DEPARTMENT OF THE ARMY
US ARMY MEDICAL RESEARCH ACQUISITION ACTIVITY
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Customer Service Center (Purple) 20 October 2008

MEMORANDUM FOR TMA EVALUATION OFFICIALS

SUBJECT: Evaluation of T/AARMS, TEAMS, or D/SIDDOMS-3, Task Order Proposals

The purpose of this memorandum is to provide guidance to TMA officials conducting Fair Opportunity proposal evaluations pursuant to FAR 16.505 and DFARS 216.505-70. T/AARMS, TEAMS and D/SIDDOMS-3 task order source selections are normally conducted by a team consisting of one or more technical evaluators, the TMA Procurement Support (TPS) Acquisition Manager (AM), a Contract Specialist, and the undersigned or another authorized Contracting Officer (KO) serving as the Source Selection Authority (SSA).

As an evaluator, you share responsibility for maintaining the integrity of the procurement and are subject to the requirements of the Procurement Integrity Act (See implementing regulation FAR Part 3.104). The Procurement Integrity Act precludes individuals from knowingly disclosing source selection information and contractor bid or proposal information before award of a Federal contract to which the information relates. You are responsible for the security of the evaluation and related material entrusted to you, to include: proposal materials and other source selection and proprietary information related to the procurement. You shall not discuss, communicate, or otherwise deal on matters related to the source selection with any individual not assigned to your evaluation team, unless authorized by me, and only then within appropriately secure areas; and will challenge the presence of any apparent unauthorized individual within the physical location of the evaluation site.

Evaluators must not have any biases or conflicts of interest that would impact the source selection process. Financial interests in offerors and employment discussions with offerors are examples of conflicts of interests that would preclude an employee from participating in a source selection. Each evaluation team member must sign a certificate that addresses confidentiality of information, conflicts of interest, and rules of conduct (see the TMA standard confidentiality agreement for government personnel at http://www.tricare.mil/tps/ConfidentialityAgreementFedEmployee.doc) Any contractor personnel supporting the evaluation must sign the contractor confidentiality agreement at: http://www.tricare.mil/tps/ConfidentialityAgreementNon-FedEmployee.doc. If you have any questions regarding your procurement integrity responsibilities, contact your supporting AM or KO immediately.

You are responsible for conducting a fair and comprehensive review and evaluation of proposals against the Solicitation requirements and the approved evaluation criteria. You must therefore be intimately familiar with the Performance Work Statement (PWS), Evaluation Criteria, and Instructions to Offerors sections of the Solicitation for this task order. You must strictly adhere to the evaluation criteria/factors/sub factors contained in the Solicitation. To guide you through this evaluation task, please refer to the attached guidelines regarding the evaluation process.

The key to a successful evaluation is robust documentation. Individual evaluator and team consensus worksheets are key documents which must be completed correctly to reflect an accurate and fair evaluation. These documents serve to support the source selection decision and are *discoverable* documents that may be subject to intense review.

Prior to commencing the evaluation, all evaluators will sign the attached form acknowledging receipt of these instructions and forward the signed form to their supporting AM.

Daniel R. Signore
Contracting Officer

EVALUATOR'S ACKNOWLEDGMENT OF RECEIPT

I have read and understand the memorandum subject: Evaluation of T/AARMS, TEAMS, or D/SIDDOMS-3, Task Order Proposals and the Guidelines on the Technical Evaluation Process attached thereto. I understand my responsibilities related to the following proposal:

Solicitation Number: ________________________________

Title: ____

(Signature)	(Date)
(Name)	(Telephone)
(Rank/Grade)	

GUIDELINES ON THE TECHNICAL EVALUATION PROCESS
FOR IDIQ TASK ORDERS

This guidance is provided only for the purpose of assisting the Technical Evaluation Panel (TEP) with a Tradeoff evaluation, and is not to be construed as the evaluation criteria or method for evaluation.

The Technical Evaluation is the process of reviewing, analyzing, rating, and ranking non-cost/price proposals (sometimes referred to as Technical Proposals) submitted by industry in response to a Government Solicitation. This guidance applies when the **Tradeoff** process has been selected to evaluate which proposal offers the best value to the Government. A Tradeoff evaluation process is used when more than one proposal is received and it is in the Government's best interest to consider award to other than the lowest price offeror or the highest technically rated offeror. Under this process, you evaluate both cost/price and non-cost/price factors and award is made to the offeror proposing the combination of factors that represents the best value based on the evaluation criteria.

ACQUISITION PLANNING

A successful evaluation begins long before proposals are submitted by offerors. During the acquisition planning phase of a procurement, key decisions are made when the requiring activity works with the contracting office to develop the Performance Work Statement (PWS), and a plan for choosing a contract awardee and procuring the services best suited to the customer's requirement. The results of this planning will be included in Solicitation.

The Solicitation asks offerors to submit their proposed costs or price and a response to one or more technical factors, or questions, which describe the offeror's capability (Evaluation Factors). The Solicitation describes to offerors the basic criteria and process that will be used to evaluate proposals (Evaluation Criteria), and describes the relative value of the proposal factors. Information about the evaluation scheme is given in the Basis for Award part of the Solicitation.

The evaluation factors included in the Solicitation are tailored to the requirements of the PWS. The factors should be designed to allow offerors to demonstrate their capabilities and/or their plans for accomplishing contract requirements. The Federal Acquisition Regulation (FAR) requires that in addition to evaluating the cost/price of each proposal, agencies must include a factor entitled Past Performance and consider the quality of offerors' experience on work similar to that in the Solicitation. Past performance analysis considers risk from the award provides insight into an offeror's probability of successfully completing the Solicitation requirements based on the offeror's performance record on similar contract efforts.

The standard TMA system for rating non-cost/price factors other than past performance uses a scale of acceptability, with the best rating being Exceptional, followed by Good, Acceptable, Marginal, and Unacceptable. For past performance, TMA uses a rating system that assesses the potential risk of nonperformance (Low, Moderate, High) by the offeror or Unknown Risk of nonperformance, where no record of past performance is available. Each criterion has a specific definition which describes the way it is applied to the offeror's technical submission. Consistent application of the criteria and their definitions is **essential** to a successful technical evaluation.

PREPARING FOR THE TECHNICAL EVALUATION

At the conclusion of the Solicitation period, offerors submit their proposals in two parts – the cost/price proposal and the non-cost/price proposal (sometimes called the technical proposal). The Contracting Officer or his/her supporting staff receives the proposals and separates them, retaining the cost/price proposals and sending the non-cost/price proposals to be evaluated.

The team that is to evaluate the non-cost/price proposals is called the Technical Evaluation Panel (TEP). For simplicity, we'll refer to this as the evaluation team. The members of the evaluation team should be subject matter experts with regard to the requirements included in the Solicitation, and should include the Contracting Officer's Representative (COR) who will be assigned to monitor performance of the contract.

The location for the evaluation should provide adequate space and equipment such as a white board for tracking progress and telephones for conducting past performance reference checks. This location should allow for the fewest possible interruptions. To ensure the integrity of the procurement is preserved, all information about and within the proposals must be strictly secured at all times. This includes the proposals, evaluation worksheets (whether hard copy or electronic files), notes taken during the evaluation, information about the number or names of offerors, etc. Disclosure of information about the proposals to non-evaluation team members may compromise the procurement and unwittingly provide an unfair competitive advantage to an offeror. Such an unfair advantage could lead another offeror to file an official protest that could delay or threaten the start of contract services.

Evaluation team members must initially read and become familiar with the requirements and information contained in the Solicitation, especially the PWS, Evaluation Criteria, and Instructions to Offerors so that they are thoroughly familiar with the Government's requirement. This familiarity will greatly expedite and ease the evaluation process. Do not assume that the Solicitation documents are exactly the same as those forwarded to Contracting at the beginning of the process. Prior to starting evaluations, the team should identify the key requirements of the PWS, so that those requirements will be sought in each proposal and appropriate comments made.

Key tools for the evaluation are the non-cost/price evaluation worksheets. These are often MS Word or Excel files and are usually initiated by the AM, a supporting contractor who has signed a confidentiality agreement, or the evaluation team chairperson. These sheets list each evaluation factor, usually broken out into its component parts with areas for making comments, cross-referenced to both the Solicitation and the respective proposal. Used properly, these forms provide a consistent format for documenting and reviewing findings.

CONDUCTING THE TECHNICAL EVALUATION

The evaluation should begin as soon as practicable following the evaluators' receipt of the proposals. The length of time that the evaluation takes is dependent on the complexity of the Solicitation, the number and nature of the non-cost/price evaluation factors, and the number of proposals received. It will directly impact on the start date of contract services, so the earlier the evaluation team starts the better.

At the appointed time, the evaluation team gathers at the designated location with copies of offerors' proposals, one or more copies of the Solicitation, individual evaluation worksheets, pads, pens, and plenty of yellow stickies (most evaluators' weapon of choice). The evaluation team chairperson usually opens the proceedings by briefly reviewing the requirements of the Solicitation, reviewing the evaluation procedures and criteria, providing an overview of the offers received (numbers and names), and discussing some general procedures. The chairperson also discusses the need to maintain the security of the documentation and information from the evaluation, and each evaluation team member is asked to sign a Confidentiality Agreement if they have not already done so. The order of evaluation of the various proposals should be random. Providing preferential status to a proposal by choosing to review it first or last must be avoided.

The actual evaluation process is a simple one. Each evaluation team member individually reads the proposal and separately documents his or her findings and conclusions, always keeping in mind Solicitation requirements and evaluation criteria. Notwithstanding the specific requirements of any particular set of non-cost/price evaluation factors, the evaluation team is actually evaluating basically three things:

1) Did the offeror follow submission format requirements?
2) Did the offeror provide a complete response to the technical and administrative requirements? and
3) What is the quality of that response?

First, did the offeror follow submission format requirements? The most obvious of these requirements which you might see is a limitation on pages. If the Solicitation limits proposals to 50 pages, any pages in excess of that limit are not to be included in the evaluation of the proposal. The failure of an offeror to number pages or paragraphs as required is not a weakness that should influence the rating of the offeror or their eligibility for contract award.

Second, did the offeror provide a complete response to the requirements? Particular attention must be paid to the PWS and Instructions to Offerors when making this determination. The Instructions to Offerors may state that some responses are required ("the offeror shall submit"), while others are only items suggested for inclusion in the proposal ("the offeror should submit"). Ensure that the required items are included (if they're not, the proposal is, by definition, incomplete) and ensure that the overall content of the proposal is sufficient to enable the evaluation team to draw conclusions regarding the offeror's capability. If the submission content is not sufficient to allow the evaluation team to draw those conclusions, the proposal is most likely incomplete.

Third, what is the quality of the offeror's response? This is where the knowledge of the subject matter experts comes into play. Certainly this part of the evaluation is targeted primarily at assessing the quality of the offeror's response to the specific submission requirements, but there are some general questions that can be asked during the evaluation regardless of the specific factors:

Does the proposal take exception to the Solicitation requirements?
Is the proposal internally consistent? Does it contradict itself?
Does the proposal demonstrate the offeror's overall understanding of the PWS requirements?
Does the proposal contain any strengths (responses that are stronger than merely acceptable)?
Does the proposal contain any weaknesses (responses that represent minor flaws in the proposal)?
Does the proposal contain any deficiencies (responses that represent material failures, which if uncorrected threaten successful performance)?
Does the proposal contain any enhancements (responses which represent performance in excess of Solicitation requirements and which have value to the Government)?
Overall, does the proposal indicate a good probability of the offeror successfully performing the requirements of the Solicitation?

A good example of the application of the above quality questions can be seen in an often used evaluation factor, Technical Approach. In response to this factor, offerors are generally required to describe their overall technical approach (including approach to staffing) to yield the required results within the specified time frame. This would include items such as their overall plan for management of the contract and their personnel, recruitment techniques to be utilized, personnel retention methods, security procedures, information management and reports. In response to this factor, mere statement by an offeror that it will comply with the requirements of the Solicitation, for example, does not represent a quality response. Additionally, simply regurgitating the language used in the PWS does not represent a quality response. But if the same offeror discusses methods and resources for staff recruitment, a detailed compensation package aimed at retaining a qualified workforce, the individual within their organization who will do personnel scheduling, the specific procedure for backfilling a short notice vacancy, that offeror has likely demonstrated an understanding of Solicitation requirements and has indicated to the evaluation team a good probability of successful performance.

Documentation of each team member's evaluation is normally done using an individual evaluator worksheet. Once each evaluator has completed their individual evaluator worksheet, the evaluation team, as a group, discusses the findings and conclusions of each member and reaches a consensus as to the strengths, weaknesses, or deficiencies of the proposal. Based on the definitions of the rating standards and evaluation criteria, the evaluation team assigns a rating to each evaluation factor/sub-factor and in turn assigns an overall rating to the proposal. Collectively, the strength/weakness statements for each proposal must provide the basis for a narrative that logically supports the overall proposal rating.

Past Performance. Examples of past performance are reviewed to assess how recent and how relevant they are – i.e., how closely the past performance matches the requirements of the Solicitation in terms of its scope (general nature of the service), its magnitude (the size of previous contracts in relation to the Solicitation), and its complexity (the range of labor categories or geographic locations to be covered). An offeror may have vast experience which is relevant in terms of scope but none relevant in terms of magnitude or complexity. These degrees of relevancy must be clearly spelled out in the evaluation. For TMA Fair Opportunity source selections, offerors are usually asked to provide less than six references. Evaluation team members contact references and ask a set of pre-established questions which confirm the relevance and illustrate the quality of the experience. The personal experiences of evaluation team members are allowed in this part of the evaluation. Just as with other evaluation factors, the evaluation team discusses findings, reaches consensus, and assigns a past performance rating (Risk Level) in accordance with the Source Selection Plan.

Oral presentations are sometimes used as part of the non-cost/price evaluation process. The same principles and procedures that apply to written proposals also apply to oral proposals. The presentations are generally limited by Solicitation requirements as to content and duration. The Contracting Officer or Contract Specialist will generally be in attendance to oversee the proceedings. The presentation of each offeror will generally be video or audio taped to assist in writing the evaluation team report. Clarifying questions will often be asked of the offeror at the conclusion of the presentation. The evaluation and documentation of results should be carried out just as they would be for a written proposal.

GENERAL EVALUATION TIPS AND CAUTIONS:

Do not compare proposals in your individual evaluations. Evaluate each proposal on its own merits and its unique approach.

Be Fair, Accurate and Consistent. Do not fault one offeror for something, while not faulting another offeror for the same thing. Likewise do not give credit for something to one offeror but fail to give credit for the same thing to another offeror. Avoid being too conservative in your scoring on the first proposals evaluated and then being too easy in your scoring of the later proposals.

Avoid the appearance of bias or prejudice in your writings and avoid any presumptions for or against any offeror. Do Not write something personal or that which you do not wish to defend in a public forum.

Assume nothing. Do not "fill in the blanks" in a proposal simply because you know the contractor can do the work or is the incumbent.

Consider only the non-cost/price factors <u>stated in the Solicitation</u>; no unstated factors can be added. For example, the evaluation team may feel that the proximity of one offeror's offices to the place of performance may be a plus, but unless the location of the offeror's offices is a stated non-cost/price factor, it cannot be considered by the evaluation team. Likewise, no evaluation factor included in the Solicitation can be overlooked or ignored.

Evaluate each proposal on its own merits. Except for past performance, do not supplement an offeror's proposal with information from your own knowledge. However, personal knowledge of an evaluation team member relating to an offeror's relevant and recent past performance can be documented and included in the evaluation team report, just as information from any other reference would be.

Use reasoned and well articulated statements regarding strengths, weaknesses, or deficiencies that clearly communicate the basis of any findings, and provide references to both the Solicitation and the respective proposal. The evaluation record must stand on its own without the need of additional explanations or clarification. A best practice is to use two-part statements: First – what did you find (citing specific examples or quotes), and Second – why does it matter. Write using complete sentences so that lay persons who do not know anything about the technical effort can understand.

Maintain strict record security. Never write your notes on the proposals themselves. Keep the record file legible and clear. Once you have reached your final deliberative work product, avoid confusion by properly discarding earlier draft worksheet versions and notes that no longer reflect your final version.

One more note about the process. During the course of evaluating offers, it is not uncommon for evaluation team members to notice Solicitation requirements which are not quite right, or which could use an update. You should report these items to the Contracting Officer, as there may be an opportunity to make corrections via an amendment to the Solicitation prior to contract award. However, you must ignore these issues during the evaluation. <u>Proposals must be evaluated against the Solicitation</u> <u>as it currently reads</u>, not against how it should read.

WRITING THE EVALUATION TEAM CONSENSUS REPORT:

When the evaluation team has completed the evaluation process, the chairperson assembles all proposals and evaluation worksheets in preparation for writing the evaluation team report. The report is an extremely important input toward the ultimate contract award. The evaluation team must reach a consensus with regard to their individual opinions, and this report reflects that consensus position. The team consensus report must pass muster with the contracting officer, and legal counsel.

The team consensus report is typically divided into six major parts.

1) The first part contains administrative information such as the CMID number and the Solicitation number, a list of offerors, and tables summarizing the offerors ratings and cost/price.

2) The second section of the consensus report is an offeror by offeror, detailed discussion of the non-cost/price evaluation factors and evaluation team's findings. This section should address the

major strengths, weaknesses, deficiencies in each offeror's proposal and what impact those strengths, weaknesses, deficiencies have on contract performance and the overall risk of unsuccessful performance. This factor-by-factor write-up for each offeror is the chance for the evaluation team to influence the outcome of the contract award process by clearly articulating the advantages and disadvantages of awarding to each offeror. The report should relate each offeror's strengths and the resultant reduced risks to the Government and/or savings that can accrue to the customer. Conversely, the weaknesses and deficiencies of a lesser offeror must likewise be expressed in terms of negative impacts on the customer. It is not sufficient to only elaborate upon the aspects of the "best" offeror. The consensus report must discuss the team's rationale for the evaluation ratings for every one of the other offerors.

3) The third section of the consensus report contains the tradeoff discussion and award recommendation. This is the first place in the consensus report where a comparison of offers can take place and it is here where a clear, business case must be presented specifying **<u>why</u>** one proposal/offeror represents the best value to the Government in terms of proposal quality and associated risk, offeror's performance risk, and cost/price. This business case must flow clearly and logically from the discussion of each proposal's strengths, weaknesses and deficiencies and their impact on contract performance. It must clearly articulate all key tradeoff points, i.e. why any added value or reduced risks associated with a proposal offset its higher cost, or why a lower cost proposal is preferred over a higher rated proposal.

4) The fourth section of the consensus report is where the evaluation team indicates their findings regarding any potential Organization Conflicts of Interest (OCI) concerning the recommended offeror. This analysis is done in accordance with FAR 9.5, and the team's conclusion must be based upon a review of the information in the non-cost/price proposal, an OCI Mitigation/Avoidance Plan (if submitted), an OCI Assessment Form (if provided by TMA), and any team member's personal knowledge.

5) Each member signs and dates the consensus report in the signature section.

6) The consensus report must also contain in an appendix all the evaluation criteria, rating standards and definitions as stipulated in the Solicitation.

THE OUTCOME

Only after both the cost/price and non-cost/price proposal evaluations have been completed and the consensus report reviewed by the Contracting Officer will a determination be made on whether the contract can be awarded based on the initial offeror submissions. If not, discussions with offerors will be necessary and subsequent submissions of technical information will be received for review. Each subsequent review will follow the process described above.

Ultimately, the non-cost/price evaluation process is an important component of contract award. It is the opportunity for the requiring activity to learn something of their prospective contracting partners and influence the decision making process by applying the evaluation criteria as stated in the Solicitation. It is also an opportunity to analyze the non-cost/price evaluation process itself.

What worked? What didn't? What non-cost/price factors helped to differentiate the offerors? What would we like to have known that we failed to ask?

This kind of lessons learned analysis continues to improve the overall quality of our awarded contracts. Each non-cost/price evaluation provides an opportunity to improve the process and influence contract awards in the future.

Daniel R. Signore
Contracting Officer
US Army Medical Research Acquisition Activity