

CHANGE REQUEST COVER SHEET

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Title: Source Selection Guide

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Policy OR Guidance: Guidance

Section/Text Location Affected: T3.2.2 Source Selection

Summary of Change: Add a Source Selection Guide to current AMS Procurement Guidance.

Reason for Change: This will enhance Contracting Officer and Contract Specialist understanding of the Source Selection process.

Development, Review, and/or Concurrence: FAA Contracting Offices and AGC

Target Audience: FAA Contracting Offices

Potential Links within FAST for the Change: none

Briefing Planned: No

ASAG Responsibilities: None

Potential Links within FAST for the Change: none

Links for New/Modified Forms (or) Documents (LINK 1) [none](#)

Links for New/Modified Forms (or) Documents (LINK 2) [none](#)

Links for New/Modified Forms (or) Documents (LINK 3) [none](#)

SECTIONS ADDED:

Procurement Guidance:

T3.2.2 - Source Selection (Revision 17, January 2009)

Source Selection

Section 1 : Source Selection Guide [\[New Content\]](#)

Procurement Guidance:

T3.2.2 - Source Selection (Revision 17, January 2009)

Appendix

Section 1 : Source Selection Guide [\[New Content\]](#)

SECTIONS EDITED:

Procurement Guidance:

T3.2.2 - Source Selection (Revision 17, January 2009) [\[Old Content\]](#)[\[New Content\]](#) [\[RedLine Content\]](#)

SECTIONS ADDED:

Procurement Guidance:

T3.2.2 - Source Selection (Revision 17, January 2009)

Source Selection

Section 1 : Source Selection Guide

The Source Selection Guide can be found at D: Appendix, 1: Source Selection Guide.

Procurement Guidance:

T3.2.2 - Source Selection (Revision 17, January 2009)

Appendix

Section 1 : Source Selection Guide

1: Source Selection Guide

1.1 : Introduction

a. *Purpose.* This guide contains information on source selection processes and techniques that may be used through the FAA screening process. The guide is designed to provide flexibility so that FAA Contracting Officers can best design and execute their Screening Information Request (SIR) and source selection to provide the best value to meet FAA needs. The Acquisition Management System (AMS) prescribes the general policies and procedures governing this guide.

b. *Scope.*

(1) This guidance may be applied to competitive, negotiated acquisitions.

(2) Use of the processes described in this guide will depend upon the complexity and dollar value of each acquisition and your available resources. Apply prudent business sense to tailor the processes to fit your circumstances.

c. *Definitions:*

- *Best Value* – A term used during procurement source selection to describe the solution that is the most advantageous to the FAA, based on the evaluation of price and other factors specified by FAA.
- *Communications* - Any oral or written communication between the FAA and offerors about the aspects of the procurement, including the offerors' submittals/proposals. Communications may start in the planning phase and continue through contract award.
- *Exhibit 300 program baseline* - The Exhibit 300 program baseline is a formal document approved by the Joint Resources Council at the final investment decision, and in effect, is a contract between the FAA and the service organization.
- *Joint Resources Council* - The FAA body responsible for making corporate level decisions.
- *Market survey* - Any method used to survey industry to obtain information and comments and to determine competition, capabilities, and estimate costs.
- *Procurement Integrity* - Personnel who are involved in a source selection are subject to the requirements of the Procurement Integrity Act (See T3.1.8, Appendix 1). This Act and other similar statutes and regulations impose stringent requirements related to safeguarding of source selection information, contractor bid or proposal information and other integrity issues. Violation of these requirements could result in civil and/or criminal penalties.
- *Qualification information* - Qualifies vendors and establishes qualified vendor lists (QVLs) for multiple FAA procurements.
- *Request for Offer* - A request for offer is a request for an offeror to formally commit to provide the products or services required by the acquisition under stated terms and conditions.
- *Screening* - The process of evaluating offeror submittals to determine either which offerors/products are qualified to meet a specific type of supply or service requirement, which offerors are most likely to receive award, or which offerors provide the best value to the FAA.
- *Screening decision* - The narrowing of the number of offerors participating in the source selection process to only those offerors most likely to receive award.
- *Screening information request (SIR)* - Any request made by the FAA for documentation, information, or offer for the purpose of screening to determine which offeror provides the best value solution for a particular procurement.
- *Selection decision* - The determination to make an award by the source selection official to the offeror providing the best value to the FAA.
- *Service organization* - A service organization is any organization that manages investment resources regardless of appropriation to deliver services. It may be a service unit, program office, or directorate.

- *Source Selection Official (SSO)* – The service or product team lead or Director (or equivalent position) of the requiring organization is the source selection official (SSO) for procurement under an investment program subject to the Joint Resources Council (JRC) process (unless the JRC otherwise designates an SSO). For procurements not subject to the JRC investment-decision process, the Contracting Officer is the SSO.

d. *Procurement Integrity.* Personnel who are involved in a source selection are subject to the requirements of the Procurement Integrity Act. This Act and other similar statutes and regulations impose stringent requirements related to safeguarding of source selection information, contractor bid or proposal information and other integrity issues. Violation of these requirements could result in civil and/or criminal penalties. Become familiar with the

prohibitions and certification requirements of the Act and similar statutes and regulations that may pertain to your specific acquisition. Direct questions and/or issues regarding procurement integrity policy and regulations to the legal counsel assigned to the source selection. All personnel involved in the source selection process are responsible for maintaining the integrity of the procurement. See Appendix A for safeguards that you should consider taking to ensure the integrity of your source selection.

1.2 : Getting Started

a. *Conducting Procurement Planning.* The FAA coordinates and integrates the efforts of all personnel responsible for a procurement through a comprehensive procurement plan. The purpose of the plan is to satisfy FAA's needs in the most effective, economical and timely manner and should address how FAA will manage the procurement. Procurement planning should start when FAA identifies a need for supplies and/or services.

b. *Performing Market Research.* Market research is the first step in procurement planning and is essential to designing a procurement strategy and identifying candidate evaluation criteria. It is the process of collecting and analyzing information about capabilities within the market that can satisfy FAA's needs. Market research is key to determining whether a commercial item can meet FAA's needs and to identifying associated commercial practices. Market research will significantly influence the development of the Performance Work Statement, the selection of evaluation factors, contracting and source selection methods, and amount and type of information requested in a SIR. The extent of market research and the degree to which you should document the results will vary depending on such factors as urgency, estimated dollar value, complexity, and past experience. In some cases, one person will be able to conduct all of the required market research. In other cases, a team effort is appropriate.

c. *Examples of Market Research Techniques.*

- Use general sources of information available from the market place, Government sources, and the Internet;
- Contact knowledgeable individuals regarding market capabilities and business Practices;
- Review the results of recent market research;
- Query Government and/or commercial databases;
- Publish formal requests for information in appropriate technical or scientific journals or business publications;
- Conduct interchange meetings or hold pre-submittal conferences;
- Participate in interactive, on-line communication; and
- Review catalogs and product literature.

For more information, see T3.2.1.2, Market Research and Analysis.

d. *Selecting the Evaluation Methodology.* One of the first steps in designing a procurement strategy is to determine the most effective evaluation methodology to use. In many procurements, it is in the FAA's best interest to consider award to other than the lowest price offeror. Under this process, you evaluate both cost (or price) and non-cost factors and award the contract to the offeror proposing the combination of factors that represents the best value based on the evaluation criteria. Consider the non-cost strengths and weaknesses, risks, and the cost (or price) offered in each proposal. The source selection

official (SSO) will select the successful offeror by applying his/her business judgment to determine the proposal that represents the best value to the FAA. Low priced, technically acceptable may be best value when the FAA would not realize any value from a proposal exceeding the FAA's minimum technical requirements. In such a case, you may establish certain standards that a proposal must meet to be considered technically acceptable. The award must then be made to the lowest price, technically acceptable offeror. In such a scenario, a proposal would not receive any additional credit for exceeding the established standards.

e. *Establishing the Source Evaluation Team (SET).*

- *Overview.* Source evaluation should be a multi-disciplined team effort. The team should include representatives from appropriate functional areas such as contracting, technical, logistics, legal, program management, and user organizations. The size and composition of the SET will vary depending upon the requirements of each acquisition. Whether the team is large or small, it should be structured to ensure teamwork, unity of purpose, and appropriate open communication among the team members throughout the process.

- *Key Components of the Team.* The service or product team lead or Director (or equivalent position) of the requiring service organization is the source selection official (SSO) for procurement under an investment program subject to the Joint Resources Council (JRC) process (unless the JRC otherwise designates an SSO). For procurements not subject to the JRC investment-decision process, the CO is the SSO. In formal source selections, the Contracting Officer (CO) serves as a business advisor to the SSO. The Contracting Officer serves as the focal point for inquiries from industry, controls all exchanges with offerors and executes the contract award. Additionally, legal counsel, small business advisors, and technical experts may also serve as SSO advisors. If nongovernmental advisors are part of the team, the SIR must include notice of any nongovernmental participation.

- *Roles and Responsibilities of the Source Selection Official and Source Evaluation Team.*

1. *Source Selection Official.* The SSO shall:

- a. Ensure the proper conduct of the source selection process and make the final source selection decision.
- b. Ensure that the evaluation plan and evaluation criteria are consistent with the requirements of the SIR and applicable regulations.
- c. Concur with the Contracting Officer's decision to release the solicitation (if the SSO is other than the CO).
- d. Establish the SET and approve the evaluation plan.
- e. Ensure that personnel with the requisite skills, expertise, and experience to execute the evaluation plan are appointed to the SET.
- f. Approve the Contracting Officer's downselect/competitive range determination (if the SSO is other than the CO).
- g. Ensure that conflicts of interest, or the appearance thereof, are avoided.
- h. Ensure that premature or unauthorized disclosure of source selection information is avoided.

- i. Ensure that the source selection process is conducted in accordance with applicable laws and regulations.
- j. Select the successful offeror and ensure that supporting rationale is documented in Source Selection Decision Document before contract award.

2. *Source Evaluation Team.* The Team will:

- a. Conduct a comprehensive review and evaluation of proposals against the SIR(s) requirement and the approved evaluation criteria.
- b. Draft all SIRs.
- c. Select advisors to the team, as necessary.
- d. Ensure an in-depth review and evaluation of each SIR.
- e. Prepare and submit the team evaluation reports to the SSO.
- f. Brief the SSO, as requested.
- g. Respond to special instructions from the SSO.
- h. Prepare the necessary items for negotiation.
- i. Provide information for debriefings of unsuccessful offerors.
- j. Prepare a lessons learned memorandum after completing the source selection.

3. *Contracting Officer.* The Contracting Officer will:

- a. Serve as the SSO in most instances (see SSO definition).
- b. Act as the business advisor to the SET.
- c. Coordinate communications with industry and control written documentation issued to industry.
- d. Participate during screening, selection, and debriefing phases of source selection to ensure fair treatment of all offerors.
- e. Issue letters, public announcements, SIRs, SIR amendments and other procurement documents.
- f. Chair all required debriefings.

Also see T3.2.2.A.7, Source Selection Team responsibilities

• *Administrative Support Considerations.* A successful source selection requires careful planning of the administrative requirements needed to support the SSO. Each acquisition will vary in terms of the administrative support requirements; however, the following checklist contains some potential requirements:

- Adequate facilities (to include space for the evaluators and related meetings and for discussions with offerors): Consider whether the facilities are of an adequate size, capable of segregation of committees, comfortable, properly furnished, secure, disabled accessible, and close to support services such as copiers, restrooms, and eating facilities.
- Security controls, such as identification badges and access control

- Secure storage space for proposals and source selection materials
- Appropriate computer hardware and software and related support
- Adequate telephones, facsimile machines, copiers and/or printing services located in secure areas and Audio/ Video Teleconferencing capabilities that can be secured.
- Adequate office supplies
- Lodging and transportation for personnel on temporary duty (TDY).

1.3 : Evaluation Plan.

a. *Purpose.* The evaluation plan is a required and vital planning document that identifies the goals of the acquisition and describes how to evaluate vendor responses to a SIR and select the winning offeror(s).

b. *Format.* Use prudent business judgment to tailor the size and detail of your evaluation plan based upon the complexity of the acquisition. At a minimum, it should address:

- SSO and SET members;
- The proposed evaluation factors and subfactors, their relative importance, and associated standards (Section M);
- Any other information related to the source selection.

c. *Access to Plan.* The plan is source selection information. You shall not disclose source selection information to any person not authorized to receive the information. Normally, only SET members and personnel from the responsible contracting activity with a need to know are authorized access to the plan. The SSO must approve access to anyone outside the SET and the recipient(s) must sign a non-disclosure agreement. However, the evaluation factors and significant sub-factors and their relative importance will eventually become public knowledge, as they become part of the SIR.

d. *Evaluation Plan for Services.* Generating the evaluation plan for a services type Source Selection offers some unique challenges to organizations and to the SSO conducting the evaluation. Normally, Past Performance is a major factor in the evaluation of services. As with all source selections, organizations should take great care in providing qualified personnel to the SSO, knowledgeable in the types of services being acquired.

Also see AMS 3.2.2.3.1.2.3, Receipt/Evaluation of Submittals

1.4 : Screening Information Request (SIR)

a. *Purpose.* The FAA obtains offers from vendors through the issuance of a SIR. The SIR includes information necessary for the offerors to understand what the FAA is buying, what information FAA must provide, and how vendor responses to the SIR will be evaluated. The success of a procurement is directly linked to the quality of the SIR. A well-written SIR will:

- facilitate a fair competition,
- limit criteria to discriminators that add value,
- clearly detail information required from vendors
- clearly identify the evaluation and award criteria,
- convey a clear understanding of FAA's requirements.

b. *The SIR Process.* For a given procurement, the FAA may make a selection decision after one SIR, or the FAA may have a series of SIRs (with a screening decision after each one) to arrive at the selection decision. This will depend on the types of products and services to be acquired and the specific source selection approach chosen by the service organization. Generally, when multiple SIRs are contemplated, the initial SIR should request general information, and future SIRs should request successively more specific information.

Initial SIRs need not state firm requirements, thus allowing the FAA to convey its needs to offerors in the form of desired features, or other appropriate means. However, firm requirements ultimately will be established in all contracts.

c. *SIR Contents:* Each SIR should contain the following information:

- Paper Reduction Act number OMB No. 2120-0595 on the cover page,
- A statement identifying the purpose of the SIR (request for information, request for offer, establishment of a QVL and screening),
- A definition of need,
- A request for specific information (with specific page and time limitations, if applicable),
- A closing date stating when submittals must be received in order to be considered or evaluated,
- Evaluation criteria (and relative importance, if applicable),
- A statement informing offerors how communications with them will be conducted during the screening, and
- An evaluation/procurement schedule (including revisions, as required).

d. *Categories of SIRs:*

1. *Qualification Information.* Qualification information, used to qualify vendors and establish qualified vendor lists (QVLs), should be requested only if it is intended that the resultant QVL will be used for multiple FAA procurements. Qualification information screens for those vendors that meet the FAA's stated minimum capabilities/requirements to be qualified to provide a given product or service. All vendors that meet the FAA's qualification requirements will be listed on the appropriate QVL for the stated products or services. Once qualification information is requested, received, and evaluated in accordance with the evaluation plan, a QVL will be established for the given product/service.

See T3.2.2.3.A.4, Complex and Noncommercial Source Selection for more information on QVLs.

2. *Screening Information.* Screening information allows the FAA to determine which offeror(s) are most likely to receive the award, and ultimately which offeror(s) will provide the FAA with the best value. The screening information requested in the SIR should focus on information that

directly relates to the key discriminators for the procurement.

3. *Request for Offer.* A request for offer is a request for an offeror to formally commit to provide the products or services required by the acquisition under stated terms and conditions. The response to the request for offer is a binding offer, which is intended to become a binding contract if/when it is signed by the CO. The request for offer may take the form of a SIR, a proposed contract, or a purchase order.

e. *Changes in SIR Requirements.* If, after release of a SIR, it is determined that there has been a change in the FAA's requirement(s), all offerors competing at that stage should be advised of the change(s) and afforded an opportunity to update their submittals accordingly.

The SSO has authority to waive a requirement at any time after release of a SIR, without notifying other offerors where the SIR states that offeror specific waiver requests will be considered, and the waiver does not affect a significant requirement that changes the essential character or conditions of the procurement.

f. *Common Problems.*

- **Inconsistency Among the SIR and Related Documents** - It is critical that there be alignment between the SIR and related documents. It is particularly important that there be consistency between the evaluation plan and the SIR.
- **Inconsistency Within the SIR** - Particularly troublesome are inconsistencies between the descriptions of the FAA's requirements, instructions on how to prepare a proposal, and information related to the evaluation factors and subfactors. These inconsistencies may be caused by different groups of people developing the different SIR sections without proper coordination. Such inconsistencies can result in less advantageous offers, necessitate changes to the SIR, cause delays in the acquisition, lead to offerors losing confidence in the process, or result in litigation.
- **Requesting Too Much Information from Vendors** - The instructions for preparing and submitting proposals are critical to an acquisition. There has to be a link between SIR requirements and objectives, each evaluation factor and subfactor and the SIR preparation instructions. Request only the essential information needed to evaluate SIRs against the evaluation factors and subfactors. Never ask for information you do not intend to evaluate. Instructions that require voluminous information can cause potential offerors to forego responding to the solicitation in favor of a less costly business opportunity. Furthermore, excessively large proposals may increase the time and costs associated with performing the evaluation. Proposal page limitations are encouraged, but need to be clearly defined and tailored to the needs of the acquisition. Focus exclusively on discriminators. Failure to do so compromises the ability to identify the best proposal.
- **Unnecessary Use of Design Requirements** - The way you present the FAA's requirements in the SIR can have a significant impact on a source selection using the tradeoff process. Use of detailed design requirements or overly prescriptive performance work statements severely limits the offerors' flexibility to propose their best solutions. Instead, you should use functional

or performance-based requirements to the maximum extent practicable. While it may be more difficult to develop evaluation criteria and conduct the evaluation process using this approach, the benefits warrant it. These benefits include increased competition, access to the best commercial technology, better technical solutions, and fewer situations for protests.

g. *Ways to Improve the SIR*

- A multi-disciplined team should develop the SIR. The members should be stakeholders in the acquisition and should continuously coordinate with each other to ensure consistency of the document.
- Promote understanding of the FAA's requirements through communications with industry. This can be accomplished through use of various communication forums such as Federal Business Opportunities Page notices, Advance Planning Briefings for Industry, one-on-one meetings or conferences with potential offerors.
- Information technology facilitates distribution of the SIR and associated documents.
- Depending on your requirements, you may find it beneficial to use oral presentations (See 1.10).

1.5 Communications with Offerors

Policy Overview. Communications with all potential offerors should take place throughout the source selection process. During the screening, selection, and debriefing phases of source selection, communications are coordinated with the Contracting Officer. All SIRs should clearly inform offerors how communications will be handled during the initial screening phase.

The purpose of communications is to ensure there are mutual understandings between the FAA and the offerors about all aspects of the procurement, including the offerors' submittals/ proposals. Information disclosed as a result of oral or written communication with an offeror may be considered in the evaluation of an offeror's submittal(s).

To ensure that offerors fully understand the intent of the SIR (and the FAA's needs stated therein) the FAA may hold a pre-submittal conference and/or one-on-one meetings with individual offerors. One-on-one communications may continue throughout the process, as required, at the discretion of the service organization. Communications with one offeror do not necessitate communications with other offerors, since communications will be offeror-specific. Regardless of the varying level of communications with individual offerors, the CO should ensure that such communications do not afford any offeror an unfair competitive advantage. During these and future communications, as applicable, the FAA should encourage offerors to provide suggestions about all aspects of the procurement (AMS 3.2.2.3.1.2.2). Communications may necessitate changes in the FAA's requirements or screening information request (see AMS 3.2.2.3.1.2.4.). Where communications do not result in any changes in the FAA's requirements, the FAA is not required to request or accept offeror revisions. The use of technical transfusion is always prohibited. Technical leveling, and auctioning techniques are prohibited, except in the use of non-complex competition techniques (see AMS 3.2.2.5.3).

1.6 Evaluation Factors and Subfactors, Weights, Numerical and Adjectival Ratings

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a. *Evaluation Factors and Subfactors*

(1) *Overview.* You must place the evaluation factors and subfactors from the evaluation plan into Section M (or equivalent) of the SIR. You will use the factors and subfactors to select the response that represents the best value to the FAA. The factors and sub-factors give the offerors an insight into the significant considerations that you will use in selecting the best value offer and help them to understand the source selection process. Selecting the correct evaluation factors and subfactors is the most important decision in the evaluation process. Structure the evaluation factors and subfactors and their relative importance to clearly reflect the needs of your acquisition.

(2) Factors and subfactors must:

- Be definable and measurable in readily understood quantitative and/or qualitative terms,
- Represent the key areas of importance and emphasis to be considered in the source selection decision, and
- Be limited to the essential elements that will enable you to distinguish among the information/offers; i.e., will be true discriminators.

(3) *Structure of Evaluation Factors.* Common evaluation factors are cost (or price), technical, past performance, and small business participation. Additionally, as appropriate, you may have other evaluation factors and/or may use one or more levels of subfactors.

(4) *Steps Involved in Formulating Evaluation Factors and Subfactors*

- Conduct market research as a starting point for development of criteria in order to maximize competition.
- Brainstorm critical factors and subfactors.
- Identify key discriminators.
- Define the discriminators as evaluation factors and subfactors and their relative order of importance.
- Assess feedback during SIR(s)

(5) *Evaluation Weights.* You must assign relative importance to each evaluation factor and subfactor. Tailor the relative importance to your specific requirements. Use priority statements to express the relative importance of the evaluation factors and subfactors. Priority statements relate one evaluation factor (or subfactor) to each of the other evaluation factors (or subfactors).

(6) *Sample Priority Statement.* "Technical is the most important factor and is more important than all of the remaining factors combined. Technical is significantly more important than Past Performance. The Past Performance Factor is more important than the Cost Factor and the Small

Business Participation Factor combined. The Cost Factor is more important than the Small Business Participation Factor.”

b. *Numerical and Adjectival Ratings.* When using the tradeoff process, you evaluate the non-cost portion(s) of the offer and associated performance and proposal risks using numerical or adjectival ratings . The success of an evaluation is not so much dependent upon the type(s) of ratings used, but rather on the consistency with which the evaluators use them. For this reason, adjectival ratings must include definitions for each rating so that the evaluators have a common understanding of how to apply them.

c. *Result of Proposal Evaluation.* At the end of an evaluation, the result must be that each factor and sub-factor are evaluated, the merits and risks of a proposal are documented and numerical or adjectival ratings, when appropriate, are assigned.

1.7 The Evaluation Process

a. *Overview.* The SET will perform an in-depth, systematic evaluation of the evaluation factors and subfactors set forth in the SIR(s). Using the evaluation factors and subfactors will facilitate an equitable, impartial, and comprehensive evaluation against the SIR(s).

While the specific evaluation processes and tasks will vary, the basic objective remains constant -- to provide the SSO with information to make an informed and reasoned selection. Towards this end, the evaluators will identify deficiencies, strengths, and weaknesses.

It is imperative that there be an orderly method for the identification, reporting, and tracking deficiencies, strengths, and weaknesses. Using evaluation forms can ease the administrative burden associated with these tasks. Whatever method you use, it is important that you support the evaluation findings with narrative statements. All evaluations must be documented. Ratings alone are not conclusive data upon which to make a source selection decision. Also, all determinations relating to changes in requirements after release of the SIR must be documented in the evaluation report.

b. *Conduct Pre-proposal Training.* Prior to receipt of proposals, each evaluator should become familiar with all pertinent documents; e.g., the SIR, evaluation plan, and ratings. You should conduct training that includes an overview of these documents and the source selection process, with training on how to properly document each proposal's strengths, weaknesses, deficiencies and risks. Training should match the contents of this guide and should also include ethics training and the protection of source selection information. This training is especially crucial when there are evaluators with no prior experience.

When using the tradeoff process, identification of strengths, weaknesses, risks, and deficiencies is crucial because:

The Contracting Officer will consider these items when determining the next step in the source selection process. They provide the framework for any resultant deliberations and debriefings. Specific information on the relative strengths and weaknesses is the basis for tradeoff analysis and the source selection decision. Proposals containing deficiencies are ineligible for award unless the deficiencies are resolved.

c. Past Performance Evaluations

The past performance evaluator(s) assess the performance risk associated with each proposal. The final assessment describes the degree of confidence you have in the offeror's probability/likelihood of successful contract performance based on that offeror's demonstrated record of performance under similar contracts. See T3.2.3.A.2c. for guidance on evaluating past performance.

d. Cost (or Price) Evaluations

For fixed priced contracts, the evaluation can be as simple as consideration of adequate price competition and ensuring prices are fair and reasonable. Fixed priced contracts also should be evaluated as to their appropriateness (i.e., consider market prices, appropriate risk and the possibility of a "buy-in") as to what is being offered. For cost-reimbursement contracts, you must analyze the offerors' estimated costs for both realism and reasonableness. The cost realism analysis enables you to determine each offeror's most probable cost of performance. This precludes an award decision based on an overly optimistic cost estimate. Additionally, whenever you perform cost analysis you must also perform profit or fee analysis. See T3.2.3.A.2c. for guidance on cost and price methodology.

1.8 Selection and Award

a. *Overview.* After the evaluators have completed their final evaluation, the results of the evaluation will be presented to the SSO. The SSO may either:

- Make a selection decision (see below);
- Make a screening decision by screening those offerors determined to be most likely to receive award, thus continuing the screening phase;
- Amend and re-open to initial offerors; or
- Cancel the procurement.

See AMS 3.2.2.3.1.2.5 for details on the SSO decision-making process.

b. *Presenting the Evaluation to the SSO.* The SET Chairperson is responsible for preparing the documentation of the evaluation for presentation to the SSO. The SSO will use this documentation as an aid when making a decision based upon exercising prudent business judgment as to which proposal represents the "Best Value." At the request of the SSO, the SET can present the evaluation results by means of one or more briefings.

c. *The Source Selection Decision.* The SSO must document his/her rationale for selecting the successful offeror. The source selection decision document should explain how the successful proposal compared to other offerors' proposals based on the evaluation factors and subfactors in the solicitation and should discuss the judgment used in making tradeoffs. In the event that the SSO disagrees with a finding(s) of the SET, the SSO's rationale shall be part of the decision document. When the SSO determines that the best value proposal is other than the lowest-priced proposal, the document must explicitly justify paying a price premium regardless of the superiority of the proposal's non-cost rating. The justification must

clearly state what benefits or advantages the FAA is receiving for the added price and why it is in the FAA's interest to expend the additional funds. This justification is required even when the SIR indicates that non-cost factors are more important than cost (or price). The SSO shall engage legal counsel in review of the source selection decision document to assure that the decision clearly articulates the business judgment of the SSO. This document becomes part of the official contract file and can be released, provided that any information exempt under the Freedom of Information Act (FOIA) is not released (i.e., proprietary and business sensitive information, trade secrets and cost information).

d. *Awarding the Contract.* After the SSO has signed the source selection decision document, the Contracting Officer will execute and distribute the contract(s). (Congressional notification may be required – see T3.13.1.4 and T3.13.1.5).

1.9 Notification and Debriefing of Offerors/Lessons Learned

a. *Overview.* The Contracting Officer must notify all offerors who participated in the competitive process within 3 working days from receipt of award notification to request a debriefing (AMS 3.2.2.3.1.4). Since each offeror puts considerable resources into preparing and submitting a proposal, fairness dictates that you promptly debrief offerors and explain why a proposal was unsuccessful. Timely and thorough debriefings increase competition, encourage offerors to continue to invest resources in the Government marketplace, and enhance the Government's relationship and credibility with industry.

b. *Purposes of a Debriefing.* A debriefing:

- Explains the rationale for the offeror's exclusion from the competition or non-selection for award;
- Instills confidence in the offeror that it was treated fairly;
- Assures the offeror that appropriately qualified personnel evaluated their proposal in accordance with the SIR and applicable laws and regulations;
- Identifies strengths and weaknesses in the offeror's proposal so the offeror can prepare better proposals in future FAA procurements;
- Reduces misunderstandings and reduces the risk of protests; and
- Gives the offeror an opportunity to provide feedback regarding the SIR process, communications, and the source selection.

A debriefing is not:

- A page-by-page analysis of the offeror's proposal,
- A point-by-point comparison of the proposals of the debriefed offeror and other offerors, or
- A debate or defense of the FAA's award decision or evaluation results.

c. *Notification of Debriefing.* Inform the offeror of the scheduled debriefing date by electronic means with immediate acknowledgment requested. If the offeror requests a later date, you should require the offeror to acknowledge in writing that it was offered an earlier date, but requested the later date instead. This procedure will protect the FAA's interests if the offeror subsequently files a protest.

d. *Debriefing Methods and Location.* You must debrief one unsuccessful offeror at a time. The Contracting Officer is responsible for selecting the method and location of

the debriefing. The location should provide a professional environment. Although face-to-face debriefings are frequently used, you may also conduct a debriefing by telephone or electronic means. It may be burdensome for an offeror to attend in person and the needs of the offeror should be afforded due consideration. Likewise, if some of the FAA personnel are located at an installation other than where the debriefing will be conducted, they may participate by telephone or videoconference. NOTE: You may provide an advance copy of the debriefing to the offeror and allow the offeror to provide written questions for the Government to review prior to the face-to-face, telephone, or video teleconference debriefing.

e. *Attendees.*

- *FAA Personnel.* The Contracting Officer will chair and control the debriefing and select the FAA attendees. It is extremely important to ensure appropriate FAA personnel attend so that a meaningful debriefing is achieved. The Contracting Officer may rely on Source Evaluation Team to address specialized areas of the offerors' proposals. The Contracting Officer's legal counsel should participate in preparation of the debriefing. Normally, legal counsel should attend the debriefing when the offeror's legal counsel is in attendance. In the event there are indicators that a protest is likely, inform your legal counsel. However, the Contracting Officer must not deny a debriefing because a protest is threatened or has already been filed.
- *Debriefed Offeror Personnel.* The Contracting Officer should ask an offeror to identify all of the firm's individuals by name and position that will attend the debriefing. Normally, do not restrict the number of personnel the debriefed offeror may bring unless there are space limitations.

f. *Preparing for a Debriefing.* A poorly prepared debriefing is the surest way to lose the confidence of the offeror and increase the prospects of a protest. The extent of preparation necessary varies considerably with the complexity of each acquisition. Sometimes, merely preparing debriefing charts is sufficient. Other times, a written script and dry run rehearsals may be beneficial. Because debriefings are time sensitive, preparation must begin before proposal evaluation is complete. Source Evaluation Team members may assist in preparing debriefing charts (which may be later provided to the offeror). Finally, the Contracting Officer must brief all FAA personnel that will attend the debriefing on their roles and expected demeanor during the debriefing.

g. *Handling Questions.* As a general rule, do not answer questions "on the fly" and get all questions in writing. Hold a caucus to formulate a response before providing an answer. At the end of the debriefing advise the offeror that the debriefing is officially concluded. At the discretion of the Contracting Officer, you may answer questions submitted by the offeror subsequent to the date on which the debriefing was conducted. However, in such cases, you must advise the offeror that the information is not considered part of the official debriefing (thereby not impacting the protest time period).

h. *Other Information to Ensure a Meaningful Debriefing*

- In a post-award debriefing, you must disclose the evaluation ratings of the debriefed offeror and awardee to the subfactor level of evaluation; and all

significant weaknesses and strengths of the debriefed offeror's proposal. If the weakness was of significant enough concern to warrant mentioning it during discussions, it is significant for debriefing purposes as well.

- You must disclose the debriefed offeror's total evaluated prices for each CLIN and the awardee's total evaluated cost (or price).
- Disclose a summary of the rationale for the contract award decision. The rationale is contained in the source selection decision document. Consider furnishing the debriefed offerors with a copy of this document. However, evaluation information concerning the other unsuccessful offerors and information not releasable under FOIA must be redacted prior to release. You may find it beneficial to provide the unsuccessful offeror(s) with a copy of the document at their debriefing(s). If you choose to provide them with a copy, you must redact the copy to remove information pertinent to other unsuccessful offerors and information that is exempt under FOIA.

i. *Lessons Learned Memorandum.* A lessons learned memorandum is a valuable tool through which the service organization can relay its procurement experiences to other FAA acquisition personnel. The memorandum from the Contracting Officer who was involved in the procurement should highlight issues/processes that had a significant impact on the procurement. Changes that could be made to ensure a more comprehensive evaluation and/or more timely award should also be addressed (AMS 3.2.2.3.1.5)

1.10 Security and Personnel Considerations

1.10.1 Security Considerations

a. *Release of Source Selection Information.* 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. However, the following individuals are authorized to approve release of source selection information to other authorized Government officials that have signed a non-disclosure statement providing the release would not jeopardize the integrity or successful completion of the procurement (when the release is after issuance of the solicitation, but prior to contract award):

- For source selections subject to the JRC process -- the SSO.
- For other source selections -- the Contracting Officer.

b. *Security Briefing.* Ensure all attend a security briefing that emphasizes that each Source Selection Team member:

- Is responsible for security of the evaluation and proposal materials and other source selection and proprietary information related to the procurement;
- Should be knowledgeable of, and adhere to, governing security procedures and regulations;
- Will not discuss, communicate, or otherwise deal on matters related to the source selection with any individual not assigned to the SSO, or Contracting Officer, as applicable (see above), and then only within appropriately secure areas; and

- Will challenge the presence of any apparent unauthorized individual within the SSO physical location.

c. *Required Certificates and Reports.* Each Source Evaluation Team member (including support personnel) must sign a certificate(s) that addresses nondisclosure of information, conflicts of interest, and rules of conduct.

d. *Handling of Source Selection Materials.* Handle proposal and evaluation material in a manner consistent with "For Official Use Only" or, as appropriate, a higher security classification. Establish sufficient safeguards to protect the material whether it is in the possession of the Source Evaluation Team members or it is being disseminated, reproduced, transmitted, or stored. Additionally, establish appropriate procedures for disposal (e.g., shredding or burn bag disposal) of the material when it is no longer required. See T3.13.1.8 Records Retention, and FAA Order 1350.15C Records Organization, Transfer and Destruction Standards.

e. *Security of Physical Facilities.* In more complex source selections, you may need to establish procedures to ensure the security of the source selection physical facilities. These procedures may include:

- Requiring identification to access the area and requiring authorized visitors (e.g., maintenance/service personnel) to sign in and out;
- Ensuring access points to the facilities are either manned at all times by a representative of the Source Selection Team or are kept locked (with appropriate key or password control procedures);
- Establishing procedures for approving visitors to the facilities; and
- Conducting security inspections and spot checks.

f. *Responsibilities.* All Source Selection Team members are responsible for the security of source selection information. In complex source selections, it may be beneficial to designate certain members of the Source Selection Team to oversee and/or perform security control functions. These duties may be collateral duties or full-time duties of the team member.

1.10.2 Personnel Considerations

a. *Experience, Education and Skills.* 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 Source Evaluation Team. Define the required skills and experience with enough flexibility to allow substitution of training for experience. Source selection training methods include formal classes, on-the-job training, study of available source selection documents, and briefings by people with source selection experience.

b. *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 Source Evaluation Team 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.

c. *Freedom from Bias or Conflict of Interest.* SSO members 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.

d. *Support Personnel.* Once you identify the primary evaluation team, determine if support personnel may be desired or required. Examples of such personnel are:

- Administrative assistant; secretarial support, administrative support (e.g., for briefing charts, evaluation worksheets, etc.),
- Security custodians and special security ("eyes only" messages) personnel,
- Librarian/document-control personnel,
- Reproduction support,
- Visual aids and/or video support personnel,
- Information technology support,
- Transportation support,
- Property support, and
- Budget personnel.

1.11 Oral Presentations

a. *Introduction.* Oral presentations (sometimes referred to as oral proposals) provide offerors an opportunity to present information verbally that they would normally provide in writing. You can conduct oral presentations in person or via video teleconference. However, a video taped presentation does not constitute an oral presentation since it does not represent a real-time exchange of information. Oral presentations may be beneficial in a variety of acquisitions. They are most useful when the requirements are clear and complete and are stated in performance or functional terms. Oral presentations are ideal for gathering information related to how qualified the offeror is to perform the work, how well the offeror understands the work, and how the offeror will approach the work.

b. *Scope of the Oral Presentation.* Before you can decide if oral presentations are appropriate for a given acquisition, you must select the evaluation factors and subfactors. Then decide whether the information you need to evaluate these criteria can be better presented orally or in writing or through a combination of both means. You cannot incorporate oral statements in the contract by reference, so any information you want to be made part of the contract needs to be submitted in writing. At a minimum, the offeror must submit certifications, representations, and a signed offer sheet (including any exceptions to the FAA's terms and conditions) in writing. Additionally, as a rule of thumb, the offeror must submit other hard data ("facts"), such as pricing or costing data and contractual commitments, as part of the written proposal. Oral presentations can convey information in such diverse areas as responses to sample tasks, understanding the requirements, experience, and relevancy of past performance. Require offerors to submit their briefing

materials in advance of the presentations. This will allow FAA attendees an opportunity to review the materials and prepare any associated questions.

c. *Request for Proposal Information.* If oral presentations are appropriate, you must notify offerors in the SIR that the FAA will use oral presentations to evaluate and select the contractor. The proposal preparation instructions must contain explicit instructions and guidance regarding the extent and nature of the process that will be used. Discourage elaborate presentations since they may detract from the information being presented. At a minimum, include the following information in the SIR:

- The types of information the offeror must address during the oral presentations and how they relate to the evaluation criteria,
- The required format and content of the presentation charts and any supporting documentation,
- Any restrictions on the number of charts or the number of bullets per chart and how you will handle material that does not comply with these restrictions,
- The required submission date for the presentation charts and/or materials,
- The approximate timeframe when the oral presentations will be conducted and how you will determine the order of the offerors' presentations,
- Whether any rescheduling will be permitted if an offeror requests a change after the schedule has been established,
- The total amount of time each offeror will have to conduct their oral presentation,
- Who must make the presentation and a requirement that the offeror provide a list of names and position titles of the presenters,
- Whether the presentation will be video or audio taped,
- The location of the presentation site and a description of the site and resources available to the offeror,
- Any rules and/or prohibitions regarding equipment and media,
- How you will treat documents or information referenced in the presentation material but never presented orally,
- Any limitations on FAA-offeror interactions during and after the presentation,
- Whether the presentation will constitute discussions,
- Whether you will use the information in the oral presentation solely for source selection purposes or whether such information will become part of the contract (which will require a subsequent written submission of that information), and
- Whether the offeror should include any cost (or price) data in the presentation.

d. *Timing and Sequencing.* Since preparing and presenting an oral presentation involves time and expense, you do not want to require offerors who are not likely to be serious candidates for award to have to conduct oral presentations. This can be an important consideration with small businesses. When this is a concern, establish the competitive range prior to oral presentations and clearly articulate in the SIR the methodology for doing so. The Contracting Officer will often draw lots to determine the sequence of the offerors' presentations. The time between the first and the last presentation should be as short as possible to minimize any advantage to the offerors that present later.

e. *Time Limits.* Establish a total time limit for each offeror's presentation. It is not advisable to limit the time for individual topics or sections within the presentation; this detail is the presenter's responsibility. If you are planning a question and answer session, exclude it from the allotted time and set a separate time limit for it. There is no ideal amount of time to be allotted. Make this decision using prudent business judgment based upon the complexity of the acquisition and your own (or others') experience and lessons learned.

f. *Facility.* Usually you will want to conduct the presentations at a facility you can control. This helps guard against surprises and ensures a more level playing field. However, nothing precludes you from conducting an oral presentation at an offeror's facility. This may be more efficient if site visits or other demonstrations are part of the source selection. If you are using a Government-controlled facility, make it available for inspection and, if warranted, a practice session. Allowing offerors to get acquainted with the facility will help ensure that it does not detract from the presentation content.

g. *Recording the Presentations.* Having an exact record of the presentation could prove useful both during the evaluation process and in the event of a protest or litigation. You can record the oral presentations using a variety of media; e.g., videotapes, audio tapes, written transcripts, or a copy of the offeror's briefing slides or presentation notes. The SSO is responsible for determining the method and level of detail of the record. If you use videotaping, allow for the natural behavior of the presenters. If slides or view graphs are used, the camera should view both the podium and screen at the same time. Place the microphones so that all communications can be recorded clearly and at adequate volume. Every effort should be made to avoid letting the recording become the focus of the presentation. The recording, which is considered source selection information, will become part of the official record. Provide a copy to the offeror and seal and securely store the master copy of the recording to ensure there are no allegations of tampering in the event of a protest or court action.

h. *FAA Attendance.* The Contracting Officer should chair every presentation. All of the FAA personnel involved in evaluating the presentations should attend every presentation.

i. *Presenters.* The offeror's key personnel who will perform or personally direct the work being described should conduct their relevant portions of the presentations. Key personnel include project managers, task leaders, and other in-house staff of the offeror's or their prospective key subcontractors' organizations. This will avoid the oral presentation becoming the domain of a professional presenter, which would increase costs, detract from the advantages of oral presentations, and adversely affect small businesses.

j. *Reviewing the Ground Rules.* Prior to each presentation, the Contracting Officer should review the ground rules with the attendees. This includes discussing any restrictions on FAA-offeror information exchanges, information disclosure rules, documentation requirements, and housekeeping items. These ground rules should also be included in the solicitation. If you are using a quiz as part of your evaluation, the Contracting Officer needs to discuss the related ground rules. For example, can the offeror caucus or contact outside sources by cell phone before answering? Avoid too much control and regulation since it will inhibit the exchange of information.

However, if you intend to avoid discussions, the Contracting Officer should control all exchanges during the presentation

k. *Evaluation of Presentations.* Evaluations should be performed immediately after each presentation. Using preprinted evaluation forms will help the evaluators collect their thoughts and impressions. Remember, even if you use preprinted forms, evaluators have to provide the rationale for their conclusions.

SECTIONS EDITED:

T3.2.2 - Source Selection (Revision 16, October 2007)

Old Content: Procurement Guidance:

T3.2.2 - Source Selection (Revision 16, October 2007) New Content: Procurement Guidance:

T3.2.2 - Source Selection (Revision 17, January 2009) Red Line Content: Procurement Guidance:

T3.2.2 - Source Selection (Revision ~~16~~¹⁷, ~~October~~^{January} ~~2007~~²⁰⁰⁹)
