



# Vendor Prequalification

## Guidance Document Relating to: 220-RICR-30-00-4

This Guidance Document applies to the “Vendor Prequalification” regulation (220-RICR-30-00-4). Pursuant to R.I. Gen. Laws §§ 42-35-1(a)(9) and 42-35-12.2, this Guidance Document states the agency’s current approach to and interpretation of the “Vendor Prequalification” regulation. This Guidance Document is not a regulation and creates no new legal obligations, it is a tool to assist the public’s compliance with the regulation. Note that this Guidance Document should be read with the entirety of 220-RICR-30-00-4 and participants are required to abide by all regulatory requirements even if not mentioned in this Guidance Document.

Amendments to 220-RICR-30-00-4 will take effect on: **June 14, 2023.**

Note that a webpage has been established (<https://www.ridop.ri.gov/prequalification/>) where updates will continue to be posted as they arise. Please submit any questions to [Marisa.Delfarno@purchasing.ri.gov](mailto:Marisa.Delfarno@purchasing.ri.gov).

### **What changes were implemented in the 2023 amendments to the prequalification regulation?**

After receiving feedback from the vendor community during the first few years of the prequalification program, recent changes were made to the prequalification regulation. The following is a summary of regulatory changes that will be effective on **June 14, 2023**. (Note that vendor is required to read and abide by the language as drafted in the regulation and the following is only a brief overview and summary for assistance in understanding the regulatory language):

- § 4.6(B)(1)- Requires that vendors submit all applicable supportive licenses or certifications that evidence that the vendor can perform categories of work that the vendor wishes to be prequalified to bid upon.
- § 4.6(B)(3)- In the prior regulation, the Purchasing Agent limited a vendor’s prequalification to a specific purchase order value (a specific number). The amendment to the rule provides tier system to allow for a range of purchase order values that the vendor will be prequalified for, rather than a specific number.
- § 4.6(C)(4)- Makes it clear that vendors can request an increase prequalification threshold amount and provides a clear method for such a request/change.
- § 4.6(D)- Requires production of Certificate of Good Standing from the RI Secretary of State (to show vendor is up to date with corporate filings) and a Letter of Good Standing from the RI Dept. of Revenue (to show vendors do not have tax liabilities).
- §4.6(D)(2)(b)- Decreases credit references that vendors must provide from five to three.
- 4.6(D)(4)(e)- Requires vendors to produce bond letter.
- 4.6(D)(4)(d)- Removes requirement that vendors produce subcontractor lien releases and replaces it with a requirement that vendors certify that vendor does not have pending subcontractor debts/claims.



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### **Where should the prequalification packet and supporting documentation be sent?**

An updated prequalification packet reflecting the new regulatory requirements is currently posted on the Division's dedicated Prequalification website. This updated packet should be utilized as-of June 14, 2023. You can send the prequalification packet and supporting documentation to:

Rhode Island Division of Purchases Attention:  
Jay Hauser, State Purchasing Agent  
One Capitol Hill  
2<sup>nd</sup> Floor  
Providence, RI 02908

### **How many copies of the prequalification packet and supporting documentation should be submitted?**

Please submit one copy. Hard copies or submissions on a C.D. will be accepted.

### **My company was previously prequalified, when does that prequalification expire?**

Prequalification expires after two (2) years. Please check the original correspondence that your company received from the Division of Purchases approving your company's prequalification. That prequalification will expire two (2) years from the date of that correspondence.

### **What information must I supply for renewal of my prequalification?**

Vendors must submit all required information and documentation for renewal. There is no short-form for renewal of prequalification.

### **How early before expiration should I submit my prequalification packet?**

The Division of Purchases recommends that you submit your application packet for renewal at least thirty (30) days prior to the expiration date of your company's prequalification to allow for processing and to ensure that there is no gap in your company's prequalification.

### **Can my company submit a request for my prequalification to be updated during the two (2) year period?**

As of June 14, 2023, vendors may submit a change request during the two-year prequalification period to make changes to the approved purchase order value range tier. Such change request must be submitted in writing with an updated bond letter that meets all the requirements of 220-RICR-30-00-4.6(D)(4)(e). See 220-RICR-30-00-4.6(C)(4) for all information relative to change requests.



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**My company's current prequalification was previously approved and has not yet expired. When my company's prequalification was approved, it was limited to a specific purchase order value (a specific number), indicating that my company could only bid on public works projects up to a certain estimated purchase order value. The new regulation implements purchase order value range tiers, rather than a specific prequalification threshold amount. How do I know what "purchase order value range tier" my company falls under in the new regulation?**

During the transitional period, vendors that have been assigned a prequalification threshold will be automatically placed into the corresponding purchase order value range tier. For example, if the vendor was previously prequalified to bid on projects up to \$4,000,000 (and that prequalification has not yet expired), the vendor will be automatically placed in Tier I.

**How do I know if prequalification is a requirement for a Solicitation?**

The Solicitation documents will indicate if the Solicitation is limited to only prequalified bidders. The Solicitation documents will also indicate what purchase order value range tier may bid on the Solicitation. For example, if a Solicitation indicates that only prequalified vendors with a Tier II prequalification status may bid, only vendors within Tier II may bid on that Solicitation.

**What do I do if a Solicitation is posted that my company would like to bid on, but I just learned of the Prequalification requirement?**

Prequalification is general and not related to a specific Solicitation. However, it may be the case that a vendor wishes to bid on a specific Solicitation open only to prequalified bidders, but has not yet been prequalified. If that is the case, the Division recommends that such a vendor submit its prequalification packet as soon as possible. There is no guarantee that a prequalification packet will be processed within any specific time period, however, the Division will endeavor to process all packets and/or change requests as promptly as possible.

**Is there a particular form that I should submit to be considered for prequalification?**

Use of a specific form is not required, so long as the vendor provides the information and documentation required by the regulatory language. However, for the sake of convenience, the Division of Purchases has created a "Rhode Island Division of Purchases Vendor Prequalification Packet" form that vendors may utilize. It can be found at: <https://www.ridop.ri.gov/prequalification/>



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**What should a vendor submit in response to the requirement set forth in 220- RICR-30-00-4.6(D)(1)(g) (requiring “information on and evidence of the vendor’s compliance record with respect to minority business enterprise and women business enterprise inclusion goals and workforce inclusion goals, if applicable on public works projects within the past five (5) years”)?**

As it relates to the requirement set forth in 220-RICR-30-00-4.6(D)(4)(d), please submit: a list of the vendor’s ten (10) most recent public works projects within the past five (5) years, the MBE/WBE inclusion goal for projects listed, and the percentage of the goal met by the vendor. Please also note that pursuant to the regulatory language, the Purchasing Agent in her discretion may request additional information regarding compliance prior to prequalification.

**What should a vendor submit in response to the requirement set forth in 220- RICR-30-00- 4.6(D)(1)(e) (requiring a “list of any legal proceedings where the vendor was a named entity for the past five (5) years”)?**

220-RICR-30-00-4.6(D)(1)(e) disclosures should include all legal or administrative proceedings (including arbitration) which relate to the procurement or performance of any public or private construction contract. Workers Compensation proceedings do not need to be disclosed.

**What should a vendor submit in response to the requirement set forth in 220- RICR-30-00-4.6(D)(3) (that states, “Vendors who do not maintain permanent workforces, or who propose to subcontract a disproportionate percentage of project work shall be considered unqualified”)?**

Vendors should provide information describing vendor’s permanent workforce and describing percentage of subcontractors utilized to complete public works projects. Vendors may for example, may provide an average percentage of work self-performed (performed by its own permanent workforce) on its five (5) most recent projects. Please also note that pursuant to the regulatory language, the Purchasing Agent in her discretion may request additional information regarding permanent workforces prior to prequalification.

**Is the requirement set forth in 220-RICR-30-00-4.6(D)(4)(b) (requiring that “vendors who are seeking prequalification for purchase orders over \$20,000,000 must provide Audited Financial Statements”) per project or cumulative to projects over a set number of years?**

Vendors who wish to be prequalified to bid on any single solicitation with an estimated value of over \$20,000,000 must submit an Audited Financial Statement. Please note that vendors who wish to be prequalified to bid on a solicitation under \$20,000,000 (and over \$1,000,000) must provide a Reviewed Financial Statement, as required by 220-RICR-30-00-4.6(D)(4)(a).

Revision Date: May 25, 2023