

PROPOSAL EVALUATION AND SOURCE SELECTION

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PROPOSAL EVALUATION AND SOURCE SELECTION

General

1. GENERAL

1.1 Introduction. Supplement 8 establishes the policy and mechanisms for the solicitation and evaluation of proposals as well as the requirements for source selection in the contracting activities of the Bureau. The provisions of this instruction are applicable to all competitively negotiated acquisitions over \$10 thousand, regardless of the contracting authority cited. These procedures shall also be used for purposes of technical evaluation in the first step of two-step acquisitions.

1.2 Policy. It is the policy of the Bureau to assure impartial, equitable and comprehensive evaluation of offers and selection of the source(s) whose offer provides the greatest advantage to the Bureau after consideration of performance, schedule, and cost. Program acquisitions exceeding the threshold of \$10 thousand will employ the Standard Source Selection procedure in accordance with the format of Illustration 1.

PROPOSAL EVALUATION AND SOURCE SELECTION
Definitions

2. DEFINITIONS

2.1 Terms for Negotiated Procurement. The following acquisition terms are defined, as follows:

A. "Negotiated Procurements" are those made without the use of formal advertising procedures.

(1) "Request for Proposals" (RFP) means the method used for requesting proposals for negotiated procurements by the Bureau.

(2) "Offer" is a term normally used to identify the submission when the acquisition is negotiated rather than advertised. Offers may consist of two types of proposals--technical (a description of substantive and procedural aspects) and cost (a provision of budget and cost data).

2.3 General Terms.

A. "Synopsis" means the publication of acquisition information in the Commerce Business Daily (CBD) in abbreviated form for both formally advertised and negotiated procurements.

B. "Non-Competitive" is a term used to denote solicitation of an offer from a single source.

C. "Source Selection Plan" means the plan and schedule developed by the initiator of the Acquisition Request (AR) that reflects the evaluation criteria to be used for judging the merits of a proposal. (See Illustration 1, Standard Procedures for Proposal Evaluation and Source Selection).

PROPOSAL EVALUATION AND SOURCE SELECTION
Solicitation Provisions/Procedures

3. SOLICITATION PROVISIONS/PROCEDURES

3.1 Administrative Considerations. The RFP will be designed to minimize both Bureau and offeror expense in connection with its preparation, response, and evaluation. Evaluation factors will be limited to those which are essential to the selection of the offeror most likely to satisfy the Bureau's requirements in terms of cost, schedule, and performance. Generally, offerors shall be required to submit cost/price information separately from technical portions of proposals. Particular attention must be given to ensure that the evaluation criteria contained in the RFP do not in any way differ from those contained in the Source Selection Plan. Any elaboration in the RFP of the Plan criteria must not result in a change of importance or addition or deletion of criteria. It is the responsibility of the Contracting Officer to ensure that the RFP conforms to the Source Selection Plan evaluation criteria. (See Illustration 1). The Contracting Officer and program specialist shall ensure that criteria are reasonable.

A. All proposals shall only be solicited by and then delivered to the Contracting Officer for recording and safekeeping. Proposals will not be received or opened by Bureau personnel other than those assigned this responsibility by the Contracting Officer. The Contracting Officer is also responsible for proper distribution of the proposals (including the separation and retention of the cost portions) when the time comes to evaluate proposals.

B. The Contracting Officer will be the sole point of contact between the offeror and the Bureau. Should it be necessary at any time to obtain additional information or presentations from prospective contractors, the Chairperson of the Contract Award Review Panel (CARP) will submit the specific request to the Contracting Officer who, in turn, will contact the offeror for the required data. If this requirement generates the need for substantial new information, it may be necessary to amend the RFP and request revised proposals. Therefore, all requests for additional information must be processed through the Contracting Officer to assure equal treatment of all offerors. (See Supplement 6 of 19 BIAM, Communications with Contractors and Prospective Contractors).

C. Source selection shall be completed expeditiously. A lengthy evaluation period creates problems, particularly with regard to the ability of the contractor to hold prices and conditions firm for an extended period. Under normal circumstances, the Bureau evaluation period should not exceed 30 calendar days. If complex acquisitions require longer to evaluate, the time-period should be clearly identified in the Source Selection Plan and the prospective offerors advised of this fact in the solicitation.

3.2 Conflict of Interest. The avoidance of conflict of employment or financial interest, or the appearance thereof, is vital to the integrity of

PROPOSAL EVALUATION AND SOURCE SELECTION
Solicitation Provisions/Procedures

the source selection process. When the Standard Source Selection procedure outlined in Illustration 1 is applicable, the participants shall sign a statement to the effect that in the event a proposal is received from a firm in which they have any holdings or interest, of whatever nature and to whatever extent, they will withdraw from participation in the evaluation.

A. Non-Federal contractor personnel shall not be members of any evaluation board or panel. In those specific limited instances where the Bureau does not have the requisite technical expertise available within its own agency, non-Federal contractor personnel may be utilized in an advisory capacity only. The advisory contractor personnel shall not rank or recommend one proposal over another, assign any numerical scores, or otherwise act in a decision-making capacity. They shall be strictly limited to reporting the strong and weak points of each individual proposal area to which assigned.

(1) Whenever it is planned to use non-Federal contractor personnel in such capacity, prospective offerors shall be advised in the RFP of the name of the contractor and a written release consenting to the use of contractor personnel will be obtained from the offerors as part of the proposal submission. In the event the RFP did not provide for this release and it is determined after receipt of proposals that contractor personnel are required to assist in the evaluation of the proposal, a written release from all offerors will be obtained prior to the dissemination of any proposal information to the contractor personnel assisting in the evaluation.

(2) Technical specialists from other Federal agencies may be used as members of evaluation boards or panels without restrictions.

PROPOSAL EVALUATION AND SOURCE SELECTION
Basis for Proposal Evaluation

4. BASIS FOR PROPOSAL EVALUATION

4.1 General. Contracts will be awarded on the basis of maximum advantage to the Bureau, cost or price and other factors considered. Primary emphasis in evaluating proposals will be placed on the analysis of the way each offeror proposes to satisfy the RFP requirements, the costs associated with the proposed effort, and the reduction of such analysis to descriptive words and phrases.

A. A numerical scoring system will be employed which will translate the word descriptions into quantitative terms. Scoring standards for use by evaluators shall be established in advance of the release of the RFP and made part of the of the RFP and the Source Selection Plan. Under no circumstances will proposals be opened for evaluation until the scoring standards are part of the Source Selection Plan.

B. Explicit guidance will be provided for scoring proposals across the entire range of acceptability. Scoring standards should also provide the means for recognizing proposal effort that is clearly superior. Strict adherence to such guidance is essential in order to provide the basis for ultimately selecting the proposal which best serves the Bureau's interests. The use of scoring standards will provide uniformity within and between Bureau contracting activities. (See Illustration 2, Scoring Techniques and Standards).

4.2 Weighted Scores. All evaluation factors listed in the RFP will be assigned weights. Cost may be excluded from weighting in such cases with the concurrence of the Contracting Officer; however, the evaluation of costs will precede the establishment of the competitive range. The relationship of cost factors to other evaluation criteria will be adjudicated to the satisfaction of the Contracting Officer in the recommendation and selection for award.

A. The summation of weighted scores will not be the sole basis for the selection of a source. Such scores, however, may provide compelling support for determination of competitive range or source selection. For that reason, it is imperative that weighted scores reflect as accurately as possible the substantive aspects of the proposals and their differences and that such scores positively discriminate between proposals of significantly varying merit, where such is the case. Emphasis is made that each proposal is evaluated against the RFP factors, not one proposal against another.

3. Evaluation findings and total weighted scores should identify proposals in such a manner as to facilitate a proper determination of competitive range. Every effort should be made to ensure that the evaluation process not be reduced to a mere statistical computation.

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Basis for Proposal Evaluation

4.3 Evaluation Results. Generally, evaluation results should categorize proposals as:

- A. Acceptable (i.e., acceptable for discussion/negotiation purposes),
- B. Capable of being made acceptable (i.e., where deficiencies are such that a reasonable amount of discussion may make the proposal acceptable), and
- C. Unacceptable (i.e., not acceptable because deficiencies exist as to preclude possibility of meaningful discussions and opportunity for award). If a proposal is clearly unacceptable, a detailed rating is not necessary. However, a cogent and comprehensive statement addressing the unacceptable features is required and shall be sufficient.

4.4 Privileged Information. After receipt of proposals but prior to award, no information regarding the number or identity of the offerors participating in the negotiations shall be made available to the public or to anyone whose official duties do not require such knowledge.

PROPOSAL EVALUATION AND SOURCE SELECTION

Personnel Qualifications

5. PERSONNEL QUALIFICATIONS

5.1 General. Care must be exercised in the evaluation process to avoid circumstances which contribute to the establishment of an illegal personal services relationship, especially in acquisitions calling for engineering, technical, or support services. Since the resulting contract must avoid creating specific or even implied power in the Bureau to hire or fire the contractor's employees, the evaluation process must give primary emphasis to the merits of the technical dissertation or approach. (See 19 BIAM Supplement 30, Clarification and Control of Personal-vs-Nonpersonal Services).

5.2 Evaluation of qualifications. The evaluation of resumes and other personnel qualifications should be solely for the purpose of establishing the offeror's understanding of the complexity and scope of the work required and the nature of the personnel resources proposed for its accomplishment. These factors then influence the degree of acceptability of the offeror's proposal. (See further 19 BIAM Supplement 18, Use and Control of Consulting and Management Services and Studies).

PROPOSAL EVALUATION AND SOURCE SELECTION
Competitive Range

6. COMPETITIVE RANGE

6.1 General. Written or oral discussions may be conducted with all responsible offerors who submit proposals within the competitive range. However, if discussions are held with one offeror, all others in the competitive range must also be contacted.

A. The competitive range shall be determined on the basis of price or cost, technical, and other salient factors and shall include all proposals that have a reasonable chance of being selected for award. A proposal is within the competitive range unless so technically inferior or out-of-line in price that meaningful negotiations are precluded. Cost or price as well as technical factors must be considered in determination of the competitive range. A predetermined score should not be used as a basis for determining whether proposals are within the competitive range. Generally, all proposals evaluated as acceptable will be initially considered to be in the competitive range. Borderline proposals should be considered on a case-by-case basis for inclusion or exclusion.

B. The initial number of proposals considered as being within the competitive range may be reduced when, as a result of written or oral discussions, a proposal has been determined to no longer have a reasonable chance of being selected for award. All determinations of competitive range are made by the Contracting Officer in consultation with the Contract Award Review Panel (CARP). (See Illustration 1, item 3).

6.2 Notification to Contractors. It is the policy of the Bureau to notify offerors not in the competitive range that they are no longer being considered for award as soon as possible so that the unsuccessful offerors will not incur costs unnecessarily. Such notification shall be made by the Contracting Officer as soon as possible after the determination of competitive range is made (usually within thirty days). If requested, debriefings will be afforded those sources not selected after the award has been made. (See 41 CFR §1-3.103).

PROPOSAL EVALUATION AND SOURCE SELECTION
Administrative Actions

7. ADMINISTRATIVE ACTIONS

7.1 General. Throughout the acquisition process, the Contracting Officer is responsible for all inquiries and follow-up actions regarding the status of approval of various contractual documents such as Determinations and Findings (D & F), and RFP.

7.2 Right of Appeal. The Assistant Secretary - Indian Affairs, as the Head of the Acquisition Activity, is the senior contracting official of the Bureau and the source of contracting authority of individuals designated and warranted as its Contracting Officers. The provisions of this Supplement provide for the orderly execution of such delegated responsibilities in connection with proposal evaluation, source selection, and related matters. No provision of this instruction shall be interpreted as denying the right of appeal from a decision of the Contracting Officer, or concurred in by him/her, to the Comptroller General for ultimate resolution.

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STANDARD PROCEDURES FOR PROPOSAL EVALUATION
AND SOURCE SELECTION PLAN

1. General. Proposal evaluation and source selection for acquisitions will be conducted in accordance with the general procedures and guidelines which follow. All acquisitions will be conducted in accordance with the policies and principles of Supplement 3 (Proposal Evaluation and Source Selection), the Federal and Interior Procurement Regulations, and other applicable directives and regulations. The documentation developed during the evaluation process will be adequate to both support the action taken and to debrief unsuccessful offerors.

2. Source Selection Plan. The initiator of the Acquisition Request (AR) shall furnish to the Contracting Officer for approval a proposed Source Selection Plan no later than the time of the release of the AR. The proposed Source Selection Plan should be coordinated with the Contracting Officer before its formal submission. It may be a part of the AR. The Plan shall contain the following information as a minimum:

A. A listing of the proposed evaluation criteria ranked in order of importance. Criteria should include technical approach, management, prior experience, and cost.

B. A brief narrative description of each of the evaluation criteria.

C. Any critical areas which, of and by themselves, could make an offer unacceptable.

D. Proposed milestone plan for events leading to award with dates normally based on days after receipt of the AR in the Contract Office. Sample milestones are listed in Illustration 3.

The proposed Plan may be forwarded to the Contracting Officer as part of the AR or forwarded in a separate envelope. The Contracting Officer shall review the proposed Plan to assure its adequacy for the purpose of establishing evaluation criteria in the RFP and evaluating the responses thereto. Questions concerning the proposed Plan will be resolved through coordination with the initiator. The proposed Plan shall be established as the Source Selection Plan upon written approval of the Contracting Officer.

3. Contract Award Review Panel. The Contracting Officer will establish a Contract Award Review Panel (CARP) to review and evaluate the technical proposals. The CARP shall be chaired by the cognizant technical specialist or

designee and shall be composed of personnel agreed to in consultation with the initiating activity, the Chairperson, and the Contracting Officer. The composition may vary, depending on the complexity and magnitude of the proposed contract. The CARP or, as a minimum, the Chairperson of the CARP, shall review the RFP prior to its issuance.

4. Evaluation of Cost Proposals. Cost vs. performance tradeoffs are essential elements of cost and price analysis and, as such, the evaluation of cost proposals requires the participation of competent technical personnel. Subsequent to the completion of the evaluation of technical proposals, the CARP shall be called on by the Contracting Officer to assist in the evaluation of cost proposals.

5. Competitive Range. After reviewing the proposals, evaluating them against the evaluation criteria and applying the criteria weights, the CARP shall document the results of the evaluation and make a recommendation as to those offerors with whom technical discussions and/or cost/price negotiations should be conducted by the Contracting Officer. Discussions should be conducted with all offerors who are in the competitive range. The documentation shall be submitted to the Bureau person responsible for the technical aspects of the acquisition. That individual shall review the results and recommendations, comment thereon, and forward them to the Contracting Officer for further action.

6. Recommendation for Award. At the conclusion of discussions and negotiations, the Contracting Officer shall request each prospective contractor within the competitive range to submit a "Best and Final Offer" to the Bureau. The CARP shall then be furnished with any revised proposals and cost/price information which may be submitted in response to a request for "Best and Final Offers." The panel shall review the revised information and shall prepare a Recommendation for Award. The Recommendation for Award and supporting rationale shall be submitted to the Bureau person responsible for the technical aspects of the acquisition for review, comment, and approval. S(he) will endorse the Recommendation for Award and forward it to the Contracting Officer. The Contracting Officer's action on the Recommendation for Award will be clear and unequivocal and it shall be made part of the official contract record. If the Contracting Officer does not concur with the Recommendation for Award, the matter will be discussed with the cognizant program official to resolve the issues. The matter may then be referred to the Assistant Secretary - Indian Affairs for resolution. No contract shall be entered into unless all applicable requirements of law and regulations have been met and all other applicable procedures have been followed.

7. Failure to Reach Agreement. If the CARP is unable to reach agreement upon, or to make a determination about, any of the offerors in the competitive range or the Recommendation for Award, the matter shall be referred to the

Bureau person responsible for the technical aspects of the acquisition and the Contracting Officer for resolution.

8. Contracting Officer's Authority. To ensure compliance with all requirements governing the conduct of negotiations and source selection, no aspects of these standard procedures shall be construed as limiting the authority and responsibilities of the Contracting Officer.

A. The Contracting Officer is the only Bureau official authorized by law to make the final award decision. Under the law, the Contracting Officer assumes responsibility for the contractual agreement. This is necessary to assure that only warranted Bureau representatives having the requisite authority make commitments on behalf of the Bureau. (See Supplements 1 and 5 of 19 BIAM).

B. In this legal and contractual capacity, the Contracting Officer must make use of all available resources in reaching a decision to commit the Bureau. To this extent, this source selection procedure is but one means of assuring that the maximum resources of the Bureau are employed in arriving at a fair and reasonable decision. The Contracting Officer retains the regulatory power to seek administrative advice, but the Contracting Officer must be careful to ensure that the ultimate decision is more than a mere endorsement of some other official's recommendation. Moreover, that decision must be based on an adequate statement of facts and reasoning, as well as on other mandatory considerations imposed by law or regulation.

C. Unless there is evidence of irregularity or illegality in the selection process used by the CARP, it is expected that the Contracting Officer will accept the selection decision of the CARP -- provided that there are no legal or contractual prohibitions against the award to the selected contractor(s) and that the determination is properly supported by appropriate documentation.

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SCORING TECHNIQUES AND STANDARDS

1. Detailed evaluation of proposals will be made by individual evaluators serving on the Contract Award Review Panel (CARP). The CARP will consider the merits of specific portions of each proposal against the established criteria. Primary emphasis in evaluating proposals will be on the analysis of the way each offeror proposes to satisfy the RFP requirements, and the reduction of such analysis to descriptive words and phrases. The initial evaluation of proposals by CARP will not consider price/cost elements. This aspect is to be considered only after technical evaluations are completed.

The numerical scoring system detailed herewith is used as a technique to translate the word descriptions into quantitative terms. Guidance is provided for scoring proposals across the entire range of acceptability. Scoring standards also provide the means for recognizing proposal effort that is clearly superior. Since adherence to such guidance is essential in order to provide the basis for ultimately selecting the proposal which best serves the Bureau's interests, scoring standards have been established which provide the same general set of values for all evaluators Bureauwide. The objectives of using these standards are to promote uniformity in evaluation and to aid in comparison and understanding of evaluation results of one Panel compared to another Panel, regardless of the contracting activity location.

The general standards (A,B,C,D,E) that follow are basic elements that describe a numerical score. Program specialists — in developing the standards criteria — would provide subsections (e.g., A₁, A₂, A₃, etc.) for each categorical range of scores. These criteria would describe and support the conceptual general standards for each category and would be specific to the need of the program and the acquisition effort.

2. The following general standards for scoring are established for this evaluation.

A. SCORE 81 to 100% - EXCELLENT. A very convincing demonstration that the Bureau's requirements are met by the offeror's display of the highest levels of innovation, technical competence, and managerial ability. The proposal fully and completely meets the expectations of the Bureau and sets forth plans, approaches, and analyses which show a high probability of meeting the Bureau's requirements.

B. SCORE 61 to 80% - GOOD. Analyses, approaches, and planning considerations demonstrate that the offeror is able to interpret requirements and project them into plans/analyses, etc., in a clear, concise manner. The offeror demonstrates an acute awareness of the subtle interactions which

influence system design. The technical and planning efforts show strong promise of meeting the Bureau's requirements.

C. SCORE 41 to 60% - FAIR. Plans, approaches, studies, etc., are provided to the extent requested, and the key or pivotal points raised by the applicable evaluation factors have been satisfactorily covered in the proposal. The offeror has presented an orderly plan to meet the stated requirements, but the proposal does not necessarily demonstrate any exceptional features, innovations, analyses, or originality. The technical analyses satisfactorily meet requirements and are technically correct.

D. SCORE 21 to 40% - POOR. The proposal indicates a shallow or less than full understanding of the problem. The technical analyses meet the requirements and are technically correct, but the offeror fails to demonstrate a reasonable probability of performing the desired task or the approach is risky.

E. SCORE 0 to 20% - UNACCEPTABLE. Does not meet the requirements stated in the RFP.

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SAMPLE MILESTONES

1. Approval of Source Selection Plan (SSP).
2. Release of AR from initiating office.
3. Receipt of AR by Contracting Officer.
4. Review of RFP by CARP.
5. Issue RFP.
6. Receipt of Proposals.
7. Evaluation by CARP completed.
8. CARP Recommendation of Competitive Range to Technical Specialist.
9. Competitive Range Recommendation to Contracting Officer.
10. Contracting Officer Determination of Competitive Range.
11. Discussions completed.
12. Receipt of "Best and Final Offer" (B&FO).
13. Evaluation of B&FO completed by CARP.
14. Recommendation for Award to Technical Specialist.
15. Recommendation for Award to Contracting Officer.
16. Contracting Officer selection for award.
17. Memorandum of Designation for Contracting Officer's Representative (COR).
18. Final negotiations.
19. Contract award.
20. Update of contract file.