

Solicitation Document Guideline - 2.1.G (08/26/04)

[Last Update: \(08/26/04\) ABachicha:kma - 2.1.G.0](#)

[Background - 2.1.G.1](#)

[Solicitation - 2.1.G.2](#)

[Solicitation Document Contents - 2.1.G.3](#)

[Best-Value \(BV\) Evaluation Factors - 2.1.G.4](#)

[Oral Presentations in Lieu of Written Technical Proposals - 2.1.G.5.](#)

[Solicitation Communications - 2.1.G.6](#)

[Solicitation Cancellation – 2.1.G.7](#)

[Documentation - 2.1.G.8](#)

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This guideline was extensively revised to address administrative changes throughout the document.

Definitions

Best-Value Procurement - The expected outcome of any acquisition that ensures the customer's needs are met in the most effective, economical, and timely manner. It is the result of the combination of:

- each acquisition,
- the acquisition strategy,
- choice of contracting methods, and
- the award decision.

Best-value is the goal of any acquisition method. Negotiated acquisition techniques used to obtain best-value may span a "continuum" from low priced technically acceptable to tradeoffs between price, past performance, and the technical solution and involves methods and strategies for selecting Contractors that will provide Sandia with the best value. Best-value procurement provides best-value tradeoff methods, encourages open communication, involves commercial competition techniques, introduces a variety of evaluation factors, such as past performance, Total Life Cycle Cost (TLCC), corporate experience, technical expertise, and can include oral presentation.

Best-Value Source Selection - A method used to determine which proposal offers the best tradeoff between price/cost and performance capabilities, where quality is considered an integral performance factor. Factors used for evaluation may include factors such as performance capability, technical elements, past performance, Total Life Cycle Costs (TLCC), experience and financial capability. In some instances, the requirements may not lend themselves to any specific criteria; therefore, best-value may be determined based on the contents of the Offeror's proposal.

Responsible Contractor - A Contractor who possesses:

- the resources to perform or the ability to obtain them,
- the ability to comply with the delivery schedule,
- necessary production/construction/technical equipment and/or facilities, or the ability to obtain them,
- the necessary organization, experience, accounting/operational controls or the ability to obtain them,
- the technical skills/abilities to perform or the means to obtain them,
- a satisfactory performance record, and
- a satisfactory record of integrity and business ethics.

Acceptable Offer - An offer is acceptable when it manifests the Offeror's assent without exception to any of the requirements of the solicitation or when Sandia's best interest may be met through successful negotiation of any exceptions.

Corporate Experience - Corporate experience is a company's work history, including subcontracts where applicable. This includes what types of work were performed in the past, how often it was done, and under what types of conditions.

Past Performance - Past performance is a judgment about the quality of a firm's historical performance. It considers what results were delivered. It includes the Contractor's record of conforming to contract requirements and to standards of good workmanship.

Commercial-like Practices - Practices that possess characteristics which are similar to the way in which private industry procures goods and services.

Highest Probability of Success - The Offeror(s) who have the best chance of achieving Sandia's

results and provide the best-value.

Background - 2.1.G.1

The solicitation should define the requirements of the Statement of Work (SOW), lay the ground rules for the evaluation of offers and basis of award, and contain the Terms and Conditions (Ts&Cs) of the proposed contract. These factors influence the degree to which competition can be obtained. This document provides guidance on the contents of the solicitation document.

When planning a best-value source selection, the Sandia Contracting Representative (SCR) may consider:

- identifying procurement objectives,
 - identifying the factors of evaluation,
 - developing a value scale (when using numerical evaluation method), and
 - developing value scoring rules such as:
 - scoring by direct comparison, or
 - scoring by comparison to measurement standard.
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Solicitation - 2.1.G.2

Written solicitations are mainly used for procurements that exceed \$100K; however, at the SCR's discretion, they may be used for procurements at any value. When the SCR issues a solicitation, the request may specify that the Offerors provide a firm offer valid for a specific period of time.

At their discretion the SCRs may issue an Oracle generated solicitation document or may choose to utilize a letter solicitation. Under the letter solicitation (example can be found in "Guideline Documents"), the SCR issues a letter which defines the:

- requirements,
- type of contract contemplated,
- quantity,
- description,
- required delivery dates for the item/services,

- applicable Ts&Cs,
- evaluation criteria for other than sole-source actions,
- due date, and
- time.

When the requirement is for commercial off-the-shelf items or commercial services up to \$5 million, the offer or information may be obtained verbally. The contract files supporting oral solicitations should include name of the sources solicited, including the date, time, name of individuals contacted, and prices offered. The information furnished to potential Offerors under oral solicitations should be sufficient to allow them to understand Sandia's requirement and to submit an offer.

Solicitation Document Contents - 2.1.G.3

Written solicitations shall contain the following categories of information, when applicable:

- Solicitation Information including:
 - Solicitation Instructions,
 - Proposal Preparation Instructions, and
 - Contractor Selection Information,
- Section I consisting of:
 - Clause 1 - Statement of Work (SOW) or Statement of Objective,
 - Clause 2 - Delivery or Period of Performance,
 - Clause 3 - Total Price, Ceiling Price, or Estimated Cost,
 - Applicable Standard and Nonstandard Clauses
 - Basis of Award Clause, and
- Section II Terms and Conditions.

Proposal Due Date - 2.1.G.3.a

The Offerors(s) should be given adequate time to prepare a response to the solicitation. Consideration should be given to the scope and complexity of the requirement, the proposal format being requested, as well as whether or not a preproposal conference will be scheduled.

Inadequate time to respond can limit competition. For example, do Offerors need time to solicit offers from lower tier subcontractors?

Basis of Award - 2.1.G.3.b

Each solicitation document must clearly state the basis of award by incorporating either SC 891-BVD when award is on the basis of best-value determination, or SC 892-KQN when meeting specifications and low price.

Best-Value (BV) Evaluation Factors - 2.1.G.4

Evaluation factors generally fall into two categories: price and nonprice related. Price should always be considered in performing evaluations and determining the highest probability of success. In determining nonprice evaluation factors, the SCR may consider only those factors which truly represent value to Sandia. The relative importance and weighting of each evaluation factor are to be given to the Offeror when providing information regarding evaluation factors.

The evaluation factors selected should provide the greatest ability to differentiate between the Offerors. The evaluation factor of past performance may merit a significant weighting. Choose evaluation factors carefully. Having too many factors will dilute the evaluation results.

Sample Wording - 2.1.G.4.a

The following is suggested information and sample wording to be provided in the solicitation with regard to "Evaluation Factors for Award":

- **Acceptability of the Proposal** - Sandia will determine the acceptability of each offer on a pass or fail basis. An offer is acceptable when it manifests the Offeror's assent, without exception, to all requirements of the solicitation, including attachments. If an Offeror takes exception to any requirements of the solicitation, Sandia may consider its offer to be unacceptable. Sandia reserves the right to change any requirements of the solicitation at any time prior to the source selection decision.
- **Price** - Sandia will evaluate the reasonableness of the price of each acceptable offer in relation to the Offeror's relative capability.
- **Relevant Capability of the Offeror** - To determine who has the highest probability of success, Sandia may evaluate the relevant capability of each Offeror on the basis of their:
 - relevant organizational experience,

- relevant organizational past performance,
- relevant understanding of Sandia's requirements,
- technical innovation, and
- financial qualifications.
- **Organizational Experience** - Sandia will evaluate each Offeror's organizational experience on the basis of its breadth, its depth, and its relevance to the work that will be required under the prospective contract.
- **Organizational Past Performance** - Past performance is a measure of the degree to which an Offeror satisfied its customers in the past and complied with Federal, state, and local laws and regulations. Sandia may contact Offeror's customers/references to ask whether or not the Offeror:
 - was capable, efficient, and effective;
 - performance conformed to the Ts&Cs of their contract;
 - was reasonable and cooperative during performance; and
 - was committed to customer satisfaction.

In evaluating past performance, Sandia may utilize any sources of factual information including sources not included in the Offeror's proposal.

- **Understanding of Sandia's Requirements** - Sandia will evaluate each Offeror's relevant understanding of the requirements.
- **Relative Importance of the Evaluation Factors** - An offer must be acceptable in order for the Offeror to be eligible for award. Acceptability of the offer is the most important evaluation factor. Sandia considers relevant capability to be more important than price, however, Sandia will not select an Offeror for award on the basis of a relatively superior capability without concern for the amount of its price. The relative impact that capability and price will have on the source selection decision will depend, in part, on the marginal differences among the competing Offerors.
- **Source Selection Decision** - In order to select the winning Offeror, Sandia may rank the Offerors from best to worst by making comparisons among them, trading off the differences in capability and price between the Offerors. If one Offeror has both the better capability and the lower price, then that Offeror will be the better value. If one Offeror has the better capability and the higher price, then the SCR will decide whether the difference in capability is worth the difference in price.

Note: The following are mandatory requirements, and if used, shall not be scored to fulfill the obligations of a Sandia contract:

- Facility Code (FOCI Determination),
- Facility Clearance, and/or

- Q or L clearances.
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Oral Presentations in Lieu of Written Technical Proposals - 2.1.G.5

In lieu of, or in conjunction with written proposals, the SCR may allow the use of oral presentations. The use of oral presentations is one of the methods that can be used in lieu or in conjunction with technical proposals. Oral presentations are most useful when there is a clear and reasonably complete statement of Sandia's requirement and the technical and management information requested is neither voluminous nor highly complex.

The oral presentations should be scheduled as soon as practicable after receipt of any requested written proposals. A Question and Answer (Q&A) session may be utilized immediately following the oral presentation. The Q&A session should include free and open communications with each Offeror. If practicable, score the oral presentations immediately after each presentation is made.

Oral Presentations Guidance - 2.1.G.5.a

The following guidance is given for the use of oral presentations:

Proposal Preparation Instructions - 2.1.G.5.a.1

The solicitation must notify Offerors that oral presentations will be used to evaluate and select the Offeror. The proposal preparation instructions must contain explicit instructions and guidance regarding the extent and nature of the process that will be used. The instructions for oral presentation may include the following:

- description of the topics that Offeror must address and the technical and management factors that must be covered,
- statement concerning the total amount of time that will be available to make the presentation,
- description of limitations on Sandia-Offeror interaction during and after the presentation,
- the SCR should allow no professional presenters and should stipulate in the solicitation that the oral presentations may be presented only by the Offeror's technical program team,
- statement whether the presentation will encompass price or cost and fee,
- description and characteristics of the presentation site,
- rules governing the use of presentation media,

Note: A copy of the transparencies should be submitted in advance of the presentation so that it may be reviewed by the evaluators attending the presentation.

- anticipated number and types of positions of Sandia's attendees,
 - description of the format and content of presentation documentation, and their delivery,
 - statement whether the presentation will be recorded (e.g., videotaped),
 - a determination of types of the information that will be provided orally, and
 - information to be provided in writing (i.e. cost information, past performance information, and personnel resumes).
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Solicitation Communications - 2.1.G.6

During the time that the solicitation is out for proposals and prior to receipt of proposals, verbal or written communications between Sandia and any prospective Offeror regarding Sandia's requirements may be necessary. These communications should be conducted through the SCR. The Requester/Sandia Delegated Representative (SDR) may communicate directly with the Offeror(s) with the presence of the SCR; however, what will be discussed must be communicated to the SCR beforehand. These communications would most likely involve clarifications with respect to the technical issues of the proposal(s). Caution should be taken to ensure that all Offerors are given equal access to information which impact the requirements of the solicitation or influences the Offeror's response.

If there are any substantive changes to the solicitation, it may be appropriate for the SCR to issue a formal revision to the solicitation document if the change impacts the Offeror's proposal.

Solicitation Cancellation – 2.1.G.7

If it is in the best interest of Sandia to do so, the SCR may cancel a solicitation. The SCR should be aware that the Contractor may have incurred significant costs to prepare their proposal, thus the SCR needs to exercise their best professional discretion before canceling a solicitation. When technical and/or cost proposals have been received from a Contractor in response to a solicitation, the cancellation notification letter from the SCR should tell the Contractor that all materials received by Sandia have been destroyed. The SCR must treat the proposals as private information and destroy accordingly.

Documentation - 2.1.G.8

Throughout the procurement cycle, the SCR must document the process, the factors, and the requirements that are applicable to that acquisition. The documentation should be adequate to establish the propriety of the transaction. The following are examples of some of the items that should be documented during the solicitation process:

- substantive changes to the solicitation,
- solicitation revisions (formal and informal), and/or
- special Ts&Cs.

Send feedback on ideas and information on this page to the Process Expert, Adolph Bachicha.



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