



## Source Selection Practical

***SEAPOWERS THROUGH ENGINEERING***

3.2.5

**TOPIC LEARNING OBJECTIVES**

Upon successful completion of this topic, the student will be able to:

- 1. As a member of an Integrated Product Team, develop portions of a Source Selection Plan (SSP) to include relative ranking of sub factors and development of evaluation criteria.
- 2. Identify the purpose of evaluation criteria and how the criteria are developed.
- 3. Select a best value contractor by comparing contractor proposals and test results to source selection criteria.

**STUDENT PREPARATION**

Student Support Material

- 1. None

Primary References

- 1. Federal Acquisition Regulation
- 2. DFARS Procedures, Guidance and Information Subpart 215.3—Source Selection (DoD Source Selection Procedures)

Additional References

- 1. None



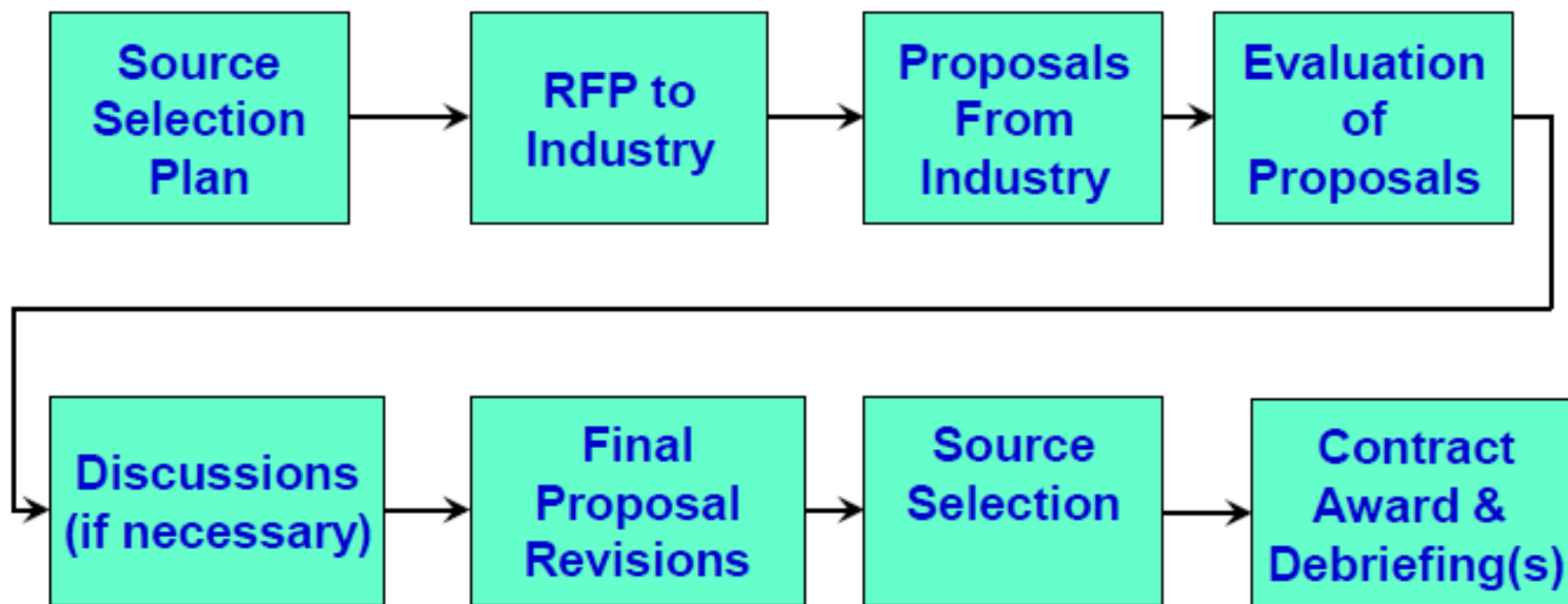
# Overview

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- Source Selection Review
- Source Selection Exercise



# Source Selection Process Review





# Request For Proposal (RFP) Format

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- Part I – Schedule
  - Section A: Solicitation/contract form
  - Section B: Supplies or services and prices/costs
  - Section C: Description/Specifications/Work Statement (derived from CDD/CPD)
  - Section D: Packaging and marking
  - Section E: Inspection and acceptance
  - Section F: Deliveries and performance
  - Section G: Contract administration
  - Section H: Special contract requirements
- Part II – Contract Clauses
  - Section I: Contract clauses
- Part III – List of Documents, Exhibits, and other Attachments
  - Section J: List of attachments
- Part IV – Representations and Instructions
  - Section K: Representations, certifications, and other statements of offerors
  - Section L: Instructions, conditions, and notices to offerors or respondents
  - **Section M: Evaluation factors for award**



# DoD Source Selection Process

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- Provides:
  - Uniform procedures across DoD
  - Simplified source selection process
  - Standardized rating criteria and descriptions for technical and past performance factors
  - Requires appointment of SSAC on source selections valued over \$100M
- Documented in Defense Federal Acquisition Supplements (DFARS) Subpart 215.3—Source Selection (DoD Source Selection Procedures)



# The Source Selection Plan

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- Details all aspects of source selection process
- Key elements include:
  - Organization/personnel
  - How Source Selection will be conducted
  - Criteria for proposal evaluation
    - Provide a structured, fair, and impartial evaluation of offerors
    - Maximize competition and innovation
    - Select best source
- Prepared by the Contracting Officer/IPT
- Approved by the Source Selection Authority (SSA)



# Program Manager Roles and Responsibilities

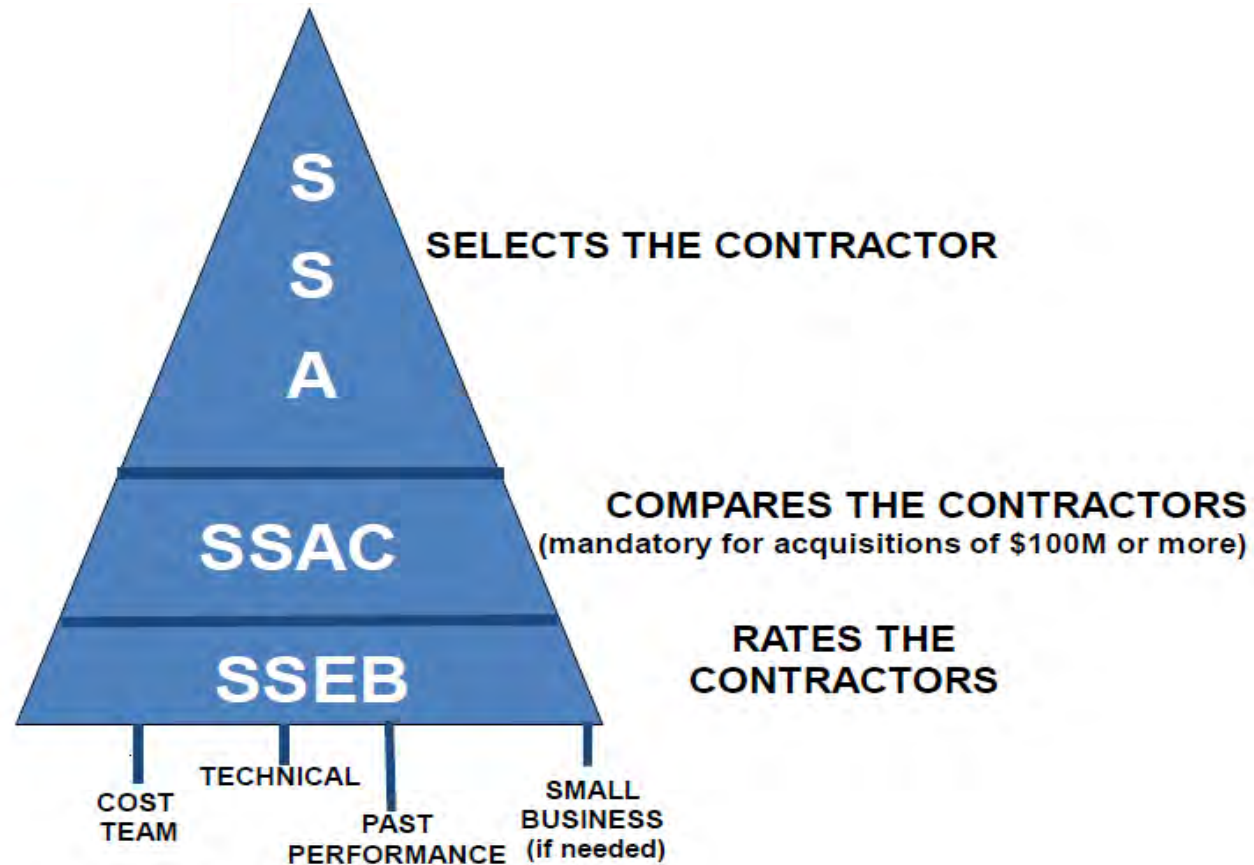
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- Ensure technical requirements are approved and stable
- Establish technical specifications
- Develop Statement Of Work (SOW), Statement Of Objective (SOO), or Performance Work Statement (PWS)
- Allocate resources to support SSP
- Assist in establishing Source Selection Team (SST)
- Assist in development of evaluation criteria





# Source Selection is a Team Sport



SSA: Source Selection Authority  
SSAC: Source Selection Advisory Council  
SSEB: Source Selection Evaluation Board



# Evaluation Factors/Subfactors

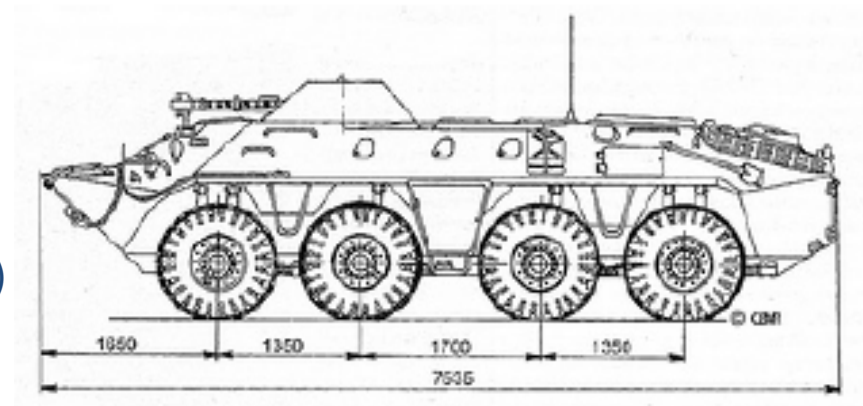
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- Good Evaluation Factors:
  - Provide meaningful discrimination among offerors
  - Are representative of level of importance individual factors are to the overall program
  - Are tailored to the acquisition
- Examples:
  - Cost
  - Technical
  - Past Performance
  - Small Business Participation
- Level of detail and number of evaluation factors will vary
- Evaluation criteria are communicated to the bidders via the RFP in Section M
  - Per statute, the solicitation shall clearly state the **relative importance of all factors and significant subfactors and identify the relationship of all factors other than cost or price combined** as “significantly more important than”, “approximately equal to”, or “significantly less important than” **the cost**



# Evaluation Factors and Subfactors Example

- Factors:
  - Technical
    - Weapon Accuracy
    - Range
    - Improvised Explosive Device (IED) Protection
  - Past performance
    - Recent relevant effort
      - Design and construction of similarly complex ships
      - Technical compliance
      - Cost compliance
      - Management performance



*Factors will be ranked by importance relative to other factors*



# Evaluation Standards

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- Developed for each factor/subfactor
- Used to determine how well a proposal meets a factor/subfactor
- Can use words, numbers, colors, etc.
- Must be clearly defined and understood by the SSEB
- Evaluation standards are not included in the RFP (for use by SSEB)



# Evaluation Rubric

## Standardized Source Selection Evaluation Ratings

**Table 1. Combined Technical/Risk Ratings**

Color	Rating	Description
Blue	Outstanding	Proposal meets requirements and indicates an exceptional approach and understanding of the requirements. Strengths far outweigh any weaknesses. Risk of unsuccessful performance is very low.
Purple	Good	Proposal meets requirements and indicates a thorough approach and understanding of the requirements. Proposal contains strengths which outweigh any weaknesses. Risk of unsuccessful performance is low.
Green	Acceptable	Proposal meets requirements and indicates an adequate approach and understanding of the requirements. Strengths and weaknesses are offsetting or will have little or no impact on contract performance. Risk of unsuccessful performance is no worse than moderate.
Yellow	Marginal	Proposal does not clearly meet requirements and has not demonstrated an adequate approach and understanding of the requirements. The proposal has one or more weaknesses which are not offset by strengths. Risk of unsuccessful performance is high.
Red	Unacceptable	Proposal does not meet requirements and contains one or more deficiencies. Proposal is unawardable.



# Source Selection Summary

- Sample factor: Reliability
  - Importance: Reliability is more important than cost
  - Evaluation standard:

Subfactor	Standard	Rating
<b>MTBCF</b>	$130 \text{ hrs} \leq \text{MTBCF}$	<b>Blue</b>
	$100 \leq \text{MTBCF} < 130$	<b>Purple</b>
	$70 \leq \text{MTBCF} < 100$	<b>Green</b>
	$40 \leq \text{MTBCF} < 70$	<b>Yellow</b>
	$\text{MTBCF} < 40 \text{ hrs}$	<b>Red</b>

MTBCF - Mean Time Between Critical Failure



# Overview

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- Source Selection Review
- Source Selection Exercise



# Exercise Part 1 Background

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- Scenario: New CGW(X) Ship Program
- The analysis is completed, and a preferred solution has been identified. ASN (RD&A) (the MDA for all new start MDAPs and therefore for Navy ship programs) has granted approval for M/S A
- Your Ship Design Team has worked hard to iterate the design and develop trade-off opportunities for the sponsor to consider in finalizing the CDD
- Work has already begun on developing a Government Preliminary Contract Design as well as the RFP
- A team has been assembled to write a SSP for the full and open competition for award of the Detail Design and Construction of the ships





# Exercise Part 1 Data:

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- One of the factors to be evaluated at the source selection is technical performance. The CGW(X) source selection team has already developed technical subfactors based on the draft CDD. Those performance factors include:
  - Survivability (KPP)
  - Endurance (range unrefueled at 20 kts) (KPP)
  - Sprint Speed (at 90% MCR and sea state 3) (KPP)
  - Mission Payload
  - Anti-Air Warfare/Ballistic Missile Defense (KPP)
  - Anti-Submarine Warfare
  - Energy Efficiency (KPP)
  - System Training (KPP)
  - Environmental
  - Manning
  - Net Ready (interoperability) (KPP)
  - Force Protection (KPP)
  - Sustainability (KPP)
  - Aviation Capability
  - Troop Delivery (KPP)



# Exercise Part 1a

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- As a group, rank by relative importance the following subfactors: Sprint Speed, Mission Payload, Troop Delivery, Aviation Capability, Endurance (unrefueled range), and Energy Efficiency (fuel consumption at endurance speed). State the final product in the following terms: “X is significantly more important than Y, which is equally as important as Z which are more important than ...” or something to that effect
  - Sprint Speed:
  - Mission Payload:
  - Troop Delivery:
  - Aviation Capability:
  - Endurance:
  - Efficiency:



## Exercise Part 1b

- You will be divided into groups. Each group will be assigned some of the six **technical** subfactors ranked in the previous step to develop evaluation standards. Use the template in your class notes to fill in the subfactors and evaluation standards based on the information below:

Subfactors	Threshold	Objective
Sprint Speed at 90% Max Continuous Rating in Sea State 3	30 kts	40 kts
Mission Payload	600 ST	1000 ST
Troop Delivery	Offload 5 hours	Offload 1 hour
Aviation Capability	Deck area for 1 SH-60 with rotors turning and hangar area for 1 SH-60 with rotors folded	Deck area for 2 SH-60s with rotors turning and hangar area for 2 SH-60s with rotors folded
Endurance (Unrefueled range at endurance speed)	2500 NM	3500 NM
Energy Efficiency (Fuel consumption at endurance speed)	600 gallons/hour	400 gallons/hour



## Exercise Part 1b (cont)

Subfactor	Standard	Rating
		Blue
		Purple
		Green
		Yellow
		Red



## Exercise Part 2

- Using the evaluation criteria developed in Part 1, evaluate Shipyard A and B and recommend down selection for the Detail Design and Construction (DD&C) contract for the CGW(X) in preparation for the M/S B Decision
  - Shipyard A Technical Proposal:
    - Sprint Speed: 35 kts
    - Mission Payload: 850 tons
    - Troop Delivery: 4 hours
    - Aviation Capability: Deck area for 2 SH-60's/Hangar for 1 SH-60
    - Endurance: 3000NM at 20 kts
    - Efficiency: 450 gallons/hour at 20 kts
  - Shipyard B Technical Proposal:
    - Sprint Speed: 42 kts
    - Mission Payload: 600 tons
    - Troop Delivery: 2 hours
    - Aviation Capability: Deck area for 1 SH-60/Hangar for 2 SH-60's
    - Endurance: 2500NM at 20 kts
    - Efficiency: 500 gallons/hour at 20 kts



## Exercise Part 2

- You are part of a SSEB:
  - Rate each Shipyard, using the standards developed in Part 1
  - Develop an overall rating based on the relative importance your group determined between each subfactor. Use the summary chart below to fill in your results
    - Fill in the decision matrix with letters to represent colors (B, P, G, Y, or R)
    - Recommend an overall rating
- Now you are on the SSAC:
  - Recommend a Contractor to the SSA based on best value trade-off
  - Would your selection change if using LPTA?

	SUBFACTORS						OVERALL
	1	2	3	4	5	6	
A							
B							