

Section M - Evaluation Factors for Award

CLAUSES INCORPORATED BY REFERENCE

52.217-5

Evaluation Of Options

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SECTION M

SECTION M: Evaluation Criteria and Standards

M1. Basis for Award

a. Basis for Contract Award

This is a best value source selection conducted in accordance with Federal Acquisition Regulation (FAR) 15.3 – Source Selection, as supplemented by the Defense Federal Acquisition Regulation Supplement (DFARS) and the DISA Acquisition Regulation Supplement (DARS). These regulations are available electronically at <http://farsite.hill.af.mil>. The Government will select the best overall offer based upon an integrated assessment of the Technical/Management Factor, Sample Tasks Factor, Past Performance Factor, and Cost/Price Factor. Contracts may be awarded to the Offeror who is deemed responsible in accordance with the FAR, as supplemented, whose proposal conforms to the solicitation's requirements (to include all stated terms, conditions, representations, certifications, and all other information required by Section L of this solicitation) and whose proposal is judged, based on the evaluation factors and subfactors to represent the best value to the Government. The Government will seek to award a contract to the Offeror who gives the Defense Information Systems Agency (DISA) the greatest confidence that it will best meet, or exceed, the requirements. This may result in an award to a higher rated and/or higher priced Offeror, where the decision is consistent with the evaluation factors. As long as the Source Selection Authority (SSA) reasonably determines that the higher ranked technical/management, overall business approach, and/or greater past performance of the higher cost/price Offeror outweighs the cost/price difference. The SSA will base the source selection decision on an integrated assessment of proposals against all source selection criteria in the solicitation (described below). While the Government source selection evaluation team and the SSA will strive for maximum objectivity, the source selection process, by its nature, is subjective; and therefore, professional judgment is implicit throughout the entire process.

b. Number of Contracts to be Awarded

The Government intends to award at least two contracts for the DISA Test & Evaluation (T&E) Mission Support Service (MSS) Program; however the Government will reserve the right to make additional awards if doing so is in the Government's best interest. The Government also reserves the right to make no award at all.

c. Rejection of Unrealistic Offers

The Government may reject any proposal that is evaluated to be unrealistic in terms of program commitments, contract terms and conditions, or cost, either high or low, when compared to Government estimates, such that the proposal is deemed to reflect an inherent lack of competence or failure to comprehend the complexity and risks of the program.

d. Correction Potential of Proposals

The Government will consider, throughout the evaluation, the "correction potential" of any deficiency or uncertainty. The judgment of such "correction potential" is within the sole discretion of the Government. If an aspect of an Offeror's proposal does not meet the Government's requirements and is not considered correctable, the Offeror may be eliminated from the competitive range.

e. Competitive Advantage from Use of GFP.

The Government will eliminate any competitive advantage resulting from an Offeror's proposed use of Government-furnished property (GFP).

f. Discussions

If, during the evaluation period, it is determined to be in the best interest of the Government to hold discussions, Offeror responses to Evaluation Notices (ENs) and the Final Proposal Revisions (FPR) will be considered in making the source selection decision.

M2. Evaluation Criteria

M2.1 General

The Government will use evaluation criteria to identify the proposal or proposals that would provide the best value to the Government. The evaluation criteria represent key areas of importance to be considered in the source selection decision. The proposals will be evaluated against the Government's requirements using the evaluation criteria. The evaluation criteria consist of the following four Factors and Subfactors:

Factor 1 – Technical/Management Factor:

- Subfactor 1 – Technical Knowledge Subfactor
- Subfactor 2 – Management Structure Subfactor
- Subfactor 3 – Phase-In/Phase-Out Approach Subfactor

Factor 2 – Sample Tasks Factor

- Subfactor 1 – Sample Tasks 1
- Subfactor X – Sample Tasks X
- ...
- Subfactor Z – Sample Tasks Z

Factor 3 – Past Performance Factor

Factor 4 – Cost/Price Factor

The Factors and Subfactors have been chosen to support a meaningful discrimination between and among competing proposals. Each Offeror's proposal will be evaluated in terms of the Offeror's abilities to meet or exceed the program's objectives within the constraints stated in the DISA T&E MSS Performance Work Statement (PWS). The ratings are explained below in Section 5.3.5.

M2.2 Relative Importance

The relative importance of the Factors is identified as follows:

- Factor 1 – Technical/Management Factor is equal in importance to Factor 2 – Sample Tasks Factor;
- Factor 1 – Technical/Management Factor is more important than Factor 3 – Past Performance Factor; and
- Factor 2 – Sample Tasks Factor is more important than Factor 3 – Past Performance Factor.

The combination of all three of Factor 1 – Technical/Management Factor, Factor 2 – Sample Tasks Factor, and Factor 3 – Past Performance Factor is significantly more important than Factor 4 – Cost/Price Factor, but Factor 4 – Cost/Price Factor will still contribute significantly to the award decision.

The relative importance of the Subfactors is identified as follows:

Under Factor 1 – Technical/Management Factor, the Subfactors are listed in descending order of importance.

Under Factor 2 – Sample Tasks Factor, each of the Subfactors is equal in importance.

M2.3 Description of Factors and Subfactors

M2.3.1 Factor 1 – Technical/Management Factor

The evaluation will gauge the Offeror's depth of understanding of the DISA T&E MSS Mission and Functions stated in the PWS, Section C, paragraphs 5.2 and 5.3. The evaluation will determine the ability of an Offeror and assess the risks associated with having the Offeror fully support DISA T&E throughout the contract performance period.

M2.3.1.1 Subfactor 1 – Technical Knowledge Subfactor

The evaluation will examine the comprehensiveness of the Offeror's response and gauge whether the Offeror fully understands the various types of support required by DISA T&E and its customers.

The response demonstrates the Offeror's understanding of technical performance, including the implementation of sound technical process/procedures to ensure system operability and maintainability, and the ability to recognize and address test interoperability, safety, and security issues, including, but not limited to, personnel, data, data analysis tools, and assets.

The Offeror proposes a sound, well-thought-out process/procedure to implement current standard practices as well as best business practices.

The Offerors proposal demonstrates a thorough understanding of test discipline, operational doctrine, and skills to meet mission partner data requirements.

M2.3.1.2 Subfactor 2 – Management Structure Subfactor

The evaluation will assess the extent to which the proposal allows for management at all locations, to include teaming partners, and if there is a clearly defined chain of command that allows for decentralized management decision making. The evaluation will assess to what extent the management structure facilitates timely assignment and execution of work, if it will support multiple tasks related to any DISA T&E function, and if it addresses how multiple tasks will be executed. The evaluators will assess ratios of workers to management/secretaries, and assess the reasonableness of overhead. Evaluators will make a determination of the Offeror's approach to meeting deadlines while providing high quality products, to include when fluctuating workloads require increased management attention. The Offeror's approach to responding to potential problem areas, both internal to the company and the Government (those that impact successful contract accomplishment), will be assessed to determine if it is reasonable. The Offeror's approach to attract, recruit, and retain a highly qualified workforce will be evaluated through analysis of compensation plans, lag rates, hiring practices, retention rates, processes employed by the Offeror to plan for keeping staff trained in emerging technologies and for ensuring that high quality, well trained personnel are hired for all tasks. This evaluation will include how the Offeror proposes to train its employees, how it will keep the staff aware of innovative test methodologies, and the Offeror's plan to minimize Government-funded training. Teaming arrangements will be evaluated to determine qualifications of the teaming partners, determine their added value to DISA T&E, and assess the benefit from the teaming partners. This includes the use of all subcontractors and teaming partners, including small businesses such as: small disadvantaged businesses (includes historically black college or university, minority institutions), woman-owned small businesses, HUBZone businesses, and service disabled veteran-owned small businesses. Finally, the Offeror's plan for efficient and effective use of personnel mixes (labor categories, levels, and locations) will be assessed, to include use of entry level positions and progression to senior levels.

M2.3.1.3 Subfactor 3 – Phase-In/Phase-Out Approach Subfactor

The evaluation will consider the Offeror’s understanding of the problems related to phase-in/phase-out, and the proposed solutions will be analyzed to determine if they are reasonable and prudent. The evaluation will consider whether the Offeror’s phase-in transition planning approach will provide a fully functional team with knowledge of the technical and programmatic tasks to support the contract and tasks, including: (1) effectively and efficiently transitioning resources and personnel onto this contract, (2) establishing necessary and viable management processes and structures, and (3) ensuring full continuity of mission support and contract performance within 90 days after contract award. The evaluation will consider the Offeror’s phase-out transition planning approach will provide full cooperation in the Government’s transition to other contracts for substantially the same effort, including: (1) the understanding that some of the Offeror’s employees may elect to interview and accept employment with the successor Contractors, (2) the preservation and availability of copies of records and documents regarding the performance of work required by this contract, and (3) the provision of orientation to the employees of successor Contractors during the final 90 days of this contract.

M2.3.2 Factor 2 – Sample Tasks Factor

The Government's review will include an evaluation of the proposed technical approach to determine if it is reasonable and parallels or complements the approach identified by DISA T&E subject matter experts (SME). The evaluation will gauge the extent to which the requirements of the task have been considered, understood, and satisfied; the extent to which the approach demonstrates a clear understanding of all considerations involved in meeting the requirements and addressing problems presented by the task; the extent to which uncertainties are identified and resolutions proposed; and the extent to which the approach is workable and the end results achievable. The labor categories identified by the Offeror will be analyzed to determine if personnel with the proper levels of expertise are assigned to the task, and the hours necessary to complete the task will be compared to the estimate provided by the DISA T&E SME. Any issues associated with the task will be examined to determine the impact.

Under Factor 2 – Sample Task Factor, each of the Subfactors is equal in importance. Each of the Subfactors will be evaluated as a basis to determine the Offeror’s technical knowledge, to determine the Offeror’s ability to employ their management structure, and to establish the Offeror’s cost/price.

The Subfactors under the Factor 1 – Technical/Management Factor and under the Factor 2 – Sample Task Factor will receive a color rating in accordance with Table 1 below:

TABLE 1: COLOR RATINGS FOR SUBFACTORS UNDER FACTOR 1 – TECHNICAL/MANAGEMENT FACTOR AND FOR SUBFACTORS UNDER FACTOR 2 – SAMPLE TASK FACTOR		
Color Rating	Description	
Blue	Exceptional	Exceeds specified minimum performance or capability requirements in a way beneficial to the Government. A proposal must have one or more strengths and no deficiencies to receive a blue.
Green	Acceptable	Meets specified minimum performance or capability requirements. A proposal must have no deficiencies to receive a green but may have one or more strengths.
Yellow	Marginal	There is doubt regarding whether an aspect of the proposal meets a specified minimum performance or capability requirements, but any such uncertainty is correctable.
Red	Unacceptable	Fails to meet specified minimum performance or capability requirements. The proposal has one or more deficiencies and is not awardable.

The Subfactors under the Factor 1 – Technical/Management Factor and under the Factor 2 – Sample Task Factor will also receive a risk rating in accordance with Table 2 below:

TABLE 2: RISK RATINGS FOR SUBFACTORS UNDER FACTOR 1 – TECHNICAL/MANAGEMENT FACTOR AND FOR SUBFACTORS UNDER FACTOR 2 – SAMPLE TASK FACTOR		
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Risk Rating	Description
Low	Has little potential to cause disruption of schedule, increased cost, or degradation of performance. Normal contractor effort and normal Government monitoring will likely be able to overcome any difficulties.
Moderate	Can potentially cause disruption of schedule, increased cost, or degradation of performance. Special contractor emphasis and close Government monitoring will likely be able to overcome difficulties.
High	Likely to cause significant disruption of schedule, increased cost or degradation of performance. Extraordinary contractor emphasis and rigorous Government monitoring may be able to overcome difficulties.
Unacceptable	The existence of a significant weakness or combination of weaknesses that is very likely to cause unmitigated disruption of schedule, drastically increased cost or severely degraded performance. Proposals with an unacceptable rating are not awardable.

M2.3.3 Factor 3 – Past Performance Factor

Under Factor 3 – Past Performance Factor, the Confidence Assessment represents the evaluation of an Offeror's past work record to assess the Government's confidence in the Offeror's probability of successfully performing as proposed. The Government will evaluate the Offeror's demonstrated record of contract compliance in supplying products and services that meet user needs, including cost and schedule. The Past Performance evaluation will be accomplished by reviewing aspects of an Offeror's recent and relevant past performance, focusing on and targeting performance that is relevant to the subfactors under the Factor 1 – Technical/Management Factor and the Factor 4 – Cost/Price Factor.

In determining recency, any work on contracts and/or tasks performed within 3 years of the date of issuance of the solicitation will be determined recent.

A relevancy determination of the Offeror's past performance, including joint ventures, subcontractors and/or teaming partners, will be made. In determining relevancy for individual contracts, consideration will be given to the effort, or portion of the effort, being proposed by the Offeror, teaming partner, or subcontractor whose contract is being reviewed and evaluated. Higher relevancy will be assessed for contracts that are most similar to the effort, or portion of the effort, for which that contractor is being proposed. The Government is not bound by the Offeror's opinion of relevancy. The following relevancy definitions apply:

Very Relevant: Past performance effort involved essentially the same magnitude of effort (at least \$50 million during the past performance effort) and involved essentially the same complexities this solicitation requires.

Relevant: Past performance effort involved much of the magnitude of effort (at least \$25 million during the past performance effort) and involved much of the complexities this solicitation requires.

Somewhat Relevant: Past performance effort involved some of the magnitude of effort (at least \$10 million during the past performance effort) and involved some of the complexities this solicitation requires.

Not Relevant: Past performance effort did not involve the magnitude of effort and complexities this solicitation requires.

The Government evaluation team, known as the Performance Confidence Assessment Group (PCAG), will conduct an in-depth review and evaluation of all past performance data obtained to determine how closely the work performed under those past performance efforts relates to the proposed effort. The PCAG will, as deemed necessary, confirm past performance data identified by the Offeror in the proposal and obtain additional past performance data, if available from other sources. The PCAG may consider the Offeror's, including subcontractors, joint ventures, and past performance in aggregate, in addition to an effort (contract) by effort (contract) basis.

When relevant past performance efforts indicate performance problems, the Government will consider the number and severity of the problems and the appropriateness and effectiveness of any corrective actions taken (not just planned or promised). The Government may review more recent contracts or performance evaluations to ensure corrective actions have been implemented and to evaluate the effectiveness of the actions.

As a result of an analysis of those positive and negative aspect indicators identified, each Offeror will receive an integrated Past Performance Confidence Assessment, which is the assessment for Factor 3 – Past Performance Factor. Although the past performance evaluation focuses on past performance that is relevant to the subfactors under Factor 1 – Technical/Management Factor and the Factor 4 – Cost/Price Factor, the resulting Past Performance Confidence Assessment is made at the Factor 3 – Past Performance Factor level and represents an overall evaluation of Offeror past performance.

Pursuant to DFARS 215.305(a)(2), the assessment will consider the extent to which the Offeror's evaluated past performance demonstrates compliance with FAR 52.219-8, Utilization of Small Business Concerns and FAR 52.219-9, Small Business Subcontracting Plan.

Offerors without a record of recent and relevant past performance efforts, or for whom information on past performance is not available, will not be evaluated favorably or unfavorably on Factor 3 – Past Performance Factor and, as a result, will receive an Unknown Confidence assessment for the Factor 3 – Past Performance Factor.

Adverse past performance information is defined as past performance information that supports a confidence assessment of Limited Confidence or of No Confidence on any evaluation element or as past performance information that includes any unfavorable comments received from sources without a formal assessment system.

The Government will evaluate the Offeror's past performance efforts on similar contracts in order to assess its confidence in selecting a particular Offeror for award. The Government will use information provided by the Offeror, and any information from other sources, to determine an Offeror's performance history on past performance efforts.

The past performance evaluation will assess the relative confidence associated with an Offeror's likelihood of success in performing the solicitation's requirements as indicated by that Offeror's record of past performance.

When assessing past performance, the Government will focus its inquiry on the past performance of the Offeror and its proposed major subcontractors as it relates to all solicitation requirements. These requirements include all aspects of price, schedule, and performance, including the Offeror's record of: (1) conforming to specifications and standards of good workmanship; (2) forecasting and containing costs on any previously performed contracts; (3) adherence to contract schedules, including the administrative aspects of performance; (4) commitment to customer satisfaction; and (5) businesslike concern for the interest of its customers.

A significant achievement, problem, or lack of relevant data in any element of the work can become an important consideration in the source selection process. A negative finding under any element may result in an overall No Confidence rating.

Offerors are cautioned that in conducting the past performance evaluation, the Government will use data provided in the Offeror's proposal and data obtained from other sources. Since the Government may not necessarily interview all of the sources provided by the Offerors, it is incumbent upon the Offeror to explain the relevance of the data provided. Offerors are reminded that while the Government may elect to consider data obtained from other sources, the burden of proving good past performance rests with the Offerors.

Past Performance will be evaluated in terms of the complexity of work, contract delivery schedule, dates of actual deliveries, dates of cure notices, show cause letters, any price overruns or price growths and/or termination actions and final contract prices.

The Offeror and its subcontractors and teaming partners will be evaluated as a team. The aggregate results of the survey of customers, and any other information deemed appropriate, will be analyzed to identify past performance

trends. A group consensus will be prepared that identifies the Government’s confidence in selecting a particular Offeror team for award, and the Offeror team will be assigned a single past performance confidence assessment.

The Government will conduct a past performance confidence assessment based on the recency, relevancy, and quality of the Offeror’s past performance on similar contracts, as well as that of its major subcontractors, as it relates to the probability of successful accomplishment of the required effort.

The Offeror’s past performance will be evaluated for recency, relevancy, quality of performance and ability to meet, exceed, or not meet small business goals.

Quality will be determined through the use of past performance questionnaires that will elicit from Government points of contact the Offeror’s ability to provide the (1) technical service, including the ability to provide personnel with the necessary skills, qualifications, etc., (2) the timeliness of the service, (3) maintain cost control, (4) business management, (5) customer relations, (6) ability to meet, exceed or not meet subcontracting goals.

Each Offeror’s proposal will receive a single confidence assessment for Factor 3 – Past Performance Factor in accordance with Table 3 below:

TABLE 3: CONFIDENCE ASSESSMENTS FOR FACTOR 3 – PAST PERFORMANCE FACTOR	
Confidence Assessment	Description
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 can be reasonably assigned.

M2.3.4 Factor 4 – Cost/Price Factor

Evaluation of an Offeror’s proposal shall be based on the information presented in the proposal and information available to the contracting office from sources deemed appropriate. Sources typically considered include the Defense Contract Audit Agency, Defense Contract Management Agency, and other contracts with the same firms for similar items or services.

The Offeror’s proposal must demonstrate and clearly describe an effective and efficient cost approach for accomplishing the stated requirements. The Offeror’s proposal will be evaluated, using one or more of the techniques defined in FAR 15.404-1, in order to determine if it is reasonable and realistic. In addition, the Government will review the Offeror’s proposal for completeness and accuracy.

M2.3.4.1 Cost/Price Reasonableness

The techniques and procedures described under FAR 15.404-1(b), and as supplemented, will be the primary means of assessing proposal reasonableness. The evaluation techniques described under FAR 15.404-1(c), as determined appropriate, may also be performed in further defining the reasonableness and affordability of the proposal.

M2.3.4.2 Cost/Price Realism

Cost/Price realism will be performed by the Government in accordance with FAR 15.404-1(d) and as supplemented to determine whether the Offeror’s proposed costs/prices: (1) are realistic for the work to be performed; (2) reflect a

clear understanding of the requirements; and (3) are consistent with the various elements of the Offeror’s proposal. The Offeror’s proposed cost/price will be evaluated by determining what the Government predicts the Offeror’s approach would most probably cost the Government when the work performed under the contract is completed. To the degree that the Government’s probable cost estimate exceeds the Offeror’s proposed cost, the proposed cost will be adjusted upward for the purposes of evaluation only. An incentive structure is under consideration.

The Government will analyze the fully loaded composite labor rates (detailed cost levels) and extended costs (summary levels) proposed against the sample tasks against an industry standard, which it will derive from all proposals that utilize the same labor categories and the Independent Government Cost Estimate (IGCE). The Government will calculate a Most Probable Cost and for use in the analysis of the realism evaluation. The Government will consider the extent to which the proposed cost at the detailed and summary levels are realistic against the industry standard and IGCE and the level of risk, considering other aspects of the Offeror’s proposal (e.g., compensation package, fringe package, composite overtime rates, use of uncompensated overtime, and approach for minimizing impact of material handling costs on cost reimbursement items). Cost information supporting a cost judged to be unrealistically low and technical/management risk associated with the proposal will be assessed by the Government. When the Government evaluates a proposal as unrealistically low compared to the anticipated costs of performance and the Offeror fails to explain these underestimated costs, the Government will consider, under the risk evaluation, the Offeror’s lack of understanding of the technical requirements of this solicitation.

M2.3.4.3 Cost/Price Risk

Each Offeror’s proposal will receive a single risk rating for Factor 4 – Cost/Price Factor in accordance with Table 4 below:

TABLE 4: RISK RATINGS FOR FACTOR 4 – COST/PRICE FACTOR	
Risk Rating	Description
Low	Little difference exists between the Offeror’s proposed cost/price and the Government’s best estimate of the Offeror’s MPC. Cost growth and/or other anomalies related to cost/price are unlikely to occur and any potential impact is manageable.
Moderate	Some difference exists between the Offeror’s proposed cost/price and the Government’s best estimate of the Offeror’s MPC. Cost growth and/or other anomalies related to cost/price may occur and the potential impact may require special attention.
High	Significant difference exists between the Offeror’s proposed cost/price and the Government’s best estimate of the Offeror’s MPC. Cost growth and/or other anomalies related to cost/price is likely to occur and the impact may be unmanageable.

M3. SOLICITATION REQUIREMENTS, TERMS AND CONDITIONS

Offerors are required to meet all solicitation requirements, such as terms and conditions, representations and certifications, and technical/management requirements, in addition to those identified as factors or subfactors. Failure to comply with the terms and conditions of the solicitation may result in the Offeror being ineligible for award. Offerors must clearly identify any exception to the solicitation terms and conditions and must provide complete supporting rationale.