OFFICE OF ACQUISITION MANAGEMENT
HARPERS FERRY CENTER
ADMINISTRATIVE GUIDELINE NUMBER 1
SOURCE EVALUATION AND SELECTION
APRIL 2005

I. BACKGROUND

Source evaluation and selection are guided by Federal Acquisition Regulation (FAR) Subpart 15 and the Department of the Interior Acquisition Regulation (DIAR), Subpart 1415.6. These regulations apply to all negotiated procurements except Architect-Engineering services which are covered under FAR Subpart 36 and DIAR Subpart 1436.6.

The objectives of the evaluation review process are to:

- Assure the efficient and effective expenditure of Government funds;
- Optimize the opportunity for attainment of program objectives;
- Obtain adequate and effective competition in the acquisition of goods and services;
- Assure impartial, equitable and thorough evaluation of proposals and other information received; and
- Provide necessary data to the Contracting Officer to permit the selection of the best value.

II. PURPOSE

The purpose of this Administrative Guideline is to establish general policy and procedures for the source evaluation and selection process in negotiated acquisitions at the Harpers Ferry Center. The principles contained in this guideline are intended to help maintain and enhance the proposal review process in an objective and accountable manner.

III. METHODS OF EVALUATION

Depending upon the cost and complexity of the project, evaluations may vary from the use of a single evaluator to a panel approach. The same general techniques are used in either case.

The following panel composition is recommended. Use of less than these recommended numbers must be approved in advance, on a case-by-case basis, by the Deputy Associate Manager, Office of Acquisition Management. Use of more than the recommended number is permitted, but the use of more evaluators should be carefully considered based on the administrative costs.

Value of Procurement	**Panel Composition**
Under $100,000	Single Evaluator/Contracting Officer
$100,000 – $1,000,000	Three-person Evaluation Panel/Contracting Officer
$1,000,000 – or more	Five-person Evaluation Panel/Contracting Officer

IV. CONFIDENTIALITY AND CONFLICT OF INTEREST

It is essential to the competitive procurement process that each evaluator attest to the absence of any conflict of interest and assure that all information contained in each offeror's proposal is maintained in strict confidence. In this regard, each member of the evaluation panel must sign Confidentiality and Conflict of Interest Certificates before evaluating proposals (See Attachments A and B). In no event during the evaluation process should any offeror be told the number of proposals received, prices, cost ranges (except construction), or the Government estimate. Discussions with offerors relative to any aspect of the procurement should be held only with the Contracting Officer. The Contracting Officer is responsible for reminding the reviewers, and any other attendees at the review meetings, that any group recommendation on proposals are to be treated as confidential. Such information may not be disclosed to offerors or to third parties, except other National Park Service (NPS) employees with a "need to know" in connection with their official duties. Employees with a "need to know" must sign Confidentiality and Conflict of Interest Certificates (See Attachments A and B). Any requests received by the evaluators or program staff for information concerning the evaluation must be referred to the Contracting Officer. Under certain circumstances, the Freedom of Information Act may require that we release certain information relative to successful proposals and review-related documents; however, such release will be made only by the Contracting Officer.

V. ROLES AND RESPONSIBILITIES OF THE EVALUATION PANEL

The evaluation panel consists of the Contracting Officer, Contract Specialist, Contracting Officer's Technical Representative (COTR), and as many other qualified specialists as are required. Only regular or special Government employees of the Department of the Interior (DOI), NPS, or where appropriate, other Federal Government Agencies may participate in the evaluation and selection process. (Reference: "Federal Advisory Committee Act," 5 U.S.C. Appendix I). Members must be selected carefully to avoid any real or apparent conflict of interest.

Evaluators must understand that their participation is needed for the total process. After the initial meeting there may be oral presentations, negotiations, and then a final evaluation. While it is possible to conduct an acceptable evaluation when the number of evaluators is reduced after the initial meeting, members cannot be added. Panel members are recommended by the COTR at the time the requisition package is drafted and approved by the Contracting Officer (See Attachment C). Any changes in the composition of the panel after the initial approval must be authorized, in writing, by the Contracting Officer.

A. **Source Selection Authority**. The Source Selection Authority (SSA), generally the Contracting Officer, is responsible for: (1) ensuring that the review is conducted in accordance with all applicable regulations and policies; (2) assuring there is no conflict of interest; and (3) assuring a complete record of the review process is produced. A review should not be conducted in the absence of the SSA or delegated Contract Specialist.

During the evaluation, the SSA will make certain that every proposal is given adequate review and that evaluators arrive at sound recommendations. The SSA does not vote or make motions, but as needed, provides advice and direction to the Chairperson and evaluators to make sure their actions conform to policy.

The SSA determines the competitive range and is responsible for making the final source selection decision by documenting based on the facts presented which of the proposals is most advantageous to the Government considering price or cost, technical merit, and other factors pertinent to the solicitation.

B. **Panel Chairperson**. The Chairperson, generally the COTR, is responsible for: (1) scheduling and conducting all panel meetings and deliberations; (2) assuring all members of the Technical Evaluation Panel (TEP) have been advised of the program objectives; and (3) assuring each evaluator provides an unbiased evaluation of the technical quality of each proposal received for summarizing all of the panel findings, conclusions and recommendations (See Attachment D). The Chairperson will normally participate in the evaluation of proposals, but may function as a non-voting member.

C. **Technical Evaluation Panel**. The TEP is composed of a group of specialists technically knowledgeable about the statement of work and evaluation criteria. Each member must review all proposals initially submitted in response to the solicitation. Only individuals who evaluate initial proposals may evaluate revised proposals submitted after a determination of the competitive range. Each member is responsible for: (1) providing an unbiased evaluation of the technical quality of each proposal received; and (2) documenting each evaluation on the official rating sheet provided by the SSA.

D. **Business Evaluation Panel**. The Business Evaluation Panel (BEP), generally the Procurement Technician, Contract Specialist and/or Contracting Officer: (1) reviews the solicitation, evaluation criteria, and statement of work from a business perspective; (2) evaluates the business and contractual aspects of the offerors business proposals; and (3) considers other factors such as responsibility of the offerors. The BEP also collects and scores the Past Performance evaluation portion of the solicitation under the Past Performance criteria in requirements over $100,000.

VI. EVALUATION FACTORS

The evaluation factors that will be considered in making the source selection and their relative importance are included in "Evaluation and Award Criteria," in each solicitation. This technical evaluation criteria is prepared in accordance with FAR Subpart 15.3.

VII. PROPOSAL EVALUATION AND REVIEW PROCEDURES

The evaluation panel will initially be advised of the basic purpose, scope, and objective of the project, followed by a review of the proposals. Panel members should be instructed to evaluate each proposal independently, assuring that proper time and attention is devoted to the completion of the ratings. It is, of course, appropriate for a reviewer to modify his/her rating sheet at the meeting to adjust for any information or understanding gained as a result of the review discussion.

Total scores for each proposal will be collected by the Contracting Officer at the beginning of the review meeting, followed by a discussion of each proposal by the evaluation panel in terms of the stated evaluation criteria. In the case of samples, samples will be reviewed before total scores are collected. When each proposal has been thoroughly discussed, each reviewer will finalize their individual evaluative findings and ratings, and make a determination as to the acceptability or unacceptability of each proposal. To the extent possible, the panel should work towards a consensus regarding the acceptability or unacceptability of each proposal.

Evaluators should take care to ensure that narrative statements are consistent with their numerical scores and that they support the conclusions reached. The review panel should not use predetermined cut-off scores to determine whether or not a proposal is acceptable. It is essential that reviewers conduct a thorough discussion of each proposal as it relates to each evaluation criteria since the reasons for selection or non-selection of offerors proposals must, in all cases, be clearly expressed. The results of the evaluation must be properly documented and supported. Technical evaluators are responsible for ensuring that all portions of the evaluation sheets are completed and signed. Evaluation sheets which are incomplete and/or prepared in an unreadable form are of no value and will be considered invalid, thus causing the Contracting Officer to make a decision less dependent upon the evaluator's input. Inadequate or poorly documented justifications can cause problems, especially when unsuccessful contractors file protests against award and the record does not strongly support the action stated.

The initial technical evaluation report should reflect the technical ranking of the proposals and should identify each proposal as acceptable or unacceptable. This report should include a narrative specifying the strengths and weaknesses of each proposal, and any reservation or qualifications that might bear on the Contracting Officer's selection of sources for negotiation and award. The report should indicate what areas need to be discussed in negotiation (weaknesses) with each offeror who submitted an acceptable proposal, and the team's estimate of any significant change in price that would result from the correction of weaknesses during negotiations. A review of the unpriced elements of each acceptable proposal should also be documented (See Attachment E).

Concrete technical reasons based on the pre-established evaluation criteria must be provided to support all determinations of unacceptability. When a number of acceptable proposals are considered technically equal, this should be made clear in the technical recommendation in order to give the Contracting Officer greater flexibility. If an acceptable proposal has no possibility of receiving award based on the superiority of other proposals received, the technical evaluation report should so specify. Borderline proposals which would involve extensive discussion and an unreasonable and competitively unfair degree of Government assistance should not be included in the competitive range recommendation.

VIII. RECOMMENDATIONS

The last paragraph of this summary should recommend to the Contracting Officer those offerors considered to be in the competitive range, based on technical considerations. In the case of the final technical evaluation meeting after negotiations, the report should recommend the offeror for final contract award.

IX. COMPETITIVE RANGE

The Contracting Officer will prepare the written determination of the competitive range. After the panel has tentatively ranked all proposals, the Contracting Officer will review the evaluation and the price/cost considerations for preparation of this determination. In some cases, it may be necessary to have the COTR assist in the business evaluation review before the final determination. In making this decision, the Contracting Officer will evaluate the potential for improving the competitive position of the proposals by written or oral negotiations. When there is doubt about an offeror's acceptability and there is sufficient competition, a proposal will not be included in the competitive range.

When only one offeror is determined to be in the competitive range, the Contracting Officer should review the solicitation document to assure that it did not unduly restrict competition. The competitive range determination should include the Contracting Officer's determination that the solicitation is not unduly restrictive.

X. WRITTEN AND/OR ORAL DISCUSSIONS

The Contracting Officer, together with the COTR, may conduct written and/or oral discussions with all offerors whose proposals are in the competitive range.

Negotiations are exchanges, in either a competitive or sole source environment, between the Government and offerors that are undertaken with the intent of allowing the offeror to revise its proposal. These negotiations may include bargaining. Bargaining includes persuasion, alteration of assumptions and positions, give-and-take, and may apply to price, schedule, technical requirements, type of contract, and/or other terms of a proposed contract. When negotiations are conducted in a competitive acquisition, they take place after establishment of the competitive range and are called discussions.

Discussions are tailored to each offeror's proposal and are conducted by the Contracting Officer with each offeror in the competitive range. The primary objective of discussions is to maximize the Government's ability to obtain best value, based on the requirement and the evaluation factors set forth in the solicitation. At a minimum, the Contracting Officer must indicate to, or discuss with, each offeror still being considered for award, deficiencies, significant weaknesses, and adverse past performance information to which the offeror has not yet had an opportunity to respond. The Contracting Officer also is encouraged to discuss other aspects of the offeror's proposal that could, in the opinion of the Contracting Officer, be altered or explained to enhance materially the proposal's potential for award. However, the Contracting Officer is not required to discuss every area where the proposal could be improved. The scope and extent of discussions are a matter of Contracting Officer judgment.

The extent of discussion will depend on the circumstances of the procurement and the proposals submitted. Care must be exercised in written and/or oral discussions to avoid technical leveling between offerors. The time available, the expense and administrative limitations, and the size and significance of the procurement all should be considered in deciding the type, duration, and depth of these discussions. In written or oral discussions, instances in which aspects of a proposal contains a weakness in relation to the Government’s requirement, it should be pointed out. But, as stated above, neither the relative strengths or weaknesses of a proposal in relation to those of other offerors, nor information which could give leads to one offeror as to how its proposal may be improved or which could reveal a competitor’s ideas should be transmitted. The Contracting Officer will point out cost or price elements that do not appear justified and encourage offerors to submit their most favorable cost proposals. Again, care must be exercised not to disclose to any offeror its relative position with respect to others in competition.

XI. REVISED PROPOSAL

At the conclusion of negotiations, each offeror will be given a reasonable opportunity, with a common cut-off date, to support and clarify its proposal. Any offeror may, on their own initiative, revise a proposal and make corrections or improvements until the established cut-off date. This is known as a “Revised Proposal.”

XII. REVIEW OF REVISED PROPOSALS

Following the common cut-off date for revised proposals, the evaluation will continue if requested by the Contracting Officer. Depending on the nature of the information received, the Chairperson may reconvene the panel to perform an additional evaluation of their respective area in the light of new information received. The tentative strengths and weaknesses developed of these offers in the competitive range should be reviewed in detail and modified, as appropriate, based upon all information now available to the team. After discussion and development of the final strengths and weaknesses, each panel member will prepare a final rating sheet for each offeror in the competitive range. The rationale for any changes to the original strengths and weaknesses will be documented by the individual evaluators in a final technical evaluation report prepared by the Chairperson. Any changes as a result of negotiations in the unpriced elements of cost should also be addressed by the team.

XIII. RECORDS MADE DURING REVIEW MEETINGS

At a minimum, the record of each review meeting must include the following information:

A. Date of the meeting;
B. Names of the evaluators, advisors, and others present at the meeting;
C. Technical rankings and determination on the acceptability or unacceptability of each proposal;
D. A critique of each proposal by evaluation criteria, setting forth each offeror's assessed strengths and weaknesses;
E. A review of the unpriced elements of cost for each acceptable proposal; and
F. The team's recommendation of those offerors determined to be in the competitive range, or in the case of the second review the offeror recommended for contract award.

Enclosures to the Technical Evaluation Report should include:

A. Signed Confidentiality Certificates from each evaluator and advisor;
B. Signed Conflict of Interest Certifications from each evaluator and advisor; and
C. Rating sheets completed and signed by each individual evaluator and advisor.

The signed copy of the initial and final record of each review, including rating sheets, should be forwarded to the Contracting Officer for inclusion in the official contract file.

XIV. SOURCE SELECTION

The Contracting Officer will prepare a price negotiation memorandum (DIAR Subpart 1415.808) and the source selection decision. The decision should document consideration of technical merit, price, and other pertinent factors as set forth in the solicitation.

XV. PROTECTION OF SOURCE SELECTION INFORMATION

The following procedures are prescribed for protecting source selection information:

A. Offeror's identities, proposal contents, and price should be treated with the utmost discretion to avoid compromising the evaluation results or giving any offeror an unfair competitive advantage. Any questions regarding the receipt and distribution of proposals, status of the proceedings, or other matters should be referred to the Contracting Officer or designated Contract Specialist.

B. After receipt of proposals, the Contracting Officer or designated Contract Specialist, should number all proposal copies received, distribute the required number of proposal copies to the TEP and BEP, and be responsible for the collection and final disposal of proposal copies. The panel chairperson should maintain a log of proposal distribution within the TEP. After the panel has completed its evaluation and made its written findings, the proposals should be returned to the Contracting Officer. The Contracting Officer should make arrangements to dispose of all excess copies of proposals in a timely manner. The original of each unsuccessful proposal will be retained in the contract file. A minimum of two copies of the successful proposal will be retained (current file copy/COTR file copy) for administering the contract.

Attachments