pursuant to this solicitation and the response. The person signing below represents, under penalty of perjury, that he or she is fully informed regarding the preparation and contents of this response and has been duly authorized to execute and submit this response on behalf of the Respondent.

RESPONDENT

Date: _____

Name of Respondent

Signature in ink

Printed name and title of person signing on behalf of Respondent

APPENDIX A

PROPOSER ISBE RESPONSIBILITIES AND MBE, WBE, AND/OR DISABILITY BUSINESS ENTERPRISE PARTICIPATION FORM

A. Proposer's ISBE Responsibilities (from 150-RICR-90-10-1.7.E)

1. Proposal of ISBE Participation Rate. Unless otherwise indicated in the RFP, a Proposer must submit its proposed ISBE Participation Rate in a sealed envelope or via sealed electronic submission at the time it submits its proposed total contract price. The Proposer shall be responsible for completing and submitting all standard forms adopted pursuant to 105-RICR-90-10-1.9 and submitting all substantiating documentation as reasonably requested by either the Using Agency's MBE/WBE Coordinator, Division, ODEO, or Governor's Commission on Disabilities including but not limited to the names and contact information of all proposed subcontractors and the dollar amounts that correspond with each proposed subcontract.
2. Failure to Submit ISBE Participation Rate. Any Proposer that fails to submit a proposed ISBE Participation Rate or any requested substantiating documentation in a timely manner shall receive zero (0) ISBE participation points.
3. Execution of Proposed ISBE Participation Rate. Proposers shall be evaluated and scored based on the amounts and rates submitted in their proposals. If awarded the contract, Proposers shall be required to achieve their proposed ISBE Participation Rates. During the life of the contract, the Proposer shall be responsible for submitting all substantiating documentation as reasonably requested by the Using Agency's MBE/WBE Coordinator, Division, ODEO, or Governor's Commission on Disabilities including but not limited to copies of purchase orders, subcontracts, and cancelled checks.
4. Change Orders. If during the life of the contract, a change order is issued by the Division, the Proposer shall notify the ODEO of the change as soon as reasonably possible. Proposers are required to achieve their proposed ISBE Participation Rates on any change order amounts.
5. Notice of Change to Proposed ISBE Participation Rate. If during the life of the contract, the Proposer becomes aware that it will be unable to achieve its proposed ISBE Participation Rate, it must notify the Division and ODEO as soon as reasonably possible. The Division, in consultation with ODEO and Governor's Commission on Disabilities, and the Proposer may agree to a modified ISBE Participation Rate provided that the change in circumstances was beyond the control of the Proposer or the direct result of an unanticipated reduction in the overall total project cost.

B. MBE, WBE, AND/OR Disability Business Enterprise Participation Plan Form:

Attached is the MBE, WBE, and/or Disability Business Enterprise Participation Plan form. Bidders are required to complete, sign and submit with their overall proposal in a sealed

envelope. Please complete separate forms for each MBE, WBE and/or Disability Business Enterprise subcontractor/supplier to be utilized on the solicitation.

MBE, WBE, and/or DISABILITY BUSINESS ENTERPRISE PARTICIPATION PLAN

Bidder's Name:

Bidder's Address:

Point of Contact:

Telephone:

Email:

Solicitation No.:

Project Name:

This form is intended to capture commitments between the prime contractor/vendor and MBE/WBE and/or Disability Business Enterprise subcontractors and suppliers, including a description of the work to be performed and the percentage of the work as submitted to the prime contractor/vendor. Please note that all MBE/WBE subcontractors/suppliers must be certified by the Office of Diversity, Equity and Opportunity MBE Compliance Office and all Disability Business Enterprises must be certified by the Governor's Commission on Disabilities at time of bid, and that MBE/WBE and Disability Business Enterprise subcontractors must self-perform 100% of the work or subcontract to another RI certified MBE in order to receive participation credit. Vendors may count 60% of expenditures for materials and supplies obtained from an MBE certified as a regular dealer/supplier, and 100% of such expenditures obtained from an MBE certified as a manufacturer. This form must be completed in its entirety and submitted at time of bid. **Please complete separate forms for each MBE/WBE or Disability Business Enterprise subcontractor/supplier to be utilized on the solicitation.**

Name of Subcontractor/Supplier:

Type of RI Certification: ☐ MBE ☐ WBE ☐ Disability Business Enterprise

Address:

Point of Contact:

Telephone:

Email:

Detailed Description of Work To Be Performed by Subcontractor or Materials to be Supplied by Supplier:

Total Contract Value (\$):

Subcontract
Value (\$):

ISBE Participation
Rate (%):

Anticipated Date of Performance:

I certify under penalty of perjury that the forgoing statements are true and correct.

Prime Contractor/Vendor Signature

Title

Date

Subcontractor/Supplier Signature

Title

Date

PARTICIPATING INSTITUTIONS



Rhode Island School of Design

Location: Providence

Students: 2,500

Campus: 1,000,000+ Built SF;
1,528 beds



New England Institute of Technology

Location: East Greenwich, Warwick

Students: 3,000

Campus: 400,000+ Built SF
(3 campuses);
400 beds (Fall 2017)



Roger Williams University

Location: Bristol, Providence

Students: 5,600

Campus: 1,700,000+ Built SF;
2,965 beds



Salve Regina University

Location: Newport

Students: 2,700

Campus: 1,200 beds



Lifespan

Location: Providence, throughout RI

Licensed Beds: 1,155

Employees: 14,000



Brown University


Location: Providence

Students: 9,400

Campus: 6,800,000 GSF;
4,800 beds

TOTAL SPEND

The six institutions sampled within the first phase of work (NEIT, RISD, RWU, SRU, Lifespan, Brown) provided a total of **\$976 M** in collective spend.



\$975.8 M

ALIGNING SPEND

MAJOR BUCKETS OF SPEND

Primary Operating

- : Best reflection of year-to-year demand
- : Segmented into Medical and Non-Medical for ease of analysis

Major Construction

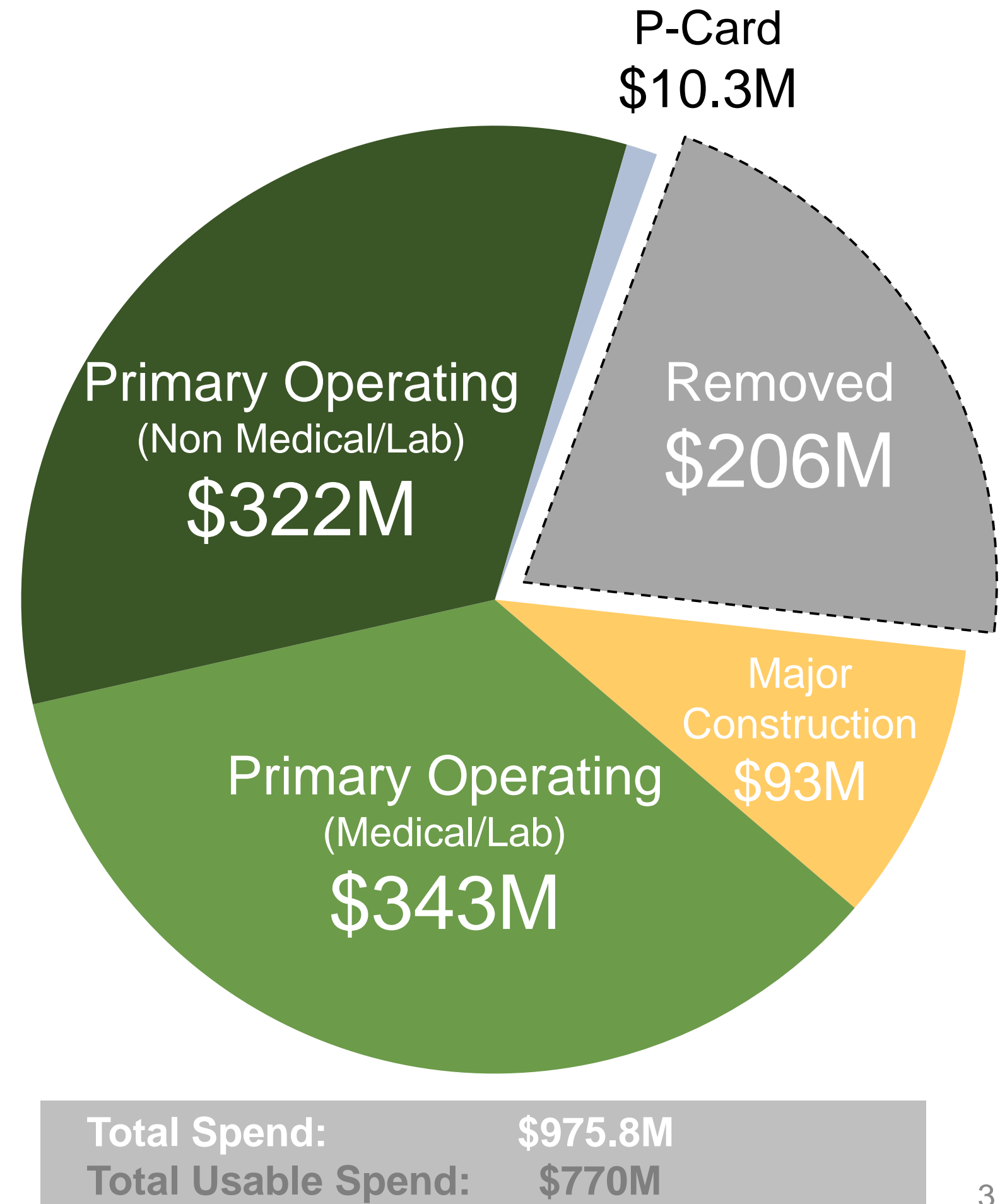
- : Total spend with five major general contractors on large-scale, non-recurring projects. Sub contractor data available for some

P-Card Sample

- : Vendors with combined P-Card spend over \$5,000 in key areas

Removed

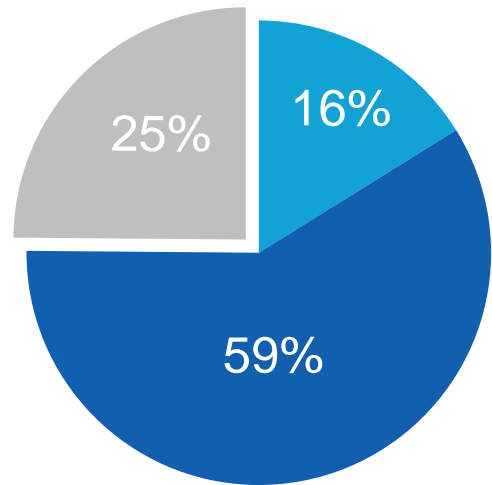
- : Non-usable purchases (insurance, memberships, utilities, reimbursables, gov't payments, internal transfers, etc.)
- : Suppliers not classified (too small to manually classify; or unclassifiable)



LOCAL VS NON-LOCAL

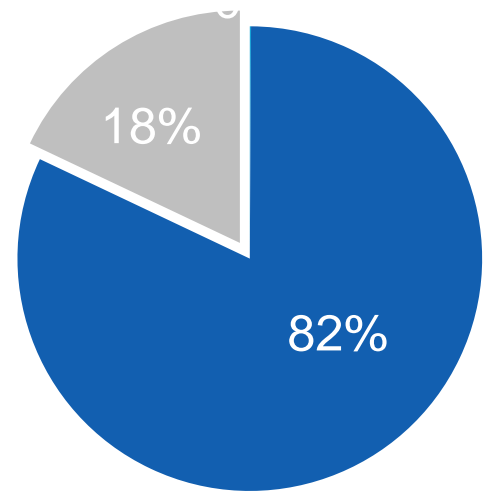
Non-Med Operating \$322M

- Rhode Island HQ
\$80 M
- Rhode Island Branch
\$52 M
- Out of State
\$190 M



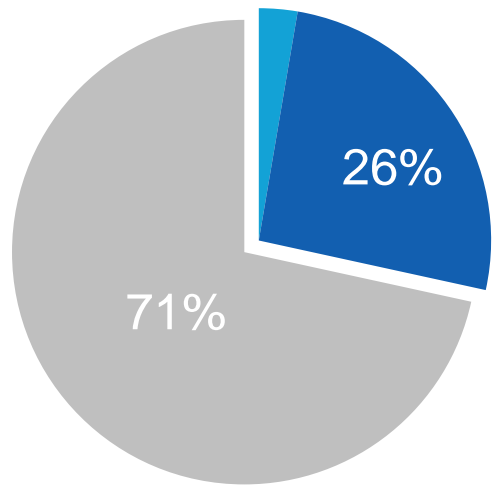
Med/Lab Operating \$344M

- Rhode Island HQ
\$62 M
- Rhode Island Branch
\$300 k
- Out of State
\$281 M

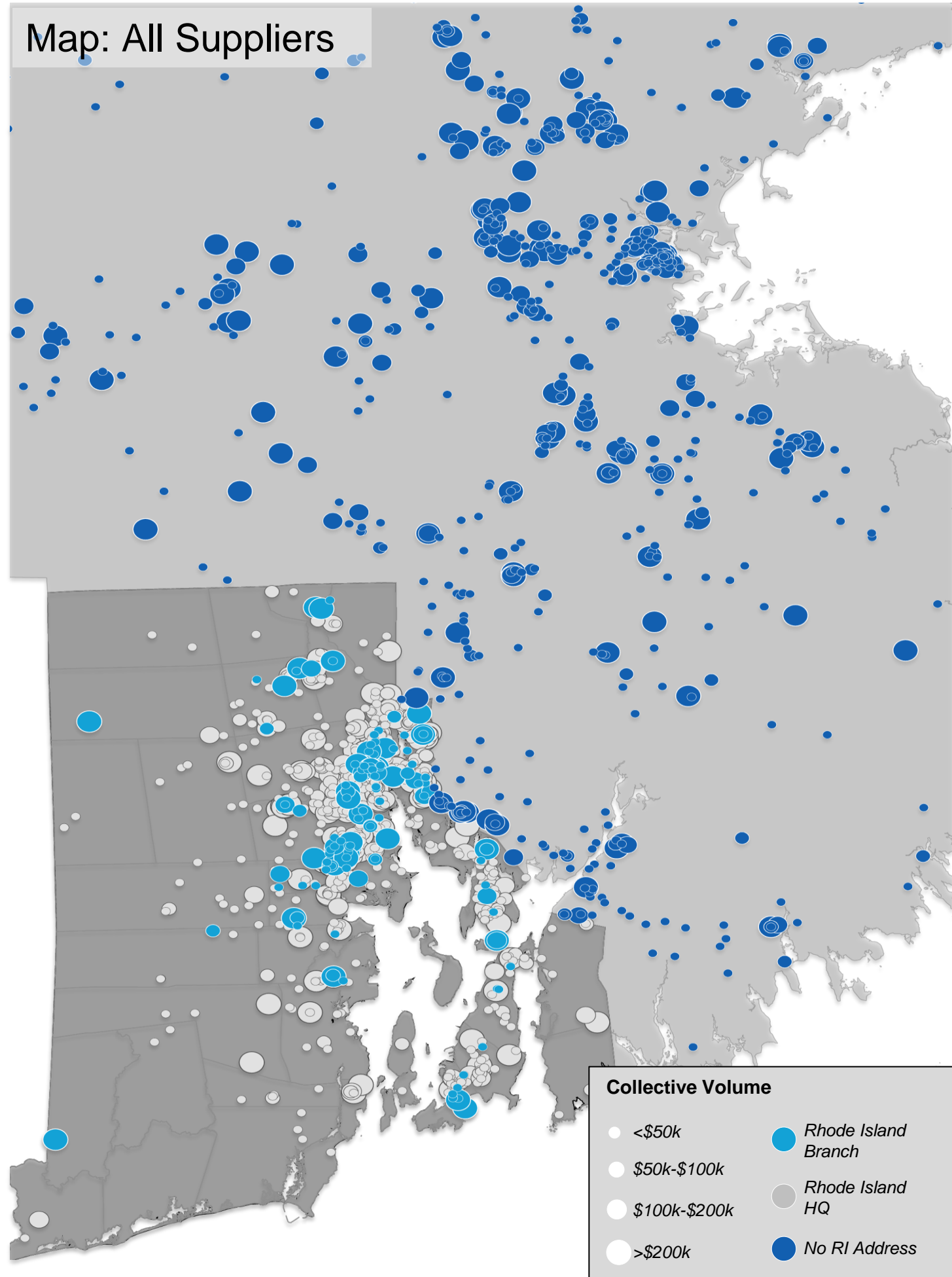


Major Construction \$92M

- Rhode Island HQ
\$67 M
- Rhode Island Branch
\$2.5 M
- Out of State
\$24 M



Depicted at Tier-II
where possible;
assumptions made
for institutions that
did not provide Tier-
II data



IMPACT OPPORTUNITIES

TOTAL VS. NON-LOCAL SPEND

	Total Spend	RI Branch Spend	Non-Local Spend
Supplies & Equipment	\$124M	\$12M	\$103M
Professional Services	\$74M	\$6M	\$51M
Construction (Primary Operating & Major Projects)	\$143M	\$9M	\$33M
Facilities & Transportation (Primary Operating & Major Projects)	\$37M	\$12M	\$13M
Food & Dining (Does <i>Not</i> Include Food Service Management Contracts)	\$23M	\$2M	\$14M
Medical/Laboratory (High Volume, but less relevant due to highly specific nature of equipment/services)	\$343M	\$0.3M	\$281M

DETERMINING PRIORITY CATEGORIES

CATEGORIES WITHIN CATEGORY GROUPS

Construction	Laundry	Financial/Accounting	Industrial Equipment
General Construction/Renovation	Waste Management	Legal Services	Vehicles
Carpentry	Auto Maintenance	Real Estate Services	Art/Hobby Supplies
Concrete/Masonry	Courier/Freight	Audio Visual Services	Books, Periodicals, Library Subs
Doors and Windows	Moving Services	IT Services/Consulting	Educational/Instructional Supplies
Electrical	Car Services	Telecom/Network	Lab/Med Supplies and Equipment
Elevator	Shuttle Services	HC and Lab Services	Automotive Supplies
Fire and Security Systems	Parking Management	Consulting	Building Materials
Flooring	Travel Management	Education Services	Electrical Supplies
HVAC&R and Mechanical	Food and Dining	Event Planning	Hardware and Other MRO
Roofing and Paving	Food Services Management	Photography/Videography	HVAC/Plumbing Supplies
Specialty Construction	Catering	Staffing/Temp Services	Office Supplies/Paper
Facilities and Transportation	Food and Beverage Distributors	Supplies and Equipment	Apparel/Uniforms
Custodial/Janitorial	Food Services Supplies	AV Supplies/Equipment	Awards/Trophies
Grounds	Professional Services	Computer Equipment	Athletic/Recreational Supplies
Pest Control	Advertising and Marketing Services	Office Equipment	Event/Tent Rental
Security Services	Commercial Printing	Software	Mailing/Packaging Supplies
Painting	Direct Mail	Fixtures	Promotional Materials
Plumbing	Graphic Design/Web Design	Furniture	
Environmental Services	Architecture/Engineering/Planning	Construction Equipment/Machinery	

CONCLUSIONS

FRAMING THE CATEGORY GROUPS

	Demand	Local	Suppliers
Professional Services	<ul style="list-style-type: none"> Overall high and shared across institutions 	<ul style="list-style-type: none"> Most sub-categories have high leakage; often outside of the region 	<ul style="list-style-type: none"> Moderate volume with most suppliers, with a few earning very large contracts
Supplies and Equipment	<ul style="list-style-type: none"> Overall high, with significant variation across sub categories (i.e some very small; some very large) 	<ul style="list-style-type: none"> Highest area of leakage Cause 1: Spend in RI but concentrated within branch offices Cause 2: Spend leaving state; spread nationally 	<ul style="list-style-type: none"> Most suppliers are low-to mid volume, with several major suppliers (mostly non-local) earning the majority of the revenue
Construction	<ul style="list-style-type: none"> Highest volume of demand, when combining year-to-year with special projects 	<ul style="list-style-type: none"> Highest area of local spend, even among sub contractors Still opportunity with several GCs and specialized areas 	<ul style="list-style-type: none"> Mostly moderate to large volume, with a some exceptions
Facilities and Transportation	<ul style="list-style-type: none"> Overall moderate, with significant variation in sub-categories 	<ul style="list-style-type: none"> Highest variation in local spend, across categories and institutions 	<ul style="list-style-type: none"> Significant variation in vendor volume across sub categories
Food and Dining	<ul style="list-style-type: none"> High, though between FSMCs and Direct purchasing 	<ul style="list-style-type: none"> Local spend with some small to mid-size vendors, but most seems non local 	<ul style="list-style-type: none"> Several major suppliers (mostly non-local) earning the majority of the revenue

OPPORTUNITY MATRIX

FRAMING THE OPPORTUNITIES

←-Supplier Size/Purchase Type →

DemandLocal Presence		Centralized, large contracts	Medium contracts / POs	Unique/P-Card Only/Specialized	
High/Mode rate	Mostly Not Local	Priority Categories			
High/Mode rate	Majority Local; significant variation among purchasers				
High/Mode rate	RI spend mostly “Branch Offices”				
High/Mode rate/Low	Mostly Local				
Low	Mostly Not Local				

Price/Local Spending Trends →

OPPORTUNITY MATRIX

CATEGORIES FOR FURTHER FOCUS

←-Supplier Size/Purchase Type →

- Professional Services
- Supplies + Equipment
- Construction
- Facilities + Transp
- Food and Dining

Demand	Local Presence	Centralized, large contracts	Medium contracts / POs	Unique/P-Card Only/Specialized
High/Mode rate	Mostly Not Local	<div><div>> IT Services/Consulting</div><div>> Architecture/Engineering/Planning</div><div>> Computer Equipment/Hardware</div><div>> Waste Management</div><div>> Food and Drink</div></div>	<div><div>> Advertising and Marketing Services</div><div>> Consulting</div><div>> Custodial Supplies^</div><div>> Laboratory Supplies^</div></div>	<div><div>> Art, music, hobby</div><div>> Books, periodicals, library subscriptions</div><div>> Software</div><div>> Medical/Scientific Equipment*</div><div>> Industrial Equipment*</div></div>
High/Mode rate	Majority Local; significant variation among purchasers	<div><div>> General Construction/Renovation</div><div>> Telecom/Network Solutions</div><div>> AV Services/Solutions</div><div>> Custodial/Janitorial Services^</div><div>> Painting</div></div>	<div><div>> Roofing and Paving</div><div>> Promotional Materials</div><div>> Furniture</div><div>> Environmental (Asbestos, Remediation)</div><div>> Food Service Supplies/Equipment</div></div>	
High/Mode rate	RI spend mostly “Branch Offices”	<div><div>> Staffing/Temp Services</div><div>> Financial Services</div><div>> Office Supplies^</div></div>	<div><div>> Elevator</div><div>> Fire and Security Systems Contracting</div><div>> Electric/HVAC/Plumbing/Hardware Sups^</div><div>> Shuttle/Charter Services^</div><div>> Courier Services</div></div>	<div><div>> Office Equipment</div></div>
High/Mode rate/Low	Mostly Local	<div><div>> Trade Construction (almost all)</div><div>> Grounds (Landscape, Snow)</div><div>> Security Guard Services*</div></div>	<div><div>> Commercial Printing/Direct Mail</div><div>> Photography</div><div>> Moving Services</div><div>> Plumbing</div><div>> Catering</div></div>	<div><div>> Pest Control</div></div>
Low	Mostly Not Local		<div><div>> Freight</div><div>> Building Materials</div></div>	

^P-Card adds additional demand











RI ANCHOR INITIATIVE: PRELIMINARY PILOT DESIGN

DECEMBER 4, 2017

Appendix 2





CONTEXT: RANGE OF ANCHOR STRATEGIES

Anchors can activate local supply through multiple strategies with varying levels of intensity and investment.

	 Matchmaking	 Contract Structure	 Aggregating Demand	 Supplier Development
<i>Description</i>	<i>Match vetted local suppliers with anchors</i>	<i>Intentionally structure contracts to create opportunities</i>	<i>Aggregate purchasing commitments across institutions</i>	<i>Cultivate smaller, high-potential suppliers</i>
<i>Examples</i>	<ul style="list-style-type: none"> > Introducing current anchor suppliers to peer institutions > Sourcing and screening new suppliers 	<ul style="list-style-type: none"> > Breaking up large construction contracts into smaller packages > Requiring Tier 1 suppliers to utilize local Tier 2 providers > Policy changes to modify insurance requirements or expedite A/P 	<ul style="list-style-type: none"> > Attract non-local suppliers to locate in RI > Enable farmers to put acreage into production > Ensure ROI for new seafood processing facilities 	<ul style="list-style-type: none"> > Directly investing in training and capital programs > Addressing key barriers, e.g., distribution
<i>Nature of Collaboration</i>	 Focused Intensive 			
<i>Time Horizon</i>	 Short-term Longer-term 			

CONTEXT: BUILDING A PORTFOLIO OF INITIATIVES


The combination of demand and supply characteristics in each category suggest a strategic approach.

Scenario	Demand	Supply	Strategic Initiative
1	<ul style="list-style-type: none">• Range of category size• Variability in anchor usage today• Anchors able/ willing to move volume	<ul style="list-style-type: none">• Existing supply base	 Matchmaking
2	<ul style="list-style-type: none">• Large contracts with or without Tier I/II structure	<ul style="list-style-type: none">• Existing supply base	 Contract structure
3	<ul style="list-style-type: none">• Large, shared demand across anchors	<ul style="list-style-type: none">• Primarily non-local supply	 Aggregating demand
4	<ul style="list-style-type: none">• Range of categories	<ul style="list-style-type: none">• Smaller/less experienced suppliers	 Supplier development

HIGH-POTENTIAL PURCHASING CATEGORIES

		Contract size/type	
		Larger contracts	Medium contracts/ Purchase orders
RI presence	Non-local	IT Services/Consulting Architecture/Engineering/Planning Computer Equipment/Hardware Waste Management Food and Drink	Advertising and Marketing Services Consulting Custodial Supplies Laboratory Supplies
		General Construction/Renovation Telecom/Network Solutions AV Services/Solutions Custodial/Janitorial Services Painting	Roofing and Paving Promotional Materials Furniture Environmental Services Food Service Supplies/Equipment
	Branch/ not HQ	Staffing/Temp Services Financial Services Office Supplies	Elevator Fire and Security Systems Contracting Electric/HVAC/Plumbing/Hardware Supplies Shuttle/Charter Services Courier Services

SUPPLY BASE IN HIGH-DEMAND CATEGORIES

 Greatest initial opportunity based on anchor relevance and feedback

In many high-potential categories, there are already local suppliers in one or more anchors' supply chains, and others in the state with adequate scale.

High Demand, Mostly Non-Local

Categories	Current Anchor Suppliers	Suppliers >\$500k	Suppliers \$100-500k
IT Consulting	6	96	134
Architecture / Engineering / Planning	20	134	356
Computer Equipment	1	16	11
Waste Management	13	21	37
Food – Gen Distributor	2	136	157
Advertising / Marketing	6	76	146
Consulting	15	132	569
Custodial Supplies	3	37	33
Lab Supplies	3	26*	22*
Travel Management	0	46	96

High Demand, Significant Variation Among Institutions

Categories	Current Anchor Suppliers	Suppliers >\$500k	Suppliers \$100-500k
Gen'l Construction	25	181	250
Telecom / Network	5	15	28
AV Services	6	1	0
Custodial / Janitorial Svcs	6	37	62
Painting	4	20	64
Roofing & Paving	10	23	58
Graphic & Web Design	8	14	43
Promotional Materials	13	9	5
Furniture	5	23	42
Parking Mgmt / Valet	3	*	*
Environmental	9	26	30
Food Svc Supplies / Equip	5	2*	3*

* Additional research needed due to NAICS code structure
Source: Team analysis; Dun & Bradstreet

Across all opportunity categories, there are already ~210 RI-based suppliers in the institutions' supply chains, and another ~70 with a secondary presence

PILOT MODEL: PROGRAM DESIGN

Element	Objectives
1. Establish and convene anchor working group	<ul style="list-style-type: none"> • Surface and discuss procurement priorities/opportunities • Share learnings and best practices
2. Create and maintain database of local suppliers	<ul style="list-style-type: none"> • Aggregate, “scrub,” and annotate supplier data already collected from procurement analysis, including: <ul style="list-style-type: none"> – Offerings/capabilities – “Badges” that reflect certifications, credentials – Track record/experience and references • Add supplier data from partner and certification databases; supplier registrations • New sourcing/vetting activity in target categories; intermediation of prospective suppliers with anchors
3. Facilitate matchmaking of vetted suppliers for anchor contract opportunities	<ul style="list-style-type: none"> • Target high-potential categories and upcoming anchor contracts • Provide on-demand matchmaking support with vetted suppliers • Organize and host curated events
4. Build connections with “ecosystem” of business support organizations	<ul style="list-style-type: none"> • Secure ongoing supplier referrals • Connect suppliers to insurance/bonding, capacity building, capital • Provide training and TA on anchor procurement and bidding
5. Take on targeted projects, e.g. , <ul style="list-style-type: none"> • Connecting local businesses with consortia • Business attraction/negotiation, e.g., VVB Mason • Focused scaling of selected suppliers • Link to parallel efforts in Food/Construction 	<ul style="list-style-type: none"> • Selectively undertake additional strategies/interventions to maximize collective anchor opportunity
6. Track activity and impact	<ul style="list-style-type: none"> • Track inbound/outbound referrals, bids/wins and contract volume; anchor satisfaction

PILOT MODEL: ANCHOR ROLES

There are several core commitments for anchors participating in the pilot, which will be codified in an MOU with each institution.

1 Engage in **increased local procurement activity**

- Identify upcoming contracts
- Engage prospective suppliers
- Refer suppliers to anchor peers
- Seek to increase business with new and/or existing local suppliers – in categories most appropriate for each institution

2 Participate in **pilot programs and oversight**

- Participate in quarterly convenings focused on learnings/best practices
- Sponsor matchmaking events; provide staff time and “how to do business” training
- Select and participate in special projects
- Provide data to track impact
- Serve on Pilot Board and Working Group

Memorandum of Understanding

Participation in the pilot calls for a best and genuine effort by each anchor to **shift spending to local suppliers** in areas of highest potential, and to **engage in supplier sourcing and development** activities with an end goal of increasing local Rhode Island spend for the group

PILOT MODEL: TARGET OPPORTUNITIES

Based on Phase I findings—and incorporating individual anchor needs—initial supplier target categories have been identified for initial supplier sourcing, vetting and matching.

Phase I Analysis

- > Medium-to-large contracts
- > Total spend by category and proportion of non-local suppliers
- > Local supplier availability across anchors
- > Specific anchor constraints



Target Categories

Primary

- > IT Services/Consulting
- > Waste Management
- > Architecture/Engineering
- > Advertising and Marketing
- > Telecom/Network
- > Custodial Supplies

Secondary

- > Environmental Services
- > Janitorial/Custodial Services

Pilot staff and database will provide direct support for anchors to vet and match suppliers in target categories and ahead of upcoming bids

PILOT MODEL: BUDGET

Pilot Budget

Estimated pilot expenses given proposed scope and benchmarked against similar models in other cities.

	2018 (Pilot)
Revenue	325,000
Commerce Corp	125,000
Match 1	75,000
Match 2	75,000
Anchors and Other	50,000
Expenses	325,000
Salary and benefits	175,000
Database – Neoserra and ArcGIS	25,000
Purchased data	10,000
Matchmaking events	20,000
Supplier development	20,000
Website	25,000
Marketing	20,000
Miscellaneous	20,000

PILOT MODEL: GOVERNANCE AND OVERSIGHT

While the organizational structure will determine the formal governance approach, the program should be led at multiple levels by the group of participants.

Composition

Role and approach

Pilot Board

Strategic
Alignment and
Oversight

- > Senior/c-suite leader from each institution
- > Commerce Corporation
- > Key funders/stakeholders

- > Meet 2x/year
- > Set overall strategy and priorities
- > Formalize goals and ensure accountability
- > Direct or advisory board format

Pilot Working Group

Program
Management

- > Procurement lead (and support as needed) from each institution
- > Commerce Corporation
- > Key funders/stakeholders
- > Program staff/contractors

- > Convene at least 4x/year with additional monthly check-ins; regular “offline” interactions with program staff
- > Shape quarterly work tracks and objectives; inform staff time allocation and engagement model
- > Ensure 2-way communication with procurement staff and internal customers
- > Review progress and surface/address concerns and roadblocks

PILOT MODEL: TRACKING IMPACT

Measuring pilot success will be an important part of understanding what works and what can be improved beyond the 2018 pilot. Example metrics include:

Anchor engagement and operational change

- Events, meetings with suppliers
- Bids with local bidder included
- Contract structure changes
- Policy changes
- Joint negotiations

Infrastructure developed and used

- Database content
- Database utilization
- Business attraction / negotiations conducted
- Solutions developed
- Convenings conducted

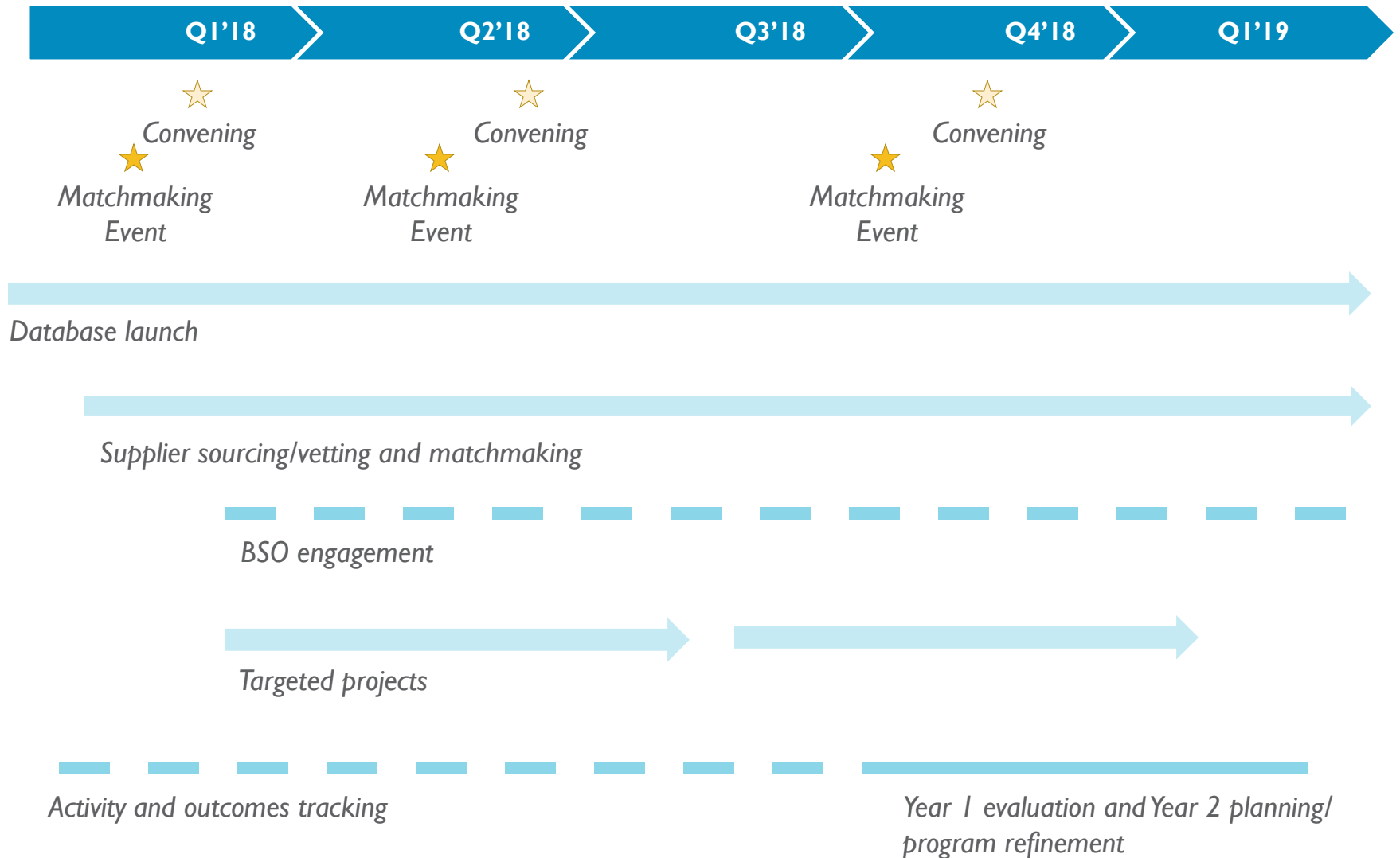
Supplier engagement and support

- Number and mix of businesses touched
- New businesses bidding with anchors
- Referrals to specific opportunities
- Referrals to resources, including business support, insurance/bonding, capital

Procurement and supplier outcomes

- Contracts awarded, increased dollar value of local spend (with new suppliers, expansion with existing suppliers)
- Small business revenue and profit growth
- Job creation
- Business attraction
- Increased tax base

PILOT MODEL: 2018 PILOT TIMELINE



MATCHMAKING EVENT: FEBRUARY 2018

Format

The proposed format is a half-day event involving all participating anchors and focusing on selected suppliers in target categories.

- > Panel (45min):
 - 1-2 representatives per anchor
 - Highlight both common procurement requirements / barriers, as well as unique needs per anchor
 - Could be open to all suppliers
- > Q&A (30min):
 - Opportunity for all procurement leads to answer supplier questions in open forum setting (live or pre-submitted)
- > Break / Refreshments (20min)
- > Invitation-only break-out sessions (45min; several run in parallel if anchors can staff):
 - Selected categories of interest (e.g., waste management, IT services, telecom)
 - Buyers and internal customers from each institution
 - Suppliers who are already doing business with at least one institution and/or have strong track record elsewhere, including the 200+ suppliers analyzed in Phase I

Considerations

- > Ensure clear expectations with invited suppliers
 - Access to database and upcoming bids
 - Access to program staff
- > For other suppliers is “entry point” but no guarantee
- > Before event, define shared requirements across anchors and surface key differences to ensure clear messaging
- > Invite full relevant staff (more than just one primary procurement person)

APPENDIX 3

RI PROCUREMENT PILOT INITIATIVE

Please check off whether you are responding to Part 1 and/or Part 2. If Part 2, please indicate which sections you are responding to.

Name of Respondent: _____

Part 1 Overall Program Management and Infrastructure _____

Part 2 Complementary Services

Section A Outreach and Sourcing _____

Section B Training and Development _____

Section C Research and Services _____

Section D Supplier Database _____