

## Request for Proposal Guidelines

**Function:** Procurement/AP  
**Procedure:** [insert the corresponding procedure or N/A]  
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### Guideline Recommendations

The creativity and innovation that suppliers choose to build into their proposals may be used to judge supplier proposals against each other, at the risk of failing to capture consistent information between bidders and thus hampering the decision making process. Effective RFPs typically reflect the strategy and short/long-term business objectives, providing detailed insight upon which suppliers will be able to offer a matching perspective.

Solicitations should be disseminated to leverage and encourage competition. They may be disseminated to potential vendors based on prior experience or industry knowledge or other reasonable means. Solicitations may also be posted to the RF website.

A request for proposal (referred to as RFP) is an invitation for suppliers, often through a bidding process, to submit a proposal on a specific commodity or service. A bidding process is one of the best methods for leveraging a company's negotiating ability and purchasing power with suppliers. The RFP process brings structure to the procurement decision and allows the risks and benefits to be identified clearly up front. The RFP may dictate to varying degrees the exact structure and format of the supplier's response.

### Considerations

The RF has elected to accept the grace period for implementing the new procurement standards in the OMB Uniform Guidance as codified in 2 CFR Part 200. This policy is in compliance with OMB Circular A-110. The new procurement standards will be implemented by the RF to be effective on July 1, 2018.

Below are some key issues to be considered when preparing a Purchase Order (PO):

1. **Signature Authorization Policy:** Various agreements must be approved by designated appointees. See [Signature Authorization Policy](#).
2. **Bids and Proposals:** Bids or proposals are required based on the total dollar amount of the purchase requisition. See [Procurement Policy](#).
3. **Bonding Requirements:** For construction or facility improvement contracts that exceed \$100k the Research Foundation (RF) will follow the requirements promulgated under A-110 Procurement Standards C.48. (c) Contract provisions.
4. **Tax exemption:** As a private, non-profit corporation, the Research Foundation is exempt from New York state and local sales and use taxes. See [Tax Exempt Status Policy](#).
5. **Vendor vs. Independent Contractor (IC):** The distinction between vendor and IC is critical to identifying the proper process and documentation upon which the services will be procured. Unlike a vendor, an IC is an individual or firm possessing expertise in a particular field during a defined period of time for a stated fee. An IC is contracted when the RF needs access to expert knowledge or services from an individual or firm that are not capable of being provided or performed by an in-

house project staff. The IC agreement is a procurement instrument to be let and administered under Vendor Guidelines.

## **Definitions**

*Request for Information (RFI)*- A document that provides a preliminary description of the program objectives and specifications and solicits input from offerers as to the availability of products and services to meet the agency's needs.

*Request for Proposal (RFP)*- A type of bid document which is used for procurements where factors in addition to cost are considered and weighted in awarding the contract and where the method of award is "best value", as defined by State Finance Law.

*Request for Quotation (RFQ/Letter Quote (LQ))*- An informal solicitation or request for pricing information, where oral or written quotes are obtained from vendors when a formal bid opening is not required (eg discretionary, sole source, single source, or emergency purchases).

*Small Purchase Threshold* - The procurement cost level defined by the federal government fixed at 41 U.S.C. 403 (11), currently at \$100,000.

*Vendor*- A dealer, distributor, merchant, or other seller providing goods or services.

### **Feedback**

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