

Competitive Proof of Concept (CPC) Instructions for Procurement Staff

This solicitation method may be used if it is in the State's best interest to test or perform a proof of concept on goods or services before full implementation.

Competitive Proof of Concept

A Competitive Proof of Concept (CPC) is a formal competitive bidding process intended to solicit proposals from prospective suppliers to perform a proof of concept for a good or service the State wishes to try before fully implementing. The State may select one or more of the submitted proposals and award a contract to cover the proof of concept as well as provide an option for the State to proceed with a full implementation if desired.

This method is used when the purchase can be tested or given a trial run before full implementation, at low or no cost to the State.

Examples include:

- An agency wishes to try several off-the-shelf software options over a 6-month period before deciding which software option to fully implement.
- An agency becomes aware of a new, innovative product or service and would like to test it under real world conditions.
- An agency has a general idea of the product or service they need, and they wish to give suppliers space to propose solutions that can be tested on the job.

Process

1. Purchasing professional prepares written justification for a CPC. The justification should: describe why a CPC is in the State's best interest; explain how a CPC meets the needs of the program; and describe any actions taken or to be taken to foster competition for this good or service.
2. Purchasing professional works with management and legal as required on selection of appropriate contract terms.
3. Purchasing professional prepares final draft of the solicitation materials using the State-approved template(s).
4. Purchasing professional emails the justification and final draft of solicitation to solicitation coordinator or designee and requests approval to post.
5. If approved, purchasing professional posts the solicitation on Edison utilizing the appropriate commodity codes so that potential suppliers are notified. Solicitation must be posted for 7 days.
6. Program Manager, Agency Representatives, and/or category analysts evaluate the proposals and if appropriate, select one or more for award.
7. Negotiate and execute contract in accordance with the Administrative Guide and Tennessee Procurement Procedures Manual. **The specifications in the resulting contract must be within scope of the initial request to purchase approved by the solicitation coordinator or designee.**
8. Purchasing professional must send fully executed copy of the contract to the solicitation coordinator.

Competitive Proof of Concept

SOLICITATION FOR PROOF-OF-CONCEPT PROPOSALS

THAT MAY RESULT IN FULL IMPLEMENTATION CONTRACTS, WHICH ARE GREATER IN SCOPE AND VALUE

Date: [insert date]

The State of Tennessee intends to perform a “proof of concept” before deciding whether to proceed with full implementation of a supplier solution to meet the State’s needs. For the purpose of this solicitation, a proof of concept is a test or pilot project, which may demonstrate that a product or service is feasible and beneficial to the State.

The purpose of this notice is to provide suppliers an opportunity to submit a proof of concept proposal. Potential suppliers who do not put forward a proof of concept proposal will not be considered for future full implementation. Zero-dollar Proof of Concept solutions are strongly preferred, and the cost of proposals will be considered.

Requestor: [read and delete: agency name]

1. State Contact Information:

The sole point of contact concerning this competitive proof of concept is:

[Name], Solicitation Coordinator
Telephone number, or
1 [XXX-XXX-XXXX]
_____@tn.gov

2. Project Description:

[Read and delete: Describe needed good or service, and include intended use, quantity, estimated time frame the proof of concept would take place, and the anticipated number of proof of concept awards that will be made based off this solicitation].

3. Proposal Requirements: Respondents must submit a proposal conforming to the following requirements:

- a. Proposal must be no more than ten 8 ½” x 11” pages in length, written in 12 point font, not counting required State attachments. Uniform Resource Locator (URL) links to information will not be considered for evaluation.
- b. Respondent must include its company name in the header.
- c. Respondent must attach a completed Cost Proposal (Cost Proposal must cover any costs to the State for the proof of concept and may optionally also include full implementation pricing), and submit these documents with its proposal. These documents do not count toward proposal length.
- d. A response must not include alternate contract terms and conditions, except as otherwise permitted. If a response contains such terms and conditions the State, at its sole discretion, may determine the response to be a non-responsive counteroffer and reject it.
- e. Proposed Proof of Concepts may last no longer than 12 months.
- f. Respondent must submit pricing for full scale implementation at the proposal stage. All contemplated costs should be included in the proposal. Extra fees and costs will not be negotiated later.
- g. Respondent must submit proposals via Edison no later than [insert date and time]. The proposal and attachments must be fully uploaded and submitted prior to the due date identified above.

The Respondent should submit all documents in a modifiable (native) format (examples include but are not limited to: Microsoft Word or Excel and Google Docs or Sheets). In addition to submitting documents in a modifiable format, the Respondent may also submit copies of documents in PDF. Respondent’s failure to submit a proposal as required may result in disqualification. The proposal and attachments must be fully uploaded and submitted prior to the proposal deadline. Do not wait until the last minute to submit a proposal, as the Edison system requires the creation of an account and entry of certain information, in addition to uploading and submitting the materials. Questions on how to submit information or how to navigate in the Edison system can be answered by contacting the solicitation coordinator or the Central Procurement Office internet site, <https://www.tn.gov/generalservices/procurement.html>, which may be utilized to access the Edison Guide to Agency Procurement.

- h. The Respondent must provide the documents in a modifiable form (e.g., Microsoft Word or Excel), but may also provide copies of any documents in a non-modifiable form (e.g., PDF).
- i. Note: if the State decides to fully implement a solution after a successful proof of concept, the terms and conditions for a resulting contract will be negotiated at that time.

Failure to strictly adhere to these requirements may result in disqualification before or after proposal scoring.

4. **Samples and Demonstrations:** *[Read and delete: Delete if not applicable]* The State, at its discretion, may request product samples or a demonstration of a product or service from Respondents or potential Respondents before proposals are submitted or during the evaluation process. The State may use these samples or demonstrations in its evaluation process. If the State has received samples or a demonstration from one Respondent, and plans to use it in the evaluation process, it will provide other Respondents, so long as the Respondent has not otherwise been disqualified, an opportunity to provide samples or a demonstration.

Samples not destroyed in testing will be returned at the Respondent's expense, if requested. If return is not requested, the samples will be disposed of at the State’s discretion.

5. **Proof of Concept Proposal Evaluation Criteria:** *[Read and delete: Describe how you will decide if a proof of concept has been successful].*

To avoid disqualification, the Respondent must provide documentation in their proposal to demonstrate that they meet mandatory minimum requirement(s) detailed in the solicitation

Only proposals that meet the mandatory minimum requirements will be considered for evaluation.

If all mandatory requirements are met, the State will evaluate each proposal based on the following factors:

	Evaluation Category	Weight
1.	Technical Qualifications, Experience, and Approach	XX
2.	Cost Proposal	XX
3.	General Qualifications and Experience	XX
	Total	100

[Read and Delete: Select One of the following depending on how many proof of concepts are desired]

Based on the above score, the State may enter into a proof of concept contract with the submitter of the highest scoring proposal that receives a score of XX or higher.

Or

Based on the above score, the State may enter into a proof of concept contract with the submitter of the XXX highest scoring proposals that receives a score of XX or higher.

Or

Based on the above score, the State may enter into a proof of concept contract with the submitters of any proposals that receives a score of XX or higher.

6. Proof of Concept Evaluation Criteria:

Once the proof of concept process is complete, the State will evaluate the proofs of concept and decide whether it will exercise its option to negotiate a full implementation of the product or service. The State will use the following criteria to evaluate proofs of concept performed:

	Technical Evaluation Criteria	Weight
1.	Proof of Concept Quality	XX
2.	Supplier Service and Support	XX
3.	Cost Containment	XX
	Total	100

7. Questions: Questions concerning the solicitation must be delivered in writing to the solicitation manager at [redacted]@tn.gov no later than [insert date and time]. In the interest of transparency, only written questions will be accepted. The State will send the official response to these questions and comments to prospective Respondents from whom the State has received a Notice of Intent to respond in accordance with the solicitation.

8. NOTICE OF DEFICIENCY. The State reserves the right to issue a **Notice of Deficiency** to Respondents if the State determines after the proposal deadline that a portion of the CPC was deficient, unclear, or ambiguous. Failure to respond to a **Notice of Deficiency** timely may be cause for disqualification.

9. CLARIFICATION REQUEST. The State reserves the right to issue a **Clarification Request** to a Respondent to clarify its proposal if the State determines the proposal is not clear. Failure to respond to a **Clarification Request** timely may be cause for disqualification.

10. RESERVATIONS. The State reserves the right to:

- a. Disqualify a Respondent for failure to follow these instructions.
- b. Discontinue the CPC process at any time for any or no reason. The issuance of an CPC, your preparation and submission of a proposal, and the State’s subsequent receipt and evaluation of your proposal does not commit the State to award a contract to you or anyone, even if all the requirements in the CPC are met.
- c. Consider late proposals if: (i) no other proposals are received; (ii) no complete proposals are received; (iii) the State received complete proposals, but the proposals did not meet mandatory minimum requirements or technical criteria; or (iv) the award process fails to result in an award.
- d. Consider an otherwise disqualified proposal, if no other proposals are received.

- e. Disqualify a proposal based on: (1) information provided by the Respondent in response to this CPC; (2) the Respondent's failure to complete registration on [Edison](#) ; or (3) if it is determined that a Respondent purposely or willfully submitted false or misleading information in response to the CPC.
- f. Consider prior performance with the State in making its award decision.
- g. Consider overall economic impact to the State when evaluating proposal pricing and in the final award recommendation. This includes but is not limited to: considering principal place of performance, number of Tennessee residents employed or potentially employed, dollars paid to Tennessee residents, Tennessee capital investments, job creation, tax revenue implications, and economically disadvantaged businesses.
- h. Consider total-cost-of-ownership factors (e.g., transition and training costs) when evaluating proposal pricing and in the final award recommendation.
- i. Refuse to award a contract to any Respondent that has failed to pay State taxes or has outstanding debt with the State.
- j. Enter into negotiations with one or more Respondents on price, terms, technical requirements, or other deliverables.
- k. Award multiple, optional-use contracts, or award by Contract Activity.
- l. Evaluate the proposal outside the scope identified in the solicitation if the State receives only one proposal.

11. AWARD RECOMMENDATION. The contract will be awarded to the responsive and responsible Respondent who offers the best value to the State, as determined by the State. Best value will be determined by the Respondent meeting the minimum point threshold and offering the best combination of the factors stated in **the Solicitation**, and price, as demonstrated by the proposal. The State will post a **Notice of Intent to Award** on Edison.

12. GENERAL CONDITIONS. The State will not be liable for any costs, expenses, or damages incurred by a Respondent participating in this solicitation. The Respondent agrees that its proposal will be considered an offer to do business with the State in accordance with its proposal, including the Contract Terms, and that its proposal will be irrevocable and binding for a period of **[180]** calendar days from date of submission. If a contract is awarded to the Respondent, the State may, at its option, incorporate any part of the Respondent's proposal into a contract. This CPC is not an offer to enter into a contract. This CPC may not provide a complete statement of the State's environment or contain all matters upon which agreement must be reached. Other than verified trade secrets, proposals submitted via [Edison](#) are the State's property.

TECHNICAL RESPONSE & EVALUATION GUIDE

SECTION A: MANDATORY REQUIREMENTS. The Respondent must address all items detailed below and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Respondent must also detail the response page number for each item in the appropriate space below.

The Solicitation Coordinator will review the response to determine if the Mandatory Requirement Items are addressed as required and mark each with pass or fail. For each item that is not addressed as required, the Proposal Evaluation Team must review the response and attach a written determination. In addition to the Mandatory Requirement Items, the Solicitation Coordinator will review each response for compliance with all requirements.

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	Item Ref.	Section A— Mandatory Requirement Items	Pass/Fail
		The Response must be delivered to the State no later than the Response Deadline specified in the Schedule of Events.	
		The Technical Response and the Cost Proposal documentation must be packaged separately as required.	
		The Technical Response must NOT contain cost or pricing information of any type.	
		The Technical Response must NOT contain any restrictions of the rights of the State or other qualification of the response.	
		A Respondent must NOT submit alternate responses.	
		A Respondent must NOT submit multiple responses in different forms (as a prime and a subcontractor).	
	A.1.	Provide the Statement of Certifications and Assurances completed and signed by an individual empowered to bind the Respondent to the provisions of this solicitation and any resulting contract. The document must be signed without exception or qualification.	
	A.2.	Provide a statement, based upon reasonable inquiry, of whether the Respondent or any individual who shall cause to deliver goods or perform services under the contract has a possible conflict of interest (<i>e.g.</i> , employment by the State of Tennessee) and, if so, the nature of that conflict. NOTE: Any questions of conflict of interest shall be solely within the discretion of the State, and the State reserves the right to cancel any award.	
	A.3.	Provide at least one of the following financial documents dated within the last three (3) months: (1) an official document or letter from an accredited credit bureau, indicating a satisfactory credit score for the Respondent (NOTE: A credit bureau report number without the full report is insufficient and will <u>not</u> be considered responsive.); (2) income statement, indicating the Respondent's financial operations; or (3) balance sheet, showing the Respondent's flow of funds.	

Example Prototype Document

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	Item Ref.	Section A— Mandatory Requirement Items	Pass/Fail
		<p>Any documentation disclosing the amount of cash flows from operating activities should be for the Respondent’s most current operating period and must indicate whether the cash flows are positive or negative. If the cash flows are negative for the most recent operating period, the documentation must include a detailed explanation of the factors contributing to the negative cash flows.</p> <p>NOTICE: All persons, agencies, firms, or other entities that provide opinions regarding the Respondent’s financial status <u>must</u> be properly licensed to render such opinions. The State may require the Respondent to submit proof of such licensure detailing the state of licensure and licensure number for each person or entity that renders the opinions.</p>	
<i>State Use – Solicitation Coordinator Signature, Printed Name & Date:</i>			

TECHNICAL RESPONSE & EVALUATION GUIDE

SECTION B: GENERAL QUALIFICATIONS & EXPERIENCE. The Respondent must address all items detailed below and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Respondent must also detail the response page number for each item in the appropriate space below. Proposal Evaluation Team members will independently evaluate and assign one score for all responses to Section B— General Qualifications & Experience Items.

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
	B.1.	Detail the name, e-mail address, mailing address, telephone number, and facsimile number of the person the State should contact regarding the response.
	B.2.	Describe the Respondent’s form of business (<i>i.e.</i> , individual, sole proprietor, corporation, non-profit corporation, partnership, limited liability company) and business location (physical location or domicile).
	B.3.	Detail the number of years the Respondent has been in business.
	B.4.	Briefly describe how long the Respondent has been providing the goods or services required by this solicitation.
	B.5.	Describe the Respondent’s number of employees, client base, and location of offices.
	B.6.	Provide a statement of whether there have been any mergers, acquisitions, or change of control of the Respondent within the last ten (10) years. If so, include an explanation providing relevant details.
	B.7.	Provide a statement of whether the Respondent or, to the Respondent’s knowledge, any of the Respondent’s employees, agents, independent contractors, or subcontractors, involved in the delivery of goods or performance of services on a contract pursuant to this solicitation have been convicted of, pled guilty to, or pled <i>nolo contendere</i> to any felony. If so, include an explanation providing relevant details.
	B.8.	Provide a statement of whether, in the last ten (10) years, the Respondent has filed (or had filed against it) any bankruptcy or insolvency proceeding, whether voluntary or involuntary, or undergone the appointment of a receiver, trustee, or assignee for the benefit of creditors. If so, include an explanation providing relevant details.
	B.9.	Provide a statement of whether there is any material, pending litigation against the Respondent that the Respondent should reasonably believe could adversely affect its ability to meet contract requirements pursuant to this solicitation or is likely to have a material adverse effect on the Respondent’s financial condition. If such exists, list each separately, explain the relevant details, and attach the opinion of counsel addressing whether and to what extent it would impair the Respondent’s performance in a contract pursuant to this solicitation. NOTE: All persons, agencies, firms, or other entities that provide legal opinions regarding the Respondent must be properly licensed to render such opinions. The State may require the Respondent to submit proof of license for each person or entity that renders such opinions.
	B.10.	Provide a statement of whether there are any pending or in progress Securities Exchange Commission investigations involving the Respondent. If such exists, list each separately, explain

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
		<p>the relevant details, and attach the opinion of counsel addressing whether and to what extent it will impair the Respondent’s performance in a contract pursuant to this solicitation.</p> <p>NOTE: All persons, agencies, firms, or other entities that provide legal opinions regarding the Respondent must be properly licensed to render such opinions. The State may require the Respondent to submit proof of license for each person or entity that renders such opinions.</p>
	B.11.	Provide a brief, descriptive statement detailing evidence of the Respondent’s ability to deliver the goods or services sought under this solicitation (e.g., prior experience, training, certifications, resources, program and quality management systems, etc.).
	B.12.	Provide a narrative description of the proposed project team, its members, and organizational structure along with an organizational chart identifying the key people who will be assigned to deliver the goods or services required by this solicitation.
	B.13.	Provide a personnel roster listing the names of key people who the Respondent will assign to meet the Respondent’s requirements under this solicitation along with the estimated number of hours that each individual will devote to that performance. Follow the personnel roster with a resume for each of the people listed. The resumes must detail the individual’s title, education, current position with the Respondent, and employment history.
	B.14.	<p>Provide a statement of whether the Respondent intends to use subcontractors to meet the Respondent’s requirements of any contract awarded pursuant to this solicitation, and if so, detail:</p> <ul style="list-style-type: none"> (a) the names of the subcontractors along with the contact person, mailing address, telephone number, and e-mail address for each; (b) a description of the scope and portions of the goods each subcontractor involved in the delivery of goods or performance of the services each subcontractor will perform; <u>and</u> (c) a statement specifying that each proposed subcontractor has expressly assented to being proposed as a subcontractor in the Respondent’s response to this solicitation.
	B.15.	<p>Provide documentation of the Respondent’s commitment to diversity as represented by the following:</p> <ul style="list-style-type: none"> (a) <u>Business Strategy</u>. Provide a description of the Respondent’s existing programs and procedures designed to encourage and foster commerce with business enterprises owned by minorities, women, service-disabled veterans, persons with disabilities, and small business enterprises. Please also include a list of the Respondent’s certifications as a diversity business, if applicable. (b) <u>Business Relationships</u>. Provide a listing of the Respondent’s current contracts with business enterprises owned by minorities, women, service-disabled veterans, persons with disabilities, and small business enterprises. Please include the following information: <ul style="list-style-type: none"> (i) contract description; (ii) contractor name and ownership characteristics (i.e., ethnicity, gender, service-disabled veteran-owned or persons with disabilities); (iii) contractor contact name and telephone number. (c) <u>Estimated Participation</u>. Provide an estimated level of participation by business enterprises owned by minorities, women, service-disabled veterans, persons with disabilities and small business enterprises if a contract is awarded to the Respondent pursuant to this solicitation. Please include the following information: <ul style="list-style-type: none"> (i) a percentage (%) indicating the participation estimate. (Express the estimated participation number as a percentage of the total estimated contract value that will be dedicated to business with subcontractors and supply contractors having such ownership characteristics only and DO NOT INCLUDE DOLLAR AMOUNTS);

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
		<p>(ii) anticipated goods or services contract descriptions;</p> <p>(iii) names and ownership characteristics (i.e., ethnicity, gender, service-disabled veterans, or disability) of anticipated subcontractors and supply contractors.</p> <p>NOTE: In order to claim status as a Diversity Business Enterprise under this contract, businesses must be certified by the Governor’s Office of Diversity Business Enterprise (Go-DBE). Please visit the Go-DBE website at https://tn.diversitysoftware.com/FrontEnd/StartCertification.asp?TN=tn&XID=9810 for more information.</p> <p>(d) <u>Workforce</u>. Provide the percentage of the Respondent’s total current employees by ethnicity and gender.</p> <p>NOTE: Respondents that demonstrate a commitment to diversity will advance State efforts to expand opportunity to do business with the State as contractors and subcontractors. Response evaluations will recognize the positive qualifications and experience of a Respondent that does business with enterprises owned by minorities, women, service-disabled veterans, persons with disabilities, and small business enterprises and who offer a diverse workforce.</p>
	B.16.	<p>Provide a statement of whether or not the Respondent has any current contracts with the State of Tennessee or has completed any contracts with the State of Tennessee within the previous five (5) year period. If so, provide the following information for all of the current and completed contracts:</p> <p>(a) the name, title, telephone number and e-mail address of the State contact knowledgeable about the contract;</p> <p>(b) the procuring State agency name;</p> <p>(c) a brief description of the contract’s scope of services;</p> <p>(d) the contract period; and</p> <p>(e) the contract number.</p>
	B.17.	<p>Provide a statement and any relevant details addressing whether the Respondent is any of the following:</p> <p>(a) is presently debarred, suspended, proposed for debarment, or voluntarily excluded from covered transactions by any federal or state department or agency;</p> <p>(b) has within the past three (3) years, been convicted of, or had a civil judgment rendered against the contracting party from commission of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;</p> <p>(c) is presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed above; and</p> <p>(d) has within a three (3) year period preceding the contract had one or more public transactions (federal, state, or local) terminated for cause or default.</p>
		<p>SCORE (for <u>all</u> Section B—Qualifications & Experience Items above): (maximum possible score = XX)</p>

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
<i>State Use – Evaluator Identification:</i>		

STATE OF TENNESSEE

PRICING

1. The Contractor must provide a pricing schedule for the proposed Contract Activities using the Cost Proposal form in Attachment [REDACTED]. The pricing schedule should be submitted in a modifiable format (e.g., Microsoft Word or Excel); however, you may also submit an additional pricing schedule in a non-modifiable format (e.g., PDF). Failure to complete the pricing schedule as requested may result in disqualification of your proposal.
2. Price proposals must include all costs, including but not limited to, any one-time or set-up charges, fees, and potential costs that Contractor may charge the State (e.g., shipping and handling, per piece pricing, and palletizing).
3. By submitting its proposal, the Contractor certifies that the prices were arrived at independently, and without consultation, communication, or agreement with any other Contractor.

[Read and Delete: The Agency and Proposal Manager must provide additional instructions that will assist the Contractor in providing an appropriate pricing response and attach and reference any documents that must be completed. Any attached documents that relate to pricing must be referenced as Schedule B, Pricing.]