



Rhode Island Department of Administration

A collaborative effort between the
Office of Diversity, Equity and Opportunity (ODEO)
and the
Division of Purchases
to commence implementation of new regulations for
MBE and WBE participation
Effective April 20, 2017

Rhode Island Department of Administration

www.admin.ri.gov



OFFICE OF DIVERSITY, EQUITY AND OPPORTUNITY (ODEO)

The mission of the Office of Diversity, Equity and Opportunity is to create and support a diverse and inclusive state government culture that values and reflects the changing demographics of Rhode Island by advancing equitable and fair opportunities for all Rhode Island citizens to be employed by and/or do business with the State of Rhode Island.



DIVISION OF PURCHASES

The mission of the Division of Purchases is to obtain the best value for the taxpayer by providing an "equal playing field" for all potential vendors, enhancing opportunities for small businesses, minority/women owned businesses, and disability business enterprises, and by leveraging State purchasing power on all procurements.

The Office of Diversity, Equity and Opportunity (ODEO)

<http://odeo.ri.gov/>

- The Office of Diversity, Equity and Opportunity (ODEO) is a division within the Department of Administration that was created in the summer of 2014 as a result of the State's implementation of Executive Order 13-05, entitled: Promotion of Diversity, Equal Opportunity and Minority Business Enterprises in Rhode Island. This executive order required the Director of the Department of Administration (Department) to review all divisions and offices within the Department charged with facilitating equal opportunity employment and MBEs, including, but not limited to, the Division of Human Resources, the State Equal Opportunity Office, the Human Resources Outreach and Diversity Office, the Division of Purchases, and the MBE Program, and make recommendations to the Governor to improve collaboration between these offices and all executive departments to ensure these programs are more effective. As a result of a collaborative effort amongst these divisions, as well as other divisions within the Department of Administration, several recommendations were submitted to the Governor, one of which was the creation of the ODEO.
- The ODEO oversees operations within the State Equal Opportunity Office, the Human Resources Outreach & Diversity Office, the Minority Business Enterprise Compliance Office, and the newly created Supplier Diversity Office.

Minority Business Enterprise Compliance Office MBE/WBE

<http://odeo.ri.gov/offices/mbeco/index.php>

MBECO services include certification and compliance.

MBECO Certification:

- Minority Business Enterprises (MBE)
- Women Business Enterprises (WBE)

MBECO Compliance:

- Ensures compliance with the participation of MBE and WBE firms on all state procurement activities

Equal Opportunity Office

<http://odeo.ri.gov/offices/eoo/>

The State Equal Opportunity Office is charged with providing training and technical assistance requested by any company doing business in Rhode Island and to all state departments as is necessary to comply with the intent of RIGL 28-5.1-2. The State Equal Opportunity Office is also charged with issuing any guidelines, directives or instructions necessary to effectuate its responsibilities under this chapter, and to investigate possible discrimination, hold hearings, and direct corrective action to said discrimination.

ISBE Explained

1.6 Definitions, 4. “Disability Business Enterprise”

means a small business concern that is owned and controlled by one or more individuals with disabilities as defined by R.I. Gen. Laws § 37-2.2-2. To be recognized under these Regulations as a Disability Business Enterprise, the business must be certified as a Disability Business Enterprise by the Governor’s Commission on Disabilities.

1.6 Definitions, 7. “ISBE”

means a small business enterprise that is owned and controlled by one or more individuals who are women or minorities as defined by R.I. Gen. Laws § 37-14.1-3 or a small business enterprise that is owned and controlled by one or more individuals with disabilities as defined by R.I. Gen. Laws § 37-2.2-2. To be recognized under these Regulations as an ISBE, the business must be certified as either:

- a. an MBE by the ODEO;
- b. a WBE by the ODEO; or
- c. a Disability Business Enterprise by the Governor’s Commission on Disabilities

1.6 Definitions, 8. “ISBE Participation Rate”

means the ratio of the amount of work performed in connection with a State procurement contract or public works project by ISBEs to the amount of work performed by all contractors and subcontractors.

The Division of Purchases (Purchases)

www.purchasing.ri.gov

- R.I. Gen. Laws §37-2-1, et. seq. “State Purchases Act”
- A Division within the Department of Administration
- Purchases is the centralized procurement authority for the State of Rhode Island.
- Annually solicit approximately 1,000 bids which includes Requests for Proposals (RFP) and Requests for Quotes (RFQ)

Purchases Implementation for MBE/WBE Participation

Effective 4/20/17

Agenda

- Requests for Proposals (“RFPs”) - **Implementation of Point System** for MBE/WBE Participation
- Non-DBE* Service Request for Quotations (“RFQs”) – require **Statement of Acknowledgement with bid or request for quotation** and tentative award letter which will require submission of MBE and **WBE Participation Plan within 5 days of award letter**
- EEO Requirements

*US Department of Transportation Disadvantaged Business Enterprise (“DBE”) Program

POINT SYSTEM – RFPs

NEW REGULATIONS EFFECTIVE 4/20/17

New Point System – RFPs 4/20/17

- Changes in the selection methodology for Requests for Proposals (“RFPs”) to encourage increased utilization of minority, women, and disability business enterprises (“M/W/DisBEs”) to comply with new ODEO regulations.
- Process will be used in conjunction with all evaluated bids. RFPs awarded based on cost and technical scores will now consider points based on MBE/WBE/DisBE’s participation

Old Way	New Way
Request for Proposals were evaluated based on technical and cost criteria only	Evaluation now based on Technical, Cost and MBE/WBE/DisBE’s Participation Bidders must submit their MBE/WBE/DisBE’s Participation Plan with their bid in a separately sealed envelope
MBE/WBE/DisBE’s participation was not considered in the evaluation process	Points will be awarded to bidders utilizing minority, women and disability firms
MBE/WBE/DisBE’s Participation Plans were requested after a tentative award notice was issued to vendor(s)	Bidder(s) with the highest participation rate receive the highest bonus points. All other bidders will receive MBE bonus points on a pro rata basis

New Point System – RFPs 4/20/17

RFP Bid Submission Old Way


Included:

1. Technical Proposal
2. Cost Proposal in a separate sealed envelope

RFP Bid Submission New Way

Includes:

1. Technical Proposal
2. Cost Proposal in separate sealed envelope
3. MBE/WBE/DisBE's Participation Plan in a separate sealed envelope


 STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
 DEPARTMENT OF ADMINISTRATION
 ONE CAPITOL HILL
 PROVIDENCE, RHODE ISLAND 02908

MBE, WBE, and/or DISABILITY BUSINESS ENTERPRISE PARTICIPATION PLAN	
Bidder's Name:	
Bidder's Address:	
Point of Contact:	
Telephone:	
Email:	
Solicitation No.:	
Project Name:	
<small>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.</small>	
Name of Subcontractor/Supplier:	
Type of RI Certification:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> 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:	
Participation Percentage (%):	
Anticipated Date of Performance:	
I certify under penalty of perjury that the foregoing statements are true and correct.	
Prime Contractor/Vendor Signature	Title Date
Subcontractor/Supplier Signature	Title Date

www.dem.state.rh.gov/procurement/PDFs/DBE-Form-4-2017.pdf

New Point System – RFPs 4/20/17

RFP Evaluation Old Way	RFP Evaluation New Way
1. Phase I - Technical Evaluation Memo to Request Release of Cost Proposal Submitted to Purchases by Evaluation Committee Chair	1. Phase I - Technical Evaluation to Request Release of Cost Proposal and Participation Plan to be submitted to Purchases by Evaluation Committee Chair
2. Cost Proposal Released to Evaluation Committee	2. Cost Proposal and MBE/WBE/DisBE's Participation Plan Released to Evaluation Committee
3. Phase II - Final Evaluation Memo of Technical and Cost Components, with requested vendor award(s), Submitted to Purchases by Committee Chair	3. Phase II - Final Evaluation Memo of Technical, Cost, and MBE/WBE/DisBE's Points, with requested vendor award(s), to be Submitted to Purchases by Committee Chair
4. Purchases Issuance of Tentative Award included MBE Participation Plan as element of Required Documentation	4. Purchases Issuance of Tentative Award (no longer includes MBE Participation Plan as element of Required Documentation)

How is the point criteria changed

Proposals shall be reviewed and scored based upon the following criteria:

Criteria	Possible Points
Staff Qualifications	10 Points
Capability, Capacity, and Qualifications of the Offeror	10 Points
Work Plan	30 Points
Approach Proposed	20 Points
Total Possible Technical Points	70 Points
Cost proposal*	30 Points
Total Possible Evaluation Points	100 Points
ISBE Participation**	6 Bonus Points
Total Possible Points	106 Points

Commented [FD(18): The 70 point max can be divided up as you deem fit among the criteria you choose.

Make sure these point categories mirror the categories set forth in Section 4. Technical Proposal

Commented [FD(19): Cost cannot be lower than 30, but it can be higher- Be sure to adjust the Technical points so that the total is 100.

Commented [SM(20): ISBE participation is a required component in the evaluation and CANNOT be altered and/or omitted.

Criteria	Possible Points
Staff Qualifications	10 Points
Capability, Capacity, and Qualifications of the Offeror	10 Points
Work Plan	30 Points
Approach Proposed	20 Points
Total Possible Technical Points	70 Points
Cost proposal*	30 Points
Total Possible Evaluation Points	100 Points

Tech and cost criteria unchanged

*Cost Proposal Evaluation:

The vendor with the lowest cost proposal shall receive one hundred percent (100%) of the available points for cost. All other vendors shall be awarded cost points based upon the following formula:

$$(\text{lowest cost proposal} / \text{vendor's cost proposal}) \times \text{available points}$$

For example: If the vendor with the lowest cost proposal (Vendor A) bids \$65,000 and Vendor B bids \$100,000 for monthly costs and service fees and the total points available are thirty (30), Vendor B's cost points are calculated as follows:

$$\$65,000 / \$100,000 \times 30 = 19.5$$

New criteria for ISBE Participation Evaluation

**ISBE Participation Evaluation:

a. Calculation of ISBE Participation Rate

1. ISBE Participation Rate for Non-ISBE Vendors. The ISBE participation rate for non-ISBE 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%.
2. 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%.

b. Points for ISBE Participation Rate:

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:

$$\begin{aligned} & (\text{Vendor's ISBE participation rate} \div \text{Highest ISBE participation rate}) \\ & \quad \times \text{Maximum ISBE participation points} \end{aligned}$$

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.

General Evaluation:

Points shall be assigned based on the vendor's clear demonstration of the ability to provide the requested goods and/or services. Vendors may be required to submit additional written information or be asked to make an oral presentation before the TEC to clarify statements made in the proposal.

Failure to Submit ISBE Participation Rate

1.7 Request for Proposals, E. Proposer's Responsibilities, 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.

State Agency MBE/WBE Coordinators

For each RFP issued, the Using Agency MBE/WBE will appoint a Coordinator who shall be responsible for compliance oversight and tracking and recordkeeping all data and information that is required to be reported by each State Agency under Section 1.11 of this Part.

NON-DBE SERVICE RFQs

Non-DBE* Service RFQs

- A bidder shall include with its bid or Request for Quotation (“RFQ”) the Statement of Acknowledgement, which outlines the provisions of State law and the obligation to meet the minimum ten percent (10%) MBE participation rate. **Note this is a written statement for vendor inclusion in proposal (there is no form).**
Ref: 1.8 Request for Quotes, E. Bidder Responsibilities, 1. Acknowledgement.

“A Bidder shall include with its bid or quote, a statement acknowledging the provisions of R.I. Gen. Laws Ch. 37-14.1 and its obligation to meet the Aggregate Utilization Rate.”

- Within 5 business days after receipt of the tentative award letter, the vendor must submit a completed and signed MBE Plan to the Office of Diversity, Equity and Opportunity, MBE Compliance Office.
- Prior to the issuance of a purchase order, either an approved MBE Utilization Plan must be in place or a waiver of the participation requirement must be granted by ODEO / MBE based upon documentation of “Good Faith Efforts.”

*US Department of Transportation Disadvantaged Business Enterprise (“DBE”) Program

EEO REQUIREMENTS

EEO* Requirements

Regulatory History:

- President Obama issued an amendment to Executive Order 11246, originally issued by President Lyndon B. Johnson, adding sexual orientation and gender identity to the list of protected categories (2014).
- Enacted in 1988, the statute governing state contracts (§ 28-5.1-10) mandates that contractors/subcontractors doing business with the State of Rhode Island comply with federal executive orders relating to EEO requirements.

EEO Requirements

Affirmative Action Requirements:

- Contractors and subcontractors who do more than \$10,000 in government business in one year are prohibited from engaging in employment discrimination on the basis of race, color, religion, sex, sexual orientation and gender identity, as well as national origin, and are required to submit an “**Affirmative Action Policy Statement.**”
- Contractors with 50 or more employees and \$50,000 or more in government contracts must prepare a written “**Affirmative Action Plan.**”
- Under the Vietnam Era Veterans’ Readjustment Assistance Act, as amended (“VEVRAA”) and Section 503 of the Rehabilitation Act of 1973, federal contractors and subcontractors are required to take affirmative action to recruit, hire and promote qualified veterans and persons with disabilities, respectively.

EEO Requirements

Before Purchase Order is Issued, Vendor Must Complete:	Throughout the Life of the Contract, Vendor Must Complete:	At the End of the Contract, Vendor Must Complete:
<ul style="list-style-type: none">▪ Contract Compliance Report▪ Certification of Compliance▪ Affirmative Action Plan or Policy Statement	<ul style="list-style-type: none">▪ Monthly Utilization Report	<ul style="list-style-type: none">▪ Contract Letter of Completion

**NEW NOTIFICATION OF
TENTATIVE SELECTION
LETTER REQUIREMENTS
FOR NON-DBE CONSTRUCTION RFQS
AND ALL RFPS**

New Notification of Tentative Selection Letter

Section 4) Affirmative Action Plan

- 4) Rhode Island Affirmative Action Plan and contract compliance forms. Submit the applicable forms as indicated below to Rhode Island Department of Administration, Office of Diversity, Equity and Opportunity (ODEO), State Equal Opportunity Office at One Capitol Hill, 3rd Floor, Providence, Rhode Island 02908. For further information, contact Krystal Waters at (401) 222-3090, krystal.waters@doa.ri.gov or visit the Office of Diversity, Equity and Opportunity website at <http://odeo.ri.gov/>.
- Contract Compliance Report (<http://odeo.ri.gov/documents/odeo-eeo-contract-compliance-report.pdf>)
 - Certificate of Compliance (<http://odeo.ri.gov/documents/odeo-eeo-certificate-of-compliance.pdf>)
 - For public works projects - Vendors and all subcontractors must submit a Monthly Utilization Report (<http://odeo.ri.gov/documents/monthly-employment-utilization-report-form.xlsx>)

Check Box 1, 2 and 3 for Non-Public Works Projects

Check Box 1, 2, 3 and 4 for Public Works Projects

New Notification of Tentative Selection Letter

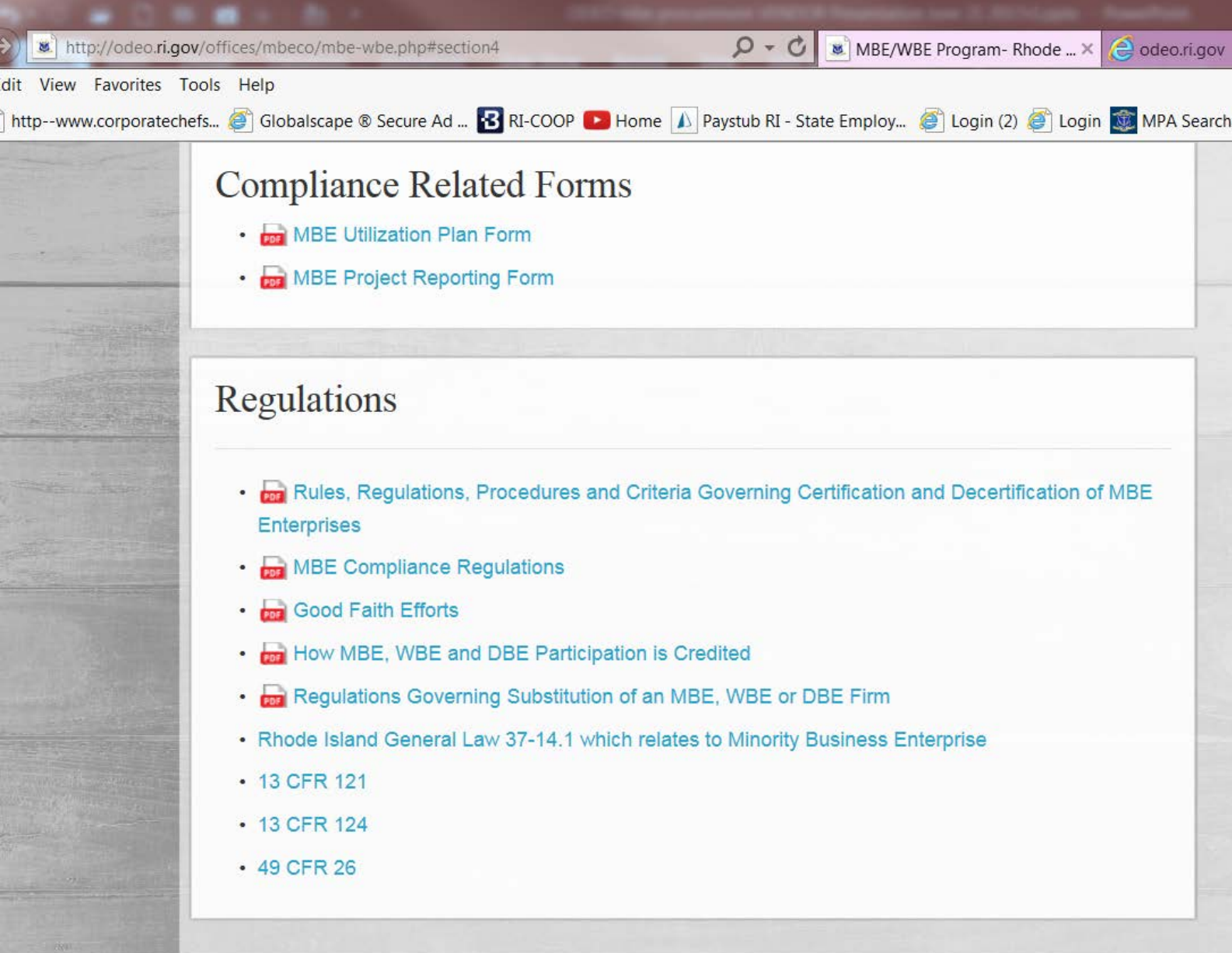
Section 5) Minority Business Enterprise (MBE) Plan

Check Box 5) will be checked for Requests for Quotes “RFQs”

- 5) Minority Business Enterprise (MBE) Plan. Within 5 business days, submit MBE plan to Rhode Island Department of Administration, Office of Diversity, Equity and Opportunity (ODEO), Minority Business Enterprise Compliance Office at One Capitol Hill, 3rd Floor, Providence, Rhode Island 02908. For further information, contact Dorinda Keene at (401) 574-8670 or dorinda.keene@doa.ri.gov or visit the Office of Diversity, Equity and Opportunity website at <http://odeo.ri.gov/>.

Where to find Minority Business Enterprise Forms

<http://odeo.ri.gov/offices/mbeco/mbe-wbe.php#section4>



The screenshot shows a web browser window with the URL <http://odeo.ri.gov/offices/mbeco/mbe-wbe.php#section4>. The browser's address bar and tabs are visible. The page content is organized into two main sections:

Compliance Related Forms

- [PDF MBE Utilization Plan Form](#)
- [PDF MBE Project Reporting Form](#)

Regulations

- [PDF Rules, Regulations, Procedures and Criteria Governing Certification and Decertification of MBE Enterprises](#)
- [PDF MBE Compliance Regulations](#)
- [PDF Good Faith Efforts](#)
- [PDF How MBE, WBE and DBE Participation is Credited](#)
- [PDF Regulations Governing Substitution of an MBE, WBE or DBE Firm](#)
- [Rhode Island General Law 37-14.1 which relates to Minority Business Enterprise](#)
- [13 CFR 121](#)
- [13 CFR 124](#)
- [49 CFR 26](#)

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