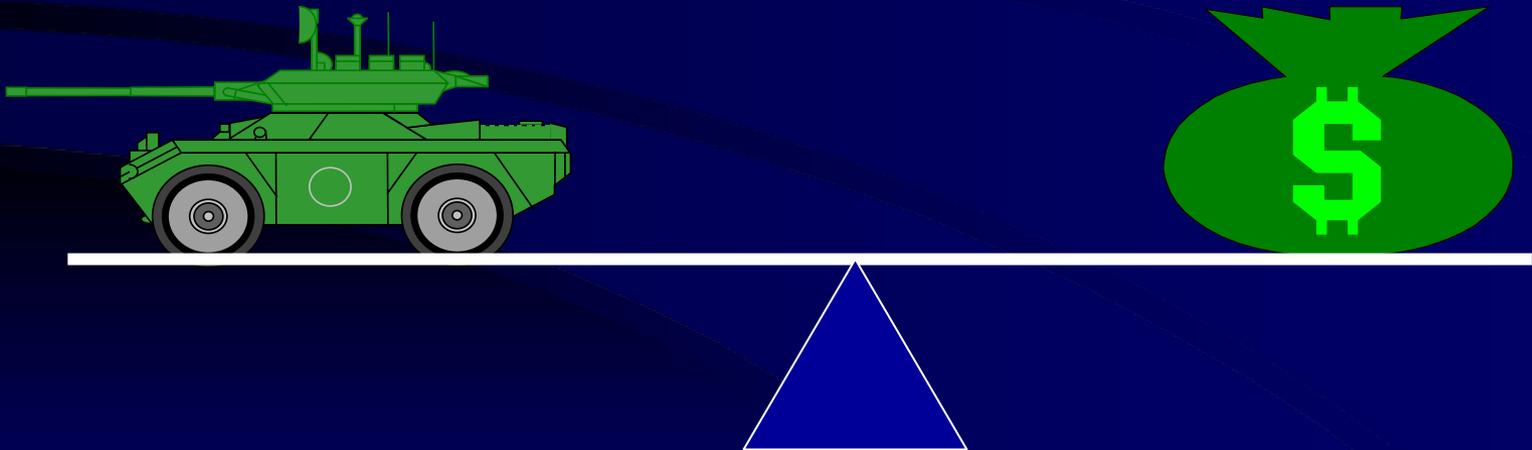


*Procuring Contracting Officer
Training Symposium*

**Army Source Selection
Manual Workshop**



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Background – Army Source Selection Environment

- ▶ **Numerous Critical Army Acquisitions Utilize Source Selection Procedures**
 - ▶ **Includes Many Complex and High Dollar Value Supply and Services Source Selections (including Commercial Activities A76s)**
 - ▶ **These Source Selections are Conducted at both Large and Small Army Contracting Locations**
 - ▶ **Source Selection Experience/Capabilities Vary Widely Across Army Contracting Sites**
 - ▶ **Dilution of Army-Wide Source Selection Skills (Workforce Dynamics; Workload)**

Source Selection Think Tank Team

- ▶ **DASA(P&P) “Think Tank” Team was Formed to Review Army Source Selection Processes**
 - ▶ **Tasker – Taking into Consideration Existing Practices, Develop an Army-Wide Approach for Performing Effective Source Selection**
- ▶ **Think Tank Identified Targeted Revisions & Additions to the Existing Army Source Selection Manual Reflecting Current Best Practices**
- ▶ **Also Identified Candidate Revisions to AFARS Part 15**

The Source Selection Workshop

Learning Objectives

- ▶ **Navigating the Candidate Revisions to both AFARS Part 15 and Army Source Selection Manual (Previously called the "Army Source Selection Guide").**
- ▶ **The Essentiality of Advance Planning, Management Oversight, and Involvement of Experienced & Skilled Personnel in the Source Selection Process.**
- ▶ **The Criticality of Evaluation Criteria Selection/Minimization in Structuring a Successful Source Selection Acquisition.**
- ▶ **Source Selection Field Observations/Lessons Learned**

Army Source Selection Manual (ASSM)

- ▶ **Original Army Source Selection Guide (ASSG)**

Published in June 2001

- ▶ **ASSG Retitled Army Source Selection Manual (ASSM)**

- ▶ **Usage of ASSM in Source Selection will be Mandatory under Candidate AFARS 5115.000 Revision**

- ▶ **ASSM Best Practices Continue to Provide Source Selection Flexibility**

- ▶ **ASSM is a Comprehensive Source Selection Resource**

- ▶ **Use of the ASSM by Army Contracting Organizations will Bring Consistency to Army Source Selection**

Key AFARS Part 15 & Army Source Selection Manual Revisions

- ▶ Heightened AFARS and ASSM Coverage Addressing Advance Planning and Organizational Oversight of Source Selections**
- ▶ ASSM Chapter and Appendix Refinements Based on Best Practices**
- ▶ Inclusion of Numerous Source Selection “Templates” in Appendix H of the ASSM**

Army Source Selection Manual Content

Chapter 1 – Introduction

Chapter 2 – Getting Started

Chapter 3 – Source Selection Plan

Chapter 4 – The Solicitation

**Chapter 5 – Evaluation Factors & SubFactors, Weights,
Adjectival Ratings & Standards**

Chapter 6 – Evaluation Process

**Chapter 7 – Exchanges with Offerors (After Receipt of
Proposals)**

Chapter 8 – Selection & Award

Chapter 9 – Notification to Unsuccessful Offerors

Chapter 10 – Debriefing of Offerors

Army Source Selection Manual Content (Appendices)

Appendix A – Security Considerations

Appendix B – Personnel Considerations

Appendix C – Oral Presentations

**Appendix D – Using Current and Past Performance as a
Source Selection Factor**

**Appendix E – Past Performance Questionnaires and
Interviews**

Appendix F – Cost Realism Analysis

Appendix G – On-Line Reverse Auctions

Appendix H – Sample Source Selection Templates

Army Source Selection Manual Content (Appendix H Sample Templates)

- ▶ **D&F for Authority to Use Contractor in Source Selection**
- ▶ **Notice to Unsuccessful Offeror (Pre-Award & Post-Award)**
- ▶ **Performance Risk Assessment Group (PRAG)**
- ▶ **Questionnaire Cover Letter**
- ▶ **Source Selection Appointment Letters**
- ▶ **Source Selection Decision Document**
- ▶ **SSP Template (Cost Contract or FFP with SSAC)***
- ▶ **Sample Task**

***This Template may also be used for Source Selections that do not Utilize a SSAC. In such cases, Eliminate References to SSAC in these Documents.**

**Army Source Selection Manual (ASSM)
Revisions/Highlights and AFARS
Provisions**

Definitions – ASSM Chapter 1 Introduction

- ▶ **Army Source Selection Manual Definitions**
 - ▶ **Source Selection – The Process Used in Competitive Negotiated Contracting to Select the Proposal that Offers the Best Value to the Government**
 - ▶ **Trade-Off Process – This Process Permits Trade-Offs Among Cost or Price and Allows the Government to Accept Other than the Lowest Proposed Price.**
 - ▶ **Lowest Price Technically Acceptable (LPTA)– A Process used in Competitive Negotiated Contracting where Best Value is Expected to Result from Selection of the Technically Acceptable Proposal with the Lowest Evaluated Price**

Selecting the Evaluation Methodology – ASSM Chapter 2 Getting Started

- ▶ **On Most Acquisitions, the Trade-Off Process will be the Most Effective Methodology to Use.**
 - ▶ **Candidate Revisions to AFARs 5115.101-1 “Trade-Off Process”**
 - ▶ **The Trade-Off Process is Considered the Norm in Source Selection Plans and Competitive Requests for Proposal (RFPs)**
 - ▶ **Use of any other Basis of Award must be Approved by the PARC in Formal Source Selection, Prior to Solicitation Issuance**

Selecting the Evaluation Methodology – ASSM Chapter 2 Getting Started

- ▶ **Trade-Off Process includes the Evaluation of Past Performance unless Waived by the PCO per FAR 15.304-3(c)(iv)**
 - ▶ **Best Practices Indicate the Evaluation of Past Performance under the Trade-Off Process is Important in Achieving Best Value**
 - ▶ **The Contracting Officer's Belief that all Past Performance ratings will be the Same shall not be the Basis for this Exception**

Selecting the Evaluation Methodology – ASSM Chapter 2 Getting Started

- ▶ **The Low Price Technically Acceptable (LPTA) Process may not be an Appropriate Methodology in the Majority of Acquisitions**
 - ▶ **Per FAR 15.101-2(b), PCO may Waive Evaluation of Past Performance IAW FAR 15.304-3(c)(iv) – “If the Contracting Officer Documents the File...Past Performance need not be an evaluation Factor in LPTA.”**
 - ▶ **Per FAR 15.101(b), where Past Performance for a Small Business is Unacceptable under an LPTA, the PCO must Refer the Matter to SBA for a COC**

Source Selection Authority Appointments - ASSM Chapter 2 Getting Started

- ▶ **Services RFP's over \$500M will have an SSA at SES or General Officer Level – Exceptions Approved by HCA**
- ▶ **RFP's over \$50M will have an SSA above the PCO Level**
 - ▶ **The PARC will Establish an SSA Hierarchy for their Organization**
 - ▶ **PARC may Deviate on Case-by-Case Basis**
- ▶ **SSA will be in the Contracting Chain unless HCA or PARC Approves Otherwise**

Source Selection Organization Staffing - ASSM Appendix B

- ▶ **The PARC is Responsible for Determining the Capability of the Organization to Effectively Resource the SSO as set forth in the Hierarchy of Source Selection Expertise (Table B.1).**
- ▶ **In the event that the PARC Determines that the Required Expertise is not Obtainable, he/she shall Consult with the HCA.**
 - ▶ **If the HCA Concurs that the Resources are still Unavailable, the DASA(P&P) shall be Notified and will Assist in Providing Resources from other Contracting Activities or Assign the Procurement to another Contracting Activity for Execution.**

Identifying Source Selection Organization Expertise – ASSM Appendix B Table B.1

▶ Hierarchy of Source Selection Expertise

- ▶ Look within own Organization for Expertise.**
- ▶ Export Key Personnel to an Organization with Expertise in Source Selection to Participate and Learn.**
- ▶ Hire Contractor Experts to Augment the SSEB assuring there is no Organizational Conflict of Interest.**
- ▶ If necessary bring in Expertise from Outside of own Organization.**
- ▶ If Expertise does not Exist then move Acquisition Elsewhere.**

Source Selection Organization Staffing – ASSM Appendix B

- ▶ **A Key to Selection of Personnel is Identification of the Experience, Education, and Business and Technical Skills required of Personnel at all Levels of the SSO.**
 - ▶ **Define the Required Skills and Experience (or Necessary SSEB/Individual Evaluator Training)**
- ▶ **The SSEB Chairperson should have Previously been a Factor Chairperson. The Factor Chairperson should have Served as an Evaluator on a Previous SSEB.**
- ▶ **In most instances, the Contracting Officer should not normally be the SSEB Chairperson or a Factor Chairperson.**

Evaluation Factors and Significant - Subfactors (AFARS 5115.304)

- ▶ **It is Army Policy to Establish the Absolute Minimum Number of Factors Necessary for Evaluation of Proposals**
- ▶ **Factors may be Sub-Divided in Subfactors that, in rare instances, maybe further Subdivided into Elements**
- ▶ **Numerical Weighting (i.e. Assigning Points or percentages to Evaluation Factors/Subfactors) is not Authorized**
 - ▶ **Not Waivable on either Individual or Class Basis as an AFARs Deviation**

The RFP: Selection of Evaluation Factors – ASSM Chapter 5 Evaluation Factors

- ▶ **Keep The Number of Factors/Subfactors to the Absolute Minimum Required to Effectively Assess the Proposals**
- ▶ **Factors and Subfactors must:**
 - ▶ **Be True Discriminators – Limited to Essential Elements that will Enable you to Distinguish Among the Proposals**
 - ▶ **Be Definable and Measurable – Readily Understandable in Quantitative or Qualitative Terms**
 - ▶ **Be of Value – Represent the Key Areas of Importance and Emphasis to be Considered in the Source Selection Decision**

Why Limit Evaluation Criteria?

- ▶ **We Don't Have to Evaluate Every Requirement or Risk**
 - ▶ **Contract Still Specifies Compliance to All Requirements**
 - ▶ **Not Evaluating a Requirement/Risk Doesn't Mean It's Not Important - It only means Other Requirements/Risks Make For Better Evaluation Criteria**
- ▶ **Adding More Evaluation Factors is Often a Net Negative**
 - ▶ **Dilutes Importance of Key Evaluation Criteria**
 - ▶ **Takes More Time to Evaluate**
 - ▶ **Requires More Evaluators**
 - ▶ **Stretches SSEB Mgmt/Legal/PCO Oversight Time**
 - ▶ **Heightens Risk of Evaluation Error**

Source Selection Plan Adjectival Ratings – ASSM Chapter 5 Evaluation Factors

- ▶ **When using the Tradeoff Process, you Evaluate the non-Cost Portion(s) of the Proposal and Associated Performance and Proposal Risks using Adjectival Ratings.**
 - ▶ **Adjectives must be Included in the SSP**
 - ▶ **May consist of Words, Colors, or other Indicators (Excluding Numbers)**
- ▶ **Sample Adjectival Ratings in ASSM**
 - ▶ **Proposal Merit and Risk (2 Samples)**
 - ▶ **Past Performance (2 Samples)**
 - ▶ **Small Business Participation (1 Sample)**

The Conduct of Discussions

- ▶ **FAR 15.306(d)(2) Addresses the Conduct of Discussions:**

“The Primary Objective of Discussions is to Maximize the Government’s Ability to Obtain Best Value, based on the Requirements and the Evaluation Factors Set Forth in the Solicitation.”

Conduct of Discussions

ASSM Chapter 7 Exchanges with Offerors

- ▶ **To be Meaningful, at a Minimum, Discussions must include Identification of all Evaluated Deficiencies, Significant Weaknesses, Weaknesses, and any Adverse Past Performance Information to which the Offeror has not yet had an Opportunity to Respond.**

Source Selection Decision Criteria - ASSM Chapter 8 Selection and Award Figure 8-4

- ▶ **THE SOURCE SELECTION DECISION MUST:**
 - ▶ **Represent the SSA's rational and independent judgment;**
 - ▶ **Be based on a comparative analysis of the proposals;**
 - ▶ **Be consistent with solicitation evaluation factors and subfactors.**

SSA Trade-Off Analysis - ASSM Chapter 8 Selection and Award

Figure 8-6

- ▶ **Suggested Steps in Performing Tradeoff Analysis:**
 - ▶ **Step 1. Identify the Proposal Differences that Surfaced during Evaluations.**
 - ▶ **Step 2. Analyze their Impact on the Acquisition Objectives in light of the Relative Importance of the Evaluation Factors.**
 - ▶ **Step 3. Compare Proposals.**
 - ▶ **Step 4. Assess the Best Mix of Cost (or Price) and non-Cost Benefits and Determine whether the Strengths of Higher-Rated Proposals are Worth the Price Premium.**
- ▶ **Sample Selection Decision Document - ASSM Appendix H**

Source Selection – Field Observations

- ▶ **Treating Source Selections as “At Risk” Acquisitions**
- ▶ **Source Selection Process Not Consistently Disciplined**
- ▶ **Inadequately Resourced Source Selection Organizations**
 - ▶ **Shortage of Highly Capable SSEB Leadership with Source Selections Skills**
 - ▶ **Evaluator Skills not Matched to Criteria**
 - ▶ **SSEB Staffing with External Resources Signifying an Overall Lack of Internal Source Selection Experience or Capability**
- ▶ **SSEB Evaluations not Time Sensitive**
- ▶ **RFP’s Lack Executive Summaries**

Source Selection – Field Observations

- ▶ **Overly Extensive Evaluation Criteria Trees Criteria - Frequently not Discriminating/Measurable/Of Value**
- ▶ **SSEB's not Aware of RFP Amendments and RFP "Q&A" Responses**
- ▶ **Avoidance of Discussions/Lack of Familiarity with the Discussions Process**
- ▶ **Obtaining Final Proposal Revisions Prior to Scheduled Receipt of Discussion Question Responses from Offerors**
- ▶ **PCO Responsibility Determinations not Sought until after SSA Selection Decision**

Source Selection Lessons Learned

- ▶ **Advance Planning is the Key to Success**
 - ▶ **Creation of Limited & Specific Criteria Instructions**
 - ▶ **Select Skilled Source Selection Organization Personnel**
 - ▶ **Discipline the Source Selection Process**
 - ▶ **Sequestering of SSEB**
- ▶ **Train on SSEB Leadership/Evaluators on Criteria**
 - ▶ **Use of Evaluation Worksheet Templates**
 - ▶ **Provide Samples of Quality Evaluation Worksheets**
 - ▶ **Have Individual Evaluators Prepare a Single Evaluation Worksheet for Review (SSEB/PCO/Legal) Before Proceeding**
 - ▶ **SSEB Leadership Must Provide Daily Oversight**^{29/32}

Source Selection Lessons Learned

- ▶ **Application of Management Oversight at Key Source Selection Process Points**
 - ▶ Acquisition Strategy Development/SSO Staffing
 - ▶ RFP Release
 - ▶ Competitive Range Determinations
 - ▶ Closing of Discussions
 - ▶ Selection Decision
- ▶ **Include Phase-In Costs as Part of Total Evaluated Price/Cost**
- ▶ **Assure RFP Sections C/L/M are Integrated**
- ▶ **Use PCO as SSA When Appropriate**

Source Selection Lessons Learned

- ▶ **Perform Meaningful Discussions Crosswalk to Evaluation Documents Prior to Closing Discussions**
- ▶ **Ensure Evaluations Reflect an Integrated Assessment of Proposals – To include Appropriate Sharing of Cost Data**
- ▶ **Present SSEB Evaluation Findings to a Joint SSA/SSAC Audience**
 - ▶ **SSAC Must Include Source Selection Expertise**
- ▶ **Legal Support is Essential**
- ▶ **Significant Percentage of Protests Involve Source Selections – Approximately 75% of AMC Caseload**

Source Selection - Conclusion

- ▶ **Take Advantage of Available Resources/Information when Performing Source Selections**
 - ▶ **Army Source Selection Manual**
 - ▶ **Mandated Use of Army Source Selection Manual will Facilitate Consistency in Execution of Army Source Selections**
 - ▶ **AFARs Part 15**
 - ▶ **Organizational Expertise**
 - ▶ **Legal Support**
- ▶ **Publishing of Candidate ASSM and AFARs Revisions Awaiting Final Approval**
- ▶ **Good Luck!**