

U.S. Government Source Selection, “Best Value” Process

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Federal Acquisition Regulations (FAR)

- Subpart 15.3 Source Selection used to acquire goods and services
- Part 15, Contracting by Negotiation offers flexibility in varying the relative importance of price to non-price factors, called “Best Value”.
- Under “Best Value” strategy, depending on the requirement of what is being acquired, there are two options: Low Price-Technically Acceptable (LPTA), or Tradeoff.

“Best Value” Bidders Provide

- A Technical proposal based on what is requested in the Request for Proposals evaluation criteria.
- A Price proposal that is compared against the Independent Government Estimate.

Low Price-Technically Acceptable

- The technical evaluation of the bidders proposals is determined as a “pass-fail”
- The bidders that receive a “pass” for their proposals are then compared with their associated price and low bid wins.

Tradeoff Process

- The tradeoff is made during a process of evaluation by a selection board, and then blessed or rejected by the designated selecting official
- The tradeoffs are between non-price factors and price.
- The RFP clearly states the importance of price against the non-price factors and declares the priority of non-price factors against one another.

Who are the Evaluation Players?

- Contracting Officer-Awarding official, determines competitive range of offerors before discussions
- Source Selection Authority (SSA)---Selecting Official
- Source Selection Board (SSB)---Tradeoff Evaluators, written recommendation justifying tradeoffs to SSA- 2 to 5 members
- Technical Evaluation Board---Technical Proposal ranking against evaluation criteria, provides written report to SSB.- 2 to 5 members
- Price Evaluation Board---Price Proposal ranking, compliance determination, written report to SSB-no minimum or maximum members, often done by SSB

Steps in Source Selection

- Based on the requirement from the user, an Acquisition Team is established
- Define the requirements using market research
- An Acquisition Strategy is determined
- An Acquisition Plan is prepared
- A Source Selection Plan is developed
- An RFP is issued (evaluation criteria given, and priority of price against non-price factors)

Steps in Source Selection, continued

- During RFP period, bidders formally request answers and clarifications. Questions/Answers provided to all bidders, and technical amendments are issued to bidders if necessary.
- Bid proposals are received
- Proposals, both technical and price are evaluated

Typical Technical Evaluation Criteria

- Small Business Subcontract Plan
- Past Performance (jobs performed meeting evaluation criteria)
- Management (key personnel offered and associated with those jobs shown in past performance)
- Technical Approach (Comprehension of Requirements)
- Phase-in Plan
- Environmental (Sustainable LEED Project work)

Steps in Source Selection, continued

- Two options now available to either:
 - 1) Clarifications and award without discussions (negotiations), or
 - 2) award after conducting discussions
- Award without discussions decision moves to selecting the “Best Value” proposal (Price and non-price factors)
 - Award contract
- Alternative is to proceed to discussions to determine the “Best Value” proposal

Steps in Source Selection, continued

- Proceeding with discussions, a competitive range is determined (FAR subpart 15.306)
 - Determined by proposal evaluations
 - Contracting Officer limits to the greatest number consistent with an efficient evaluation process
 - Those offerors eliminated from competition are promptly notified in writing, and the basis must be given on why they were excluded.

Steps in Source Selection, continued

- Far subpart 15.306 (d) states, “When negotiations are conducted in a competitive acquisition, they take place after establishment of the competitive range and are called discussions.”
- Discussions can include bargaining over price, schedule, technical requirements, type of contract, or other terms.

Steps in Source Selection, continued

- Discussions must be “meaningful” with all offerors in the competitive range.
 - All proposal deficiencies must be identified to the offeror
 - A reasonable time must be given to make proposal revisions
 - The government makes a complete record of all discussions.
 - Discussions can be written, oral, or both.

Steps in Source Selection, continued

- Discussions prohibit the government from:
 - Favoring one offeror over another
 - Reveal an offeror's technical solution or compromise an offeror's intellectual property
 - Reveal an offeror's price without the offeror's permission
 - Reveal the individual names of those providing past performance information
 - Reveal Source Selection information

Steps in Source Selection, continued

- Once discussions are concluded, the revised proposals are evaluated by the TEB and PEB.
- A “Best Technical Proposal” ranking and recommendation are made to the SSB in addition to the final price proposals of the offerors.
- The SSB reviews the technical evaluation factors against the price and justifies any Tradeoffs in writing regarding their recommendation to the SSA on the “Best Value” to the government for award.

Steps in Source Selection, continued

- The SSA can accept or reject the SSB's recommendation based on a logical conclusion.
- The SSA makes the selection or asks the SSB to better justify their tradeoffs in their recommendation.
- Ultimately, the SSA makes a selection and the Contracting Officer awards the contract.

Technical Evaluation Board-key points

- Proposals are evaluated against the RFP evaluation criteria only.
- The TEB is trying to determine which proposer has the BEST expectation of completing the requirement successfully.
- Final rankings of all proposals are against the RFP evaluation criteria.
- Evaluations are done in an adjectival rating system, with written explanation of reasoning absolutely required.
- Subfactors must logically build the final factor evaluations grades.

Technical Evaluation Board-key points

- Documentation of evaluations and rankings are critical to the process.
- If the RFP uses certain phrases spend the time to ensure those words are “exactly” in the factor material being offered for evaluation.
 - i.e. “administrative facility, or management offices, or specific type of utility plant”.
- Clearly identify why this material meets the evaluation criteria on the page, don’t make the evaluator guess, or search.

Protests

- Redacted protest evaluations by GAO are listed at www.gao.gov
- GAO findings are based on the written record of the AP, SSP, RFP and SSA's written documentation.
- GAO findings are focused on the government being reasonable and consistent with the solicitation's stated evaluation criteria.
- 19 May 2010, NCMA Aloha Luncheon topic is "Protests"

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Questions?

