

## Appendix M

### Source Selection Criteria

#### M.1 Overview

This appendix is designed to provide the Customer/COR with instructions on how to properly prepare source selection criteria and associated documentation. It will be given to the DCO and then used by the Government to award a competitive Task Order to the Contractor whose proposal is the most advantageous to the Government based on an integrated assessment of evaluation criteria.

The technical evaluation processes are normally performed by the Customer/COR and include: (1) Evaluating skill mix, manning levels, labor hours and/or delivery schedules, (2) Reviewing technical solutions, capacity and/or technical/management approach. (3) Evaluating past performance on earlier orders under the contract and previous contracts, including quality, timeliness and cost control.

#### M.2 Determining Best Value

All source selections should ensure that the Government selects the offeror proposing the best value to the Government. BEST VALUE can be determined by using one of two distinct processes: (1) “tradeoff” or (2) “lowest price, technically acceptable” (LPTA).

- Tradeoff means, “in the best interest of the Government to consider award to other than lowest priced offeror or other than the highest technically rated offeror.” In essence this means that the Government will evaluate both technical and price/cost factors as well as past performance and will award to the offeror whose proposal offers the best value to the government, considering trade-offs between price/cost and other factors.
- Lowest Price, Technically Acceptable (LPTA) means that the award will be made to the offeror whose price is lowest among all proposals that were deemed to be technically acceptable:
  - Determining best value using the LPTA method may be appropriate where the requirement is not complex and the technical and performance risks are minimal, such as acquisitions where service, supply, or equipment requirements are well defined.
  - The evaluation factors and significant sub-factors that establish the requirements of acceptability shall be set forth in the solicitation. The solicitation shall specify that award will be made on the basis of the lowest evaluated price of proposals meeting or exceeding the acceptability standards for non-cost factors (See FAR 15.101-2(b)(1)) This method does not allow for trade-offs between price/cost and technical factors.



Whether based on the “tradeoff” or “lowest price, technically acceptable” method, successful proposal evaluation depends on the following elements:

1. Appropriate, well-defined evaluation criteria,
2. Evaluation rating standards that are understood and applied consistently among evaluators and among all proposals being evaluated,

### M.3 Process for Developing Evaluation Criteria

Follow the process beginning on the next page as a guide to developing the evaluation criteria. Contained within this process are examples of instructions to the Offerors and the standards for each of the factors to be evaluated. You may use one or more of these examples as stated, tailor them or develop new criteria to meet your program needs. This information will then be used by the DCO when preparing the Request for Order Proposal (RFOP).

**Blue (or Bold)** fonts in the steps below represent where modifications and additional working is required.

## Assistance in Preparing Source Selection Criteria

### Step 1. Identity Evaluation Factors and Priorities

The table below lists the most common evaluation factors used during source selections. The relative importance of these factors must be stated in the RFOP.

Note: For Technical and Management you can either prioritize and evaluate them separately or combine them into a single factor. If you prioritize them as separate priorities, do not also prioritize the combined factor and vice versa.

Not all factors are required for the evaluation process – if not relevant leave the Priority blank (Cost/Price and past performance must always be considered).

In the Priority column, mark which factors are to be used (1 being the highest and 5 the lowest). Factors can have the same priority (for example if all factors are considered of equal importance to the selection process they can all be marked as “1” or just an “X”).

Selection Factor	Priority
Technical	
Management	
Technical/Management	
Past Performance	
Past Performance Risk	
Proposal Risk	
Security	
Cost/Price	
Other:	

### Step 2. Priority of Cost/Price

The RFOP shall also state, at a minimum, whether all evaluation factors (other than Cost/Price), **when combined**, are (mark one):

- Significantly more important than Cost/Price;
- Approximately equal to cost or price; or
- Significantly less important than cost or price. (FAR 15.304(e))

### Step 3. Determine Best Value Approach

Consult with the DCO or Contract Specialist when making this determination and check the appropriate box.

- Tradeoff (best value other than lowest cost)
- LPTA (lowest price that is technically acceptable)

**Step 4. Develop Technical Evaluation Factors:**

Insert the number of pages for this factor. For simple requirements 5 – 15 pages is common, for moderate requirements 15 to 40 is common, and for complex a range of 50 – 100 may be needed to provide sufficient space to address all the requirements and provide enough room for information to be provided that can be used by the evaluation team to distinguish between the qualities of the Bidder responses.

The table below provides some sample technical evaluation factors and Instruction(s) to Offeror. Others may need to be defined in addition to the ones listed below based on the type of requirements to be addressed in the Bidder proposals. The goal is to provide the type of discriminators which allow the Government to make a best selection decision. “Discriminators” are the significant aspects of a task order requirement that are expected to distinguish one proposal from another, thus having an impact on the ultimate selection decision, and allowing the source selection team to accomplish an evaluation that distinguishes among competing proposals in areas the Government believes are most important. Mark on the left which to “Use”.

Use	Description	Instruction to Offeror	Example Evaluation Standard
<input type="checkbox"/>	Technical Solution/ Approach	Provide a description of Offeror’s technical solution/approach to meet the requirements of the <b>SOO or/ PWS dated xxx 201_</b> .	The standard is met when the proposal provides a sound technical solution/approach, including the implementation of sound technical processes/procedures which meet requirements of the <b>SOO or/ PWS dated xxx 201_</b> and ensures system and software operability and maintainability, and the ability to recognize and address program interoperability, safety and security issues, including but not limited to personnel, data, data analysis tools, and assets.
<input type="checkbox"/>	Mix/ Availability of Skills	Provide a description of the mix of skills proposed in the numbers needed in the time required that meets the requirement of the <b>SOO or/ PWS dated xxx 201_</b> . If personnel are subcontracted, the approach illustrates the method of administration and technical control of the subcontractor(s).	The standard is met when the Offeror provides a sound, compliant approach, which meets the requirement of the <b>SOO/ PWS dated xxx 201_</b> and illustrates a thorough knowledge and understanding of those requirements, adequate and appropriate personnel skills, any associated risks, and actions the offeror will take to mitigate the risks, if any. If personnel are subcontracted, the approach illustrates a sound method of administration and technical control of the subcontractor(s).
<input type="checkbox"/>	<b>[Others]</b>		

**Step 5. Develop Management Evaluation Factors:**

Insert number of pages for this factor (for simple requirements typically 3-5 pages, for moderate requirements 5-10 pages and for complex requirements 15-25 pages).

The table below provides sample management evaluation factors and Instruction(s) to Offeror. Others may need to be defined in addition to the ones listed below based on the type of requirements to be addressed in the bidder proposals. The selections should be limited to those which provide the type of discriminators which allow the Government to make a best value decision.

Use	Description	Instruction to Offeror	Example Evaluation Standard
<input type="checkbox"/>	Management Approach	Provide a description of Offeror's management approach to meet the requirements of the <b>SOO or PWS dated xxx 201_</b> . The proposal should provide all task related materials and services (not otherwise being provided as GFE) required to efficiently and effectively manage accomplishments of tasks covered by requirements. You may want to add - The contractor should provide a program plan tailored to accomplishing administrative, management, technical, and financial requirements, as a minimum a milestone chart, projected spending rate and estimated man-hours should be included.	The standard is met when the proposal provides a sound, compliant approach, which meets requirements of the <b>SOO or PWS dated xxx 201_</b> and illustrates a thorough knowledge and understanding of those requirements, their associated risks, if any, and actions the offeror will take to mitigate the identified risks. This includes all materials and services required to efficiently and effectively manage accomplishments of tasks covered by requirements (add the following if adding additional sentence as highlighted above) and a program plan tailored to accomplishing administrative, management, technical, and financial requirements, as a minimum a milestone chart, projected spending rate and estimated man-hours.
<input type="checkbox"/>	Delivery Schedule or Turnaround Time	Provide a description of Offeror's delivery schedule or turnaround time which meets or exceeds the requirement specified in the PWS. If subcontracted, the approach should illustrate the method of administration and technical control of the subcontractor(s).	The standard is met when 1) the proposal provides a sound and compliant approach to the delivery schedule or turnaround time which meets or exceeds the requirement specified in the PWS, and illustrates a thorough knowledge and understanding those requirements and demonstrates the offeror's ability to accomplish the logistics efforts associated with providing parts and personnel to residential and on-call locations within CONUS and OCONUS locations, including deployed locations. 2) If subcontracted, the approach, which illustrates the method of administration and technical control of the subcontractor(s), is acceptable.

<input type="checkbox"/>	Capacity	Provide a description of the Offeror's capacity to meet the required delivery schedule (or proposed delivery, if earlier). If subcontracted, the approach illustrates the capacity of the subcontractor and the method of administration and technical control of the subcontractor(s).	The standard is met when the Offeror demonstrates the ability to produce the necessary resources to meet or exceed the required delivery schedule (or proposed delivery, if earlier), including but not limited to training, support personnel, diagnostics, and OEM support agreements. If subcontracted, the approach illustrates the capacity of the subcontractor and the method of administration and technical control of the subcontractor(s).
<input type="checkbox"/>	[others]		

### Step 6. Development of Technical / Management Evaluation Rating Scale

Choose the appropriate rating scale from below or provide your own:

- Best Value:** A sample rating scale for evaluating best value is provided below.

Color	Interpretation	Definition
Blue	Exceptional	Exceeds specified minimum performance or capability requirements in a way beneficial to the Government
Green	Acceptable	Meets specified minimum performance or capability requirements necessary for acceptable contract performance
Yellow	Marginal	Does not clearly meet some specified minimum performance or capability requirements necessary for acceptable contract performance but any proposal inadequacies are correctable
Red	Unacceptable	Fails to meet specified minimum performance or capability requirements. Proposals with an unacceptable rating are not awardable

- LPTA** - For the lowest price, technically acceptable, the approach is based on PASS/FAIL:

Interpretation	Definition
Acceptable	PASS: Meets specified minimum performance or capability requirements necessary for acceptable contract performance
Unacceptable	FAIL: Fails to meet specified minimum performance or capability requirements necessary for acceptable contract performance

## Step 7. Develop Past Performance Factors

The extent of the past performance evaluation is determined by the complexity of the requirement. The requiring activity must provide the Technical Experience/Knowledge evaluation criteria and relevancy definitions. Past Performance Fact sheets are helpful when gathering past performance information.

Insert number of past performances submissions required from the Bidders (Usually 3 to 4 per source selection)

Insert if Past Performance is Simple, Moderate or Complex

The evaluation of past performance will assess the confidence in the offeror's ability to successfully accomplish the proposed effort based on the offeror's demonstrated present and past work record. More recent and more relevant past performance usually has a greater impact in the confidence assessment than less recent and less relevant performance.

Targeted Past Performance is required for all competitive orders. The requiring activity must develop the performance evaluation criteria, relevancy ratings, and evaluation standards. The extent of the past performance evaluation is dependent on the value and complexity of the requirement.

For simple requirements, past performance evaluations may be performed by the Contracting Officer with input by the requiring activity's technical office.

If an evaluation team is used, it will determine quality, relevancy, and confidence ratings as follows:

- Quality ratings: Exceptional, Satisfactory, Unsatisfactory
- Relevancy ratings: Very Relevant, Relevant, Not Relevant.

**Sample Quality Definitions:** (Please note these are **sample** definitions only. Quality definitions may need to be tailored to the specific requirement and should be focused on those aspects of performance that will serve as discriminators). A quality rating will be assigned to each contract identified by the Offeror in its Technical Knowledge/ Experience submission): Select one of the two example sets of quality definitions defined below:

**For LPTA or Best Value (Simple Requirements)**

**PASS:** A review of the Offeror's past performance demonstrates that the Offeror has performed successfully, without any unresolved quality issues. Performance has been timely and fully acceptable to the Government. In the event of performance problems, all issues have been resolved to the satisfaction of the Government. (*Provide examples from information obtained from the POCs identified by the Offeror, CPARS, Past Performance Information Retrieval System (PPRIS), etc., on the evaluation form.*)

**FAIL:** A review of the Offeror's past performance demonstrates that the Offeror has not performed successfully. (Provide examples from information obtained from the POCs identified by the Offeror, CPARS, PPIRS, etc., on the evaluation form.)

**For Best Value (Moderate to Complex Requirements)**

**EXCEPTIONAL:** A review of Offeror's past performance demonstrates that the Offeror has performed successfully, on schedule, and without any unresolved quality issues. Performance has been timely and fully acceptable to the Government. In the event of performance problems, all issues have been resolved to the satisfaction of the Government. (Provide examples from information obtained through past performance evaluation, CPARS, PPIRS, etc.)

**SATISFACTORY:** A review of Offeror's past performance demonstrates that the Offeror has performed successfully and without any unresolved quality issues. In the event of performance issues, all issues have been resolved to the satisfaction of the Government. (The evaluation team will obtain information from the POCs identified by the Offeror, Contractor Performance Assessment Reporting CPARS, Past Performance Information Retrieval System (PPRIS), etc)

**UNSATISFACTORY:** A review of the Offeror's past performance demonstrates that the Offeror has not performed successfully. (The evaluation team will obtain information from the POCs identified by the Offeror, Contractor Performance Assessment Reporting System CPARS, Past Performance Information Retrieval System (PPRIS), etc)

**Sample Relevancy Definitions:** (Please note these are **sample** relevancy definitions only. Relevancy definitions must be tailored to the specific requirement and should be focused on those aspects of performance that will serve as discriminators). Two example sets of relevancy definitions are provided below:

**Simple/Moderate Requirements**

**RELEVANT:** Present/past performance efforts involved ***much*** of the magnitude of effort and complexities this solicitation requires. Must include programs that demonstrate capability in ***(identify program/requirement) by containing XX (#) of the XX (#) critical tasks identified in the PWS.***

**NOT RELEVANT:** Present/past performance efforts involved ***little or none*** of the magnitude of effort and complexities this solicitation requires.

**Complex Requirements**

**VERY RELEVANT:** Present/past performance efforts involved *essentially the same* magnitude of effort and complexities this solicitation requires. Must include programs that demonstrate capability in **(*identify program/requirement*) by containing XX (#) of the XX (#) critical tasks identified in the PWS.**

**RELEVANT:** Present/past performance efforts involved *much* of the magnitude of effort and complexities this solicitation requires. Must include programs that demonstrate capability in **(*identify program/requirement*) by containing XX (#) of the XX (#) critical tasks identified in the PWS.**

**NOT RELEVANT:** Present/past performance efforts involved *little or none* of the magnitude of effort and complexities this solicitation requires.

**Step 8. Development of Risk Assessment for Past Performance (if required)**

Mark this box if a Performance Risk Assessment will be performed. This type of analysis provides insight into an offeror's probability of successfully completing the solicitation requirements based on the offeror's performance record on similar contract efforts. Assess risk through evaluation of the offeror's past performance.

Rating	Definition
Substantial Confidence	Based on the Offeror's performance record, the government has a high expectation that the Offeror will successfully perform the required effort.
Satisfactory Confidence	Based on the Offeror's performance record, the government has an expectation that the Offeror will successfully perform the required effort.
Limited Confidence	Based on the Offeror's performance record, the government has a low expectation that the Offeror will successfully perform the required effort.
No Confidence	Based on the Offeror's performance record, the government has no expectation that the Offeror will be able to successfully perform the required effort.
Unknown Confidence	No performance record is identifiable or the Offeror's performance record is so sparse that no confidence assessment rating can be reasonably assigned.

**Step 9. Development of Overall Risk Assessment of Proposal (if required)**

Mark this box if a Proposal Risk Assessment will be performed. This type of evaluation documents the risks associated with an offeror's proposed approach.

The following table provides an approach to evaluating Risk Assessment.

Rating	Definition
High	Likely to cause significant disruption of schedule, increased cost, or degradation of performance. Risk may be unacceptable even with special contractor emphasis and close Government monitoring.
Moderate	Can potentially cause some disruption of schedule, increased cost, or degradation of performance. Special contractor emphasis and close Government monitoring will probably be able to overcome difficulties.
Low	Has little potential to cause disruption of schedule, increased cost, or degradation of performance. Normal contractor effort and normal Government monitoring will probably be able to overcome difficulties.

### Step 10. Development of Security Factors (if required)

In the SITE umbrella contract, the prime contractors have all demonstrated that: they possess a TS Facility clearance and have the ability to store secret level documentation and that they are able to provide TS cleared personnel under DoD contracts and contractor personnel that are eligible for SCI access. The Contractors all provided the CAGE codes for all Facility clearances and the CAGE code (s) for storage location (s). The nominated Program Manager was eligible for SCI access.

If additional security requirements are required to be demonstrated by the offeror at the task order level, criteria will have to be established. Examples might include their ability to provide:

- A sufficient number of cleared personnel to meet the schedule.
- Sufficient SCIF storage space to house XX square feet of equipment by XX date.

The Security Factor is often evaluated as Pass or Fail, but it is not required. If Pass/Fail evaluation is acceptable check the block below. If the offeror does not receive a Pass in the Security portion of its proposal, the proposal will not be evaluated further.

STANDARD: The Offeror has demonstrated that all security requirements are met. This is a Pass/Fail factor.

If Security is not pass/fail and will be an independent evaluation factor, then provide the security criteria to be used, including the ranking factors. Examples include: Did the vendor clearly demonstrate the ability to provide cleared personnel. What time frame is proposed? Are key personnel identified in the proposal that are eligible for SCI access in the time required? How thorough is their strategy for (or have they demonstrated experience in) placing people in a hazardous area of operations?

STANDARD: Provide security criteria to be used.