THE CHICAGO PUBLIC SCHOOLS AND THE DEPARTMENT OF PROCUREMENT AND CONTRACTS

WELCOME

TO THE SPECIFICATION PROCEDURE SEMINAR

Introduction

The goal of Purchasing is to provide the end user with the professional service necessary to meet the end user's requirements, based on the historical, budgetary, legal requirements of the organization and the most important tool is the preparation of the specifications.

Departmental Responsibilities

Purchasing and Contract Administration

Director: Kimberly Sangster

Assistant: Demetra Hinton

- Competitive Solicitations - Professional Services/Construction
  Manager: Gilbert Rabin
  Contract Administrators: Pamela Seanior.
  and Diego I. Droira
- Competitive Solicitation - Operations (Construction)
  Manager: Doris Williams
  Contract Administrators: Carol Scaggs,
  and Patricia Hernandez
- Special Projects
  Contract Administrator: Linda Kelly-Newcomb

Contract Administration

Solicitation Processes

- Bids (BID)
- Request for Proposals (RFP)
- Request for Qualifications (RFQ)

Bids and Bid Solicitation (BID)

- Bid: as defined means a document submitted in response to a Bid Solicitation to provide goods at a certain price, quantity, timeframe and under specific terms and conditions requested by the department.
- Bid Solicitation: as defined means a document requesting submittal of bids for goods or services specified by the department.

Request for Proposals (RFP)

- Request for Proposals: as defined means a solicitation document requesting submittal of proposals in response to the parameters and scope of services required, but does not specify in detail every aspect of how to accomplish or perform the required services.

Request for Qualifications (RFQ)

- Request for Qualifications: as defined means a solicitation document requesting submittal of qualifications or specialized expertise in response to the parameters and scope of services required.

BID v. RFP v. RFQ

- BIDs are generally used for commodities (goods – supplies, furniture, equipment) and construction projects.
- RFPs are generally used for professional or consulting services.
- RFQs are generally used to pre-qualify a pool of vendors for use on future projects.

Solicitation/Specification Examples

- **BIDS**
  - Food Service equipment
  - Student Transportation (Buses)
  - Furniture
  - Janitorial Supplies

REQUEST FOR PROPOSALS (RFP)

- Consultant Services
- Student Transportation Management
- Audit Services
- Architectural & Engineering Services

REQUEST FOR QUALIFICATIONS (RFQ)

- Various Trades Contracting Services
- Fine Arts and Performing Arts Consultants
- College Excel Program
- Band and Sports Uniforms

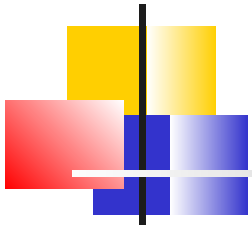
Scope/Specification Process Participants

- User Department
- Contract Administrator
- Contract Compliance and Vendor Services
- Consultants
- Legal Department
- Risk and Benefits Management

Seminar Scope/Specification Practice

- We need two courageous volunteers to participate in the process of creating a good specification:
- Example #1 Volunteer #1
- Example #2 Volunteer #2

The importance of a good Scope/Specification



- WHAT do we really want or need,
- HOW do we really expect to be,
- WHEN do we really use it,
- WHERE do we want to deliver it,
- WHO is responsible for WHAT,
- **UNITS OF MEASURE A MUST**

Types of Scope/Specifications

A. Commodities, Equipment, Supplies and Construction

1. Simple or Complex Requirements
2. Brand Name Specifications
3. Qualified Products Lists
4. Design Specifications
5. Performance Specifications
6. Combination Design/Performance Specifications

B. Professional Services

1. Analyzing Job Requirements
2. Minimum Documents Requirements
3. Pre and Post Bidders Meeting
4. Performance Evaluation
5. Specification Development/Analysis Groups
6. Evaluation Criteria
7. Special Provisions
8. Documentation

User Department Responsibilities

Prepare a Scope of Services suitable to cover the basic parameter of the proposed services, products or commodities that is needed by the User department. If applicable, the Scope of Services will include information of deliverables and project specific requirements and information formatted and saved in an electronic Microsoft 2000 version diskette.

The Scope of Services should include:

- **General goals of the solicitation.**
- **Detail of the services.**
- **Outcomes expected.**
- **Deliverables.**
- **Cost Estimate.**
- **Objectives.**

Scope vs. Specifications

Scope of Services:

Means the parameters of services needed by the Department or the expertise of the respondent needed to perform services required by the Department.

Specifications:

The act of specifying, a detailed, exact statement of particulars, especially a statement prescribing materials, dimensions, and quality of work for something to be built, installed, or manufactured.

Scope/Specification

IT'S NOT ABOUT WHAT YOU WANT BUT…

WHAT YOU NEED

TYPES OF SPECIFICATIONS

Design: The connotation here for the word "design"means that the specification is so detailed that it describes how the product is to be manufactured.(buildings, highways etc.)

Performance: As the name indicates, these specifications set out the performance requirements that a product is to meet. Using this concept, the end result is the priority consideration and, in contrast to the design approach, the manufacturer is given great latitude in how can accomplish it. This encourages ingenuity, innovation, and cost reduction.

Combination: Specifications can, and often do, include both design and performance features. Characteristics of both are used as prerequisites and as limiting factors in developing the specifications

OTHER SPECIFICATIONS

Brand Name: Cite a brand name, a model number, or some other designation that identifies a specific product of a manufacturer as an example of the quality level desired. Items equaling or surpassing this quality level are understood to be acceptable. Although brand name specifications are not considered good specifications, they have a legitimate though limited place in public purchasing.

Qualified Products List: This is to determine, in advance, those products which are acceptable. The evaluation of these bids is greatly simplified, and the price and the performance capability of the bidder become the determinants.

Samples: Samples can also be of great value in assuring compliance and satisfaction after award, but before production. In this way, many problems can be solved before the units are manufactured and delivered.

BASIC CONTENT OF A GOOD SPECIFICATION

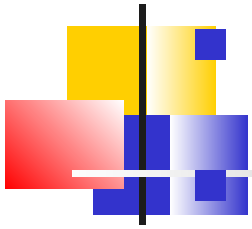
A specification should have:

1. Allow for competition at the manufacturing level
2. Identity those measurable physical, functional and quality characteristics common to at least two manufacturers.
3. Complete in the stipulation of all requirements, either directly, or reference to other specifications, publications, or drawings.

These requirements should include:

1.Basic design.
2. Physical dimensions.
3. Weights
4. Percent and type of ingredients.
5. Types/grades of materials, if applicable

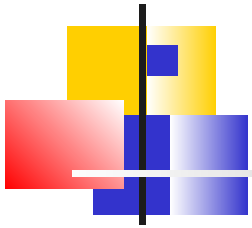
Specifications should not be too restrictive: WHY ?



- A restrictive specification usually limits competition and eliminates items that can satisfactorily meet actual needs.
- Specification writers should be careful not to use "in house" jargon and acronyms that may be misunderstood by the bidder.
- Specs must be well written and communicative.
- A well-written specification is precise in its descriptions and directions. It should be clear, simple language, free of vague terms of those subject to variation in interpretation.
- Abbreviations should be restricted to those in common usage and not subject to possible misunderstanding.

A good specification writer seeks the advice, assistance and cooperation of all intended uses concerning their precise requirements regarding the standards of quality,type, size, etc. for any item(s). Always seek the assistance of individuals, who have specialized technical competence in the field for which you are developing the specifications.

A GOOD SPECIFICATION SHOULD BE



- Simple, consistent and exact, but not so specific that a loophole will allow a bidder to evade any of the provisions and thereby take advantage of his competitors or the buyer.
- Identified, when possible, with some brand specification already on the market. (Custom goods are expensive).
- Capable of being checked. It should describe the method of checking which will govern acceptance or rejection. A specification which cannot be checked is of little value and only confusion will result.
- Reasonable in its tolerance. Unnecessary precision is expensive.
- As fair to the seller as possible.
- Capable of being met by several bidders for the sake of competition.
- Clear and Up-to-Date. Misunderstanding can be expensive.
- Flexible, inflexible specifications defeat progress. Invite vendors to suggest cost saving alternatives or substitutes.

KEY WORDS

The inappropriate use of key words in your specification could have disastrous results if the supplier is not sure what you are requiring and what you would like to have. Remember, suppliers, in order to be competitive, will almost always provide the least expensive product to you. If you say “may” rather than “will” in the text of your specification, it could mean one thing to one supplier and another to the end user.

Use "shall” or "will” where ever a specification expresses a requirement.

Use "should” or “may” to express non-mandatory provisions.

MEASUREMENTS

Dimensions, gauges, capacities, size designations, volume or temperatures should be specified in accordance with established precedent and trade practice for the particular commodity or service you are attempting to purchase. Review the document after completed and:

1. Make every effort to replace words with numbers.

Whenever you go from words to numbers, communication relating to quantity or quality is enhanced:

2. Tolerances should be specified where applicable.
3. The use of “minimum” and “maximum” should be used wherever practical.

FIGURES AND TABLES, GRADES, CLASSES, TYPES, COMPOSITIONS, ETC.

The use of figures, illustrations, tables and graphs, etc. should be maximized. It describes the item(s) more clearly and accurately than you can in text. Tables show relationships more clearly than text. Figures and tables should have titles and parts clearly identified and should be numbered consecutively throughout the specifications.

The use of grades, classes and types should be in accordance with established precedence and trade practices for the type of equipment, materials or supplies you are bidding. For the purpose of preparing specifications, type grade, class and compositions are defined as follows:

Type: This term applies differences in design, model, shape, etc. of the items.

Class: This term implies differences in mechanical or other characteristics of items which do not constitute a difference in quality or grade.

Grade: This term implies differences in quality of a commodity. When practicable, the first grade of a commodity should be the highest or best grade.

Composition: This term is used to classify commodities which are differentiated strictly by their respective chemical compositions.

Other Classifications: Other classifications, such as form, weight, size, power, supply, temperature rating, condition, insulation, etc. suitable for reference for the

WRITING HINTS

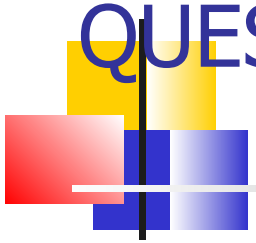
Writing Style: Exposition is concerned primarily with the communication of ideas in a form that the reader can understand. It aims to: Save the readers time, eliminate confusion, and help the reader gain ideas quickly and easily.

Active Voice is Preferred: Active voice is the most simple and direct way to make statements. Action is expressed directly, more vigorously, and makes the sentence more concise. Readers prefer the active voice because it is more: Direct, interesting and descriptive.

Choosing the Right Word: You can make your meaning more clear by using shorter words. Shorter, more direct words get to the point, are clear-cut, and distinctive. For example: activate, expedite, initiate, nevertheless, prioritize and erroneous.

Write Clear Using Shorter Phrases: Do not use long phrases when it is not necessary. For example: a great number of times (many), at regular intervals(every), make contact with(call).

EVERY SPECIFICATION WRITER SHOULD ASK QUESTIONS OF THEMSELVES, SUCH AS:



Who will receive the document?

What do I want people to know or do?

What should be my tone or approach?

How detailed and exact should my information be?

What can I assume about my audience's knowledge of the subject?

What might their questions be?

A PRE-WRITING CHECKLIST IS ESSENTIAL

- Revision or new spec necessary.
- Determine what information is needed.
- Determine information sources.
- Review existing related specs and standards(internal and other sources).
- Brainstorm the proposed content with your peers.
- Develop a conceptual specification in your mind.
- Interview personnel in other affected departments.
- Other revisions necessary.
- Within statutory and policy limits.
- Conflict information.
- Detailed flow chart necessary.
- Who is your audience?.
- Do you have the data to inform them?.

NUMBERING OF SECTIONS AND PARAGRAPHS IS THE KEY FOR CONSISTENCY.

- Sections should be listed in numerical sequence and subdivided, as applicable, using paragraphs and sub-paragraphs by use of the Dewy Decimal System as shown in the following examples:

Section2

First Paragraph2.1

First Sub-paragraph2.1.1

First Sub-subparagraph2.1.1.1

Second Sub-paragraph2.1.2.1

Second Sub-subparagraph2.1.2.1.1

Second Paragraph2.2

Section3

First Paragraph3.1 etc. etc.

HOW SPECIFICATIONS AFFECT PROCUREMENT PROCESS

EFFECT ON:	POORLY WRITTEN:	WELL WRITTEN:
NUMBER OF BIDDERS	Overly broad or restrictive specifications. Deter potential bidders. Increase costs.	Complete, clear concise specifications. Attract MANY AND QUALIFIED bidders. Decrease chance of desired results.
EVALUATION PROCESS/PROTESTS	Easily misinterpreted. Open to challenge and protest by unsuccessful bidders.	SHARP SPECIFIC CRITERIA Easier to evaluate. Minimizes possibility of protests.
BIDDER RISK	Unreasonable requirements=higher risk and higher costs.	Reasonable requirements lower assumption of risk by bidders.
TYPE OF CONTRACT	Uncertain amount of effort leads to cost reimbursement contract.	Well defined effort leads to a firm fixed price contract.
ADMINISTRATION OF CONTRACT	Unclear inaccurate specifications lead to management problems.	Well defined specifications lead to more control and easier administration.

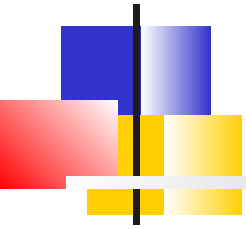
Conclusion

- Everyone participating is important and has a role in the specification process.
- Plan ahead, good players are ready to help.
- Teamwork and team responsiveness is the KEY to the success.
- What your mind can think, your hands can write.
- Well written specifications, is a smooth sailing to the Procurement Process.

PRACTICE SECTION

- The art of listening
- The art of observing
- The art of participate
- The art to be part of the team
- The art to be that KEY person

Questions are welcome



- Your questions are very important to us.

About our Specification Seminar?

- Your comments are greatly appreciated
- Your input on this matter make us better
- Together we can make a difference
- We are the Chicago Public Schools
- Your evaluation is our Report Card
- Please fill the evaluation form and leave the rest to us

Thank you

- From the Department of Procurement and Contracts
- *Next Seminar:*
- *November 21, 2002*