

State of Hawaii
Department of Labor & Industrial Relations
Office of Community Services

Addendum Number 1

Date Issued: May 17, 2011

To

Request for Proposals

RFP No. OCS LBR 903-01

**RFP Title: Employment Core Services for Low-Income
Persons**

Date Issued: May 3, 2011

May 17, 2011

ADDENDUM NO. 1

To

REQUEST FOR PROPOSALS

RFP Title: Employment Core Services to Low-Income Persons

RFP No.: OCS LBR 903-01

The Department of Labor & Industrial Relations, Office of Community Services, is issuing this addendum to OCS LBR 903-01, Employment Core Services for Low-Income Persons for the purposes of:

- Responding to questions that arose at the orientation meeting of May 12, 2011 and written questions subsequently submitted in accordance with Section 1-V, of the RFP.
- Amending the RFP.
- Final Revised Proposals

The proposal submittal deadline:

- is amended to <new date>.
- is not amended.
- for Final Revised Proposals is <date>.

Attached is (are):

- A summary of the questions raised and responses for purposes of clarification of the RFP requirements.
- Amendments to the RFP.
- Details of the request for final revised proposals.

If you have any questions, contact:

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Responses to Question Raised by Applicants
For <RFP No.> <RFP Title>

- 1. Sections 2 and 4 - How does DLIR-OCS score and evaluate the proposal applications? If there is one application statewide and several proposal applications for multiple counties, what happens if the statewide application does not score well on Kauai and a single county proposal application for Kauai scores higher? If applying for 2 counties, what does DLIR-OCS prefer - Proposal applications that are together or separate? What would tip the scale toward statewide versus individual?**

DLIR-OCS approves evaluation team members who are State employees and have adequate knowledge, skills and abilities capable of scoring the proposal application. Evaluation team members are guided by a delegated and qualified procurement designee trained by the State Procurement Office. Team members review the DLIR-OCS score sheet review criteria and the scaled point system. In addition, DLIR-OCS staff members receive and briefly covers the 22 page SPO training handout Evaluating Proposals for RFPs for Health and Human Services revised 7/13/10. All this helps to ensure that the scoring team members are all on the same page and score similarly. At this time team members are asked to make sure that they do not have any conflicts of interest or appearance of conflicts of interest. Otherwise, team members need to remove themselves from the scoring process. Team members then score the proposal applications individually. After all proposal applications are scored individually, the team members come together and share their scores as well as their justifications for their scores. No one is allowed to tell another team member to change their score or that they are wrong. For example two team members may both score 8s and another team member scores a 2. The team member who scored a 2 is not necessarily wrong, s/he may have seen something that the other two team members didn't observe. After discussion, the two team members who had 8s, may lower their scores to 4s by consensus. Thus, the agreed to composite score consists of scores that are pretty close after discussion. In addition, since some scorer's results are lower than other scorers, DLIR-OCS also ranks proposals.

The single county Kauai proposal score is higher than the statewide application. The single county proposal application would receive award before the statewide application. If there is only enough funds to fund one application, then only the single county proposal application would receive funding. If funding allows and it is in the best interest of the State, then and only then would the lower scoring statewide proposal be funded.

DLIR-OCS has instructed that if applying for two counties, submit separate proposal applications.

Nothing tips the scale towards statewide versus selecting an individual county. DLIR-OCS is just following the procurement rules.

Service areas include the counties of Honolulu, Hawaii, Maui, and Kauai. The applicant may apply in any one or more of these areas. The applicant shall demonstrate capability to provide the required services in the areas for which it applies.

The applicant is responsible for clearly identifying the geographic areas that it proposes to serve.

A single contract may be awarded to a proposal that demonstrates the ability to provide comprehensive and efficient employment core services for multiple counties within the state. Submit separate proposals if applying for more than one county, but not the whole state. Each service agency is limited up to one proposal per county or up to a total of three proposals. If applying for Statewide services, submit one and only ONE proposal but clearly delineate how services will be delivered in each county, how funds will be allocated for each county, and the amount and type of clients served in each county. Proposed outcomes will be compared one against the other for the same geographic areas. Thus, Kauai county outcomes will be compared against all other proposed Kauai County outcomes.

Conversely, multiple contracts may be awarded to each individual proposal that demonstrates a more efficient and comprehensive employment core services in the county where services will be provided. Submit separate proposals if applying for more than one county, but not the whole state.

2) DLIR-OCS is saying that it prefers a statewide application over separate single county applications? SPO rules are saying that a statewide application will do better than separate county applications?

No, DLIR-OCS is not saying that it prefers a statewide application over single county applications. There are advantages and disadvantages applying statewide and as a single county application. It is up to the applicant to clearly delineate services and budgeted amounts in each county. Definitely, the statewide application has less page space to clearly convey this.

No, a statewide application will not necessarily do better than a single county application. We use the same scoring criteria for both types of application. Again, see the last two paragraphs from question 1 above.

3) Can a statewide application end up being awarded for a single county geographic location?

Yes.

4) What's the measure of efficiency, how do you measure efficiency?

DLIR-OCS looks at the program efficiency in % from outputs to outcomes for number of intakes to number placed in employment to final outcome of clients employed for up to 360 days out of 455 day period. Another way to look at program efficiency and effectiveness is based on your program evaluation score and rankings based on the evaluation criteria.

5) Can you share the overall range of scores from the last RFP?

Overall range of composite scores was from 40 – 89. The top 5 ranked proposal applications received funding awards.

6) Can State funds be used for stipends and transportation?

DLIR-OCS requests that State funds be used for allowable cost items and follow the cost principles. However, since this is a performance-based contract, it is up to the service provider to use the funds widely. Yes, these fund can be used for stipends and transportation and falls under the category Program Activities.

7) Can you explain the Output and Performance/Outcome Measurements Table? What are you looking for on the Table?

The applicant will provide its best guestimate of the number of actual Tier 1, Tier 2 and Tier 3 clients it plans to serve for each of the six milestones. All numbers should reflect **actual** expected outputs and outcomes to be achieved by the applicant, and not necessarily the maximum number of charges OCS will pay for. DLIR-OCS is also looking for realistic number of clients served without creaming.

We are looking to see if the number of clients served and employed is realistic and attainable. We are looking for long time improvements in services.

Say six years ago an agency claimed the following proposed services as compared to the present:

	<u>6 years ago</u>	<u>Currently</u>
Milestone 1	100	100
Milestone 2		
Milestone 3	50	67
Milestone 4		
Milestone 5		
Milestone 6	25	45

If there was no creaming, then there was an increase in efficient and effective services as shown by the increase in number of persons employed.

When we looked at 10 cities across the USA while trying to decide on a performance-based process, we looked at the number of persons who obtained a job and maintained a job for one-year. That 's when DLIR-OCS started to look at the job placement and maintenance ratio.

8) Ever looked at agencies creaming clients?

Yes. Creaming is the Achilles heal of performance-based contracts. DLIR is depending, and thus far believes, that the agencies we work with are not intentionally creaming.

9) The current reissue of this RFP with the projected time of contract expected to be August 1, 2011 creates a possible break in service for agencies currently contracted and are awarded a contract for next fiscal biennium. Is DLIR-OCS considering a supplemental agreement to extend the time period of the contract or a no-cost extension?

DLIR-OCS is very cognizant of the almost certainty of a break in service. We are exploring all options at this time.

10) What happens to those clients during this gap or break in service period? Will OCS let service providers carry over clients? Will OCS pay for milestones achieved during this brief gap in services should the active agency receive a new award and contract?

DLIR-OCS will let service providers carryover clients if they are awarded a contract for FB 2012-2013 even if there is a short break in service. Likewise, DLIR-OCS will pay for milestones achieved out of new contract funds during this brief gap in services.

11) Where do you find the proposal application format instructions?

The general instructions for completing the proposal application are found on pages 3-1 and 3-2.

12) Can you confirm if the GEMs software is optional?

It was never the intention for DLIR-OCS to make GEMs mandatory. It was up to the Mosaic company once OCS paid for software development to convince contracted service agencies to purchase the software based on its merits and ability to get the job done. DLIR-OCS has not had a contract with GEMs for last 3-4 years. However, service providers not using GEMs are still responsible for providing to OCS the program progress reports and data that GEMs collects.

13) Will the reviewers of this RFP be the same reviewers of the proposals submitted?

Some of the reviewers could possibly be from the preceding team. More than likely there will be one or two new reviewers.

14) How do you document homeless persons who are sleeping in cars?

You document them as any other homeless clients as Tier 2 with self-certification.

15) We are in the middle of our 2009 and 2010 audit. What we have is the 2008 audit completed. The 2009 is scheduled to be completed June 15th. Too late for the submission of this proposal. Our auditors are willing to write a letter to document this fact. What should we do?

Submit what you have – the 2008 completed audit. You may also submit a letter from the auditors saying you are currently doing the 2009 and 2010 audit. This does not necessarily mean that you will receive all points for audit section, but you should not be excessively penalized for informing the reviewer to the best of your ability.

16) Who are the current providers on Oahu, Hawaii, Maui and Kauai?

Kauai - Goodwill Industries Hawaii; Island of Hawaii - Goodwill Industries Hawaii and Catholic Charities Hawaii; Maui - Goodwill Industries Hawaii and Maui Economic Opportunity; Oahu – Goodwill Industries Hawaii, Child & Family Service, IHS, Catholic Charities, Kulia Na Mamo, Network Enterprises & Parents and Children Together.

17) Because cash flow issues are a serious concern for any agency, how many Tier 1 clients statewide were able to meet milestone #1, #2, #3, and #4 during FY10?

For Milestones 3 and 4 the data is about the same, very little drop out rate. Tier 1 clients reach milestones 3 and 4 about 50 - 67% depending on how efficient and effective the service activities are..

18) How many Tier 2 clients statewide were able to meet milestone 1 to 4 during FY10?

Don't readily know.

19) How many Tier 1 clients in each county met milestone #3 – Job Placement?

Same as No. 17 above.

20) Is(are) there any specific place(s) or community(ies) in any of the counties that the OCS feels that is underserved by this RFP?

Leeward, Central Oahu and North Shore Oahu; Molokai; Kau/S. Kona

21) Where, if any, in the State would the OCS like to see an increase or improvement in these currently provided services?

See answer 20 above. Take your pick. There are shortages of services everywhere as exhibited by even the number of proposal applications received in response to this request and a major shortage of funds.