AF Life Cycle Management Center

EPASS
Highest Technically Rated Offeror w/Realistic and Reasonable Price (HTRO-RRP)

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Strategic Services
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Providing the Warfighter’s Edge
• FY 17 NDAA Language to move away from LPTA
  • Sec 813 FY 17 NDAA Required DOD to avoid using LPTA… when acquiring…knowledge based services
• Uses FAR 16.505 IAW basic contract ordering instructions
• GSA’s proven process & GAO case law
  • Evaluation methodology modeled after GSA OASIS
  • Industry Days, before every solicitation release, Q&As with Industry, One on Ones, Phasing Charts, Draft solicitations released and revised based on Industry comments/suggestions
• HTRO has Streamlined the process by prioritizing the quality of work over the price/cost
• No underlying “strengths” or “weaknesses” to be evaluated, nor any “Trade-offs”
• Interchanges conducted in writing (Interchange Notices) to offerors if determined to be in the best interest of the Government:
  • To some, none, or all
• Debriefings given to both unsuccessful and successful offerors
  • IAW DPAP Class Deviation – enhanced post-award debrief
Proposals contain three Volumes

- Volume I(a) – Executive Summary
- Volume I(b) – Contract Documentation
- Volume II – Task Order Contractor Rating System
  - Evidence of experience in the form of work samples
    - Limited to five
- Volume III – Task Order Cost/Price

Two Factor evaluation process

- Factor 1 – Technical Evaluation
- Factor 2 – Cost/Price
  - 2 step approach
Contract Type/Tools

- CPFF Term Contract Type, Level of Effort (LOE)
  - “Performance” is defined as:
    - Completing the PWS activities
    - With the designated labor categories
    - For the amount of hours on contract – No Fee Paid on unused hours
  - Previously was traditional CPFF
- LOE Attachment/Labor Requirements Matrix
  - Each tab in the LOE matrix is identified by Division and a unique Project ID is aligned with a program in the PWS
  - Each tab defines hours by labor competency, security clearance, and location
- B-Tables for Labor Rates
  - Pre-priced labor ordering matrix detailing the rate and fee per hour
  - Will be used to bilaterally order additional hours
  - Streamlined bilateral modifications
Fair Opportunity Proposal Request (FOPR) Documents

- PWS
- CLIN Structure
- LOE Matrix
- Instructions to Offerors (ITO)
- **Objective Evaluation Criteria**
- **Self Scoring Matrix**
- **LOE Matrix**
- **Uniform Pricing Template (UPT)**
- EPASS B-Table Implementation
- OCI Briefing Slide Deck
- Provisions and Clauses
- DD254
- Financial Responsibility
- NAICS Codes for OASIS Pool Numbers
- **EPASS Cross Reference Matrix**
- Past Performance Rating Form
- Standard HTRO w/RRP Past Performance Questionnaire
- Model Contract
Objective Evaluation Criteria

Narrative for each of the Categories within the Self-Scoring Matrix

Category 10: Maximum CMEs transitioned/hired within 30 Calendar Days (Prime Only)
Of the work samples submitted, the Offeror shall rate itself based off of the highest number of CMEs transitioned and/or hired within 30 days as the prime (multiple Contracts/TOs allowed). “Prime Only” means that the Offeror can include in its count any subcontractor CMEs that were part of the team, but the Prime Offeror had to have been the prime on the effort. Sole-source contract extensions, bridge contracts, and winning recompetes as the incumbent are not considered ‘transitions’.

Within 30 days is defined as a single 30 consecutive calendar-day period. For example, 15 Apr 2017 to 14 May 2107 is 30 calendar days.

This may be difficult to substantiate with contract documentation or business systems printouts, so any Past Performance Questioners (PPQs) that are submitted shall CLEARLY indicate the singular, consecutive 30 calendar-day period.

The Government has determined this qualification to be important as it directly relates to mitigating transition risk.
# Self- Scoring Matrix

- Points and a weighting system applied to each category was based off of customer’s level of importance
- Contractors required to rank themselves based on matrix provided

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage of Points</th>
<th>Maximum Score</th>
<th>Offsets Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. DLA's categories rated exceptional over last 5 years</td>
<td>0%</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2. CPARs categories rated Very Good over last 5 years</td>
<td>1000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>3. DLA's categories rated Satisfactory over last 5 years</td>
<td>1500</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>4. CPARs categories rated Marginal over last 5 years</td>
<td>3000</td>
<td>0</td>
<td>0</td>
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<tr>
<td>5. DLA’s categories rated Unsatisfactory over last 5 years</td>
<td>-12000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Totals</td>
<td></td>
<td>12,000</td>
<td>0</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>Category</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Stability (as % of Base Period (prime only))</td>
<td></td>
</tr>
<tr>
<td># of specifically identified contracts/sois with naics code 541530 exception a (1500 cmls) that support air and/or ground for administered in the last 5 years</td>
<td>5</td>
</tr>
<tr>
<td># of cmls on largest contract/fdo administered as prime in last 5 years (total subcontracts in the cme count)</td>
<td>3000</td>
</tr>
<tr>
<td># of contracts/fdos administered in the last 5 years (prime only) with at least 3 geographic locations (13 cmls) at each location</td>
<td>5</td>
</tr>
<tr>
<td>Maximum # of cmls transitioned/subject within 30 days (prime only) (multiple contracts/fdos allowed)</td>
<td>3000</td>
</tr>
<tr>
<td># of doo contracts/fdos administered (1500 cmls) in last 5 years</td>
<td>5</td>
</tr>
<tr>
<td># of current employees with tier 5 investigations (prime only)</td>
<td>1200</td>
</tr>
<tr>
<td># of doo contracts/fdos (1500 cmls) administered in last 5 years that included direct program management activities on acti (or higher) programs</td>
<td>5</td>
</tr>
<tr>
<td># of doo contracts/fdos (1500 cmls) administered in last 5 years that included direct cybersecurity engineering activities on actii (or higher) programs</td>
<td>5</td>
</tr>
<tr>
<td># of doo contracts/fdos (1500 cmls) administered in last 5 years that included systems engineering activities on actiii (or higher) programs</td>
<td>5</td>
</tr>
<tr>
<td># of doo contracts/fdos (1500 cmls) administered in last 5 years that included direct activities on yu5/5c programs</td>
<td>5</td>
</tr>
<tr>
<td># of doo contracts/fdos (1500 cmls) administered in last 5 years that included direct support for software intensive programs</td>
<td>5</td>
</tr>
<tr>
<td># of contracts/fdos (1500 cmls) administered in last 5 years that included direct support for agile deployment and fielding and/or rapid acquisition</td>
<td>5</td>
</tr>
</tbody>
</table>
### LOE Matrix Example

<table>
<thead>
<tr>
<th>Project ID-Program Name</th>
<th>Labor Competency</th>
<th>PoP Start Date</th>
<th>Skill Level</th>
<th>Security Clearance</th>
<th>Location</th>
<th>Base Year</th>
<th>Opt 1</th>
<th>Opt 2</th>
<th>Opt 3</th>
<th>Opt 4</th>
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<tbody>
<tr>
<td>EN</td>
<td>Computer Scientist</td>
<td>1-Dec-19</td>
<td>Journeyman</td>
<td>Secret</td>
<td>Robins</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>EN/ADSM</td>
<td>Computer Scientist</td>
<td>1-Dec-19</td>
<td>Journeyman</td>
<td>TS/SCI</td>
<td>Robins</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
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<tr>
<td>EN/Branch</td>
<td>Computer Scientist</td>
<td>1-Dec-19</td>
<td>Journeyman</td>
<td>Secret</td>
<td>Robins</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>EN</td>
<td>Computer Scientist</td>
<td>1-Dec-19</td>
<td>Senior</td>
<td>TS/SCI</td>
<td>Robins</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
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<tr>
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<td>1-Dec-19</td>
<td>Senior</td>
<td>TS/SCI</td>
<td>Robins</td>
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<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
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<tr>
<td>EN/IT/SR</td>
<td>Computer Scientist</td>
<td>1-Dec-19</td>
<td>Senior</td>
<td>TS/SCI</td>
<td>Robins</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
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<tr>
<td>FPED</td>
<td>Configuration Manager</td>
<td>1-Dec-19</td>
<td>Senior</td>
<td>TS/SCI</td>
<td>Robins</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>EN</td>
<td>Configuration Manager</td>
<td>1-Dec-19</td>
<td>Senior</td>
<td>TS/SCI</td>
<td>Robins</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
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<td>Configuration Manager</td>
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<td>Robins</td>
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<td>1.00</td>
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<tr>
<td>EN</td>
<td>Configuration Manager</td>
<td>1-Dec-19</td>
<td>Senior</td>
<td>TS/SCI</td>
<td>Robins</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
</tbody>
</table>
Uniform Pricing Template (UPT)

Offeror completes UPT with direct and indirect labor rates

<table>
<thead>
<tr>
<th>Labor Category</th>
<th>Exp Level</th>
<th>Sec Level</th>
<th>Est Hrs</th>
<th>Direct Labor Rate</th>
<th>Fringe</th>
<th>O/H G&amp;A</th>
<th>Tot Est Cost</th>
<th>Less Fixed Fee</th>
<th>Fixed Fee %</th>
<th>Fixed Total Fee</th>
<th>FBLR (Less Fixed Fee)</th>
<th>Fixed Fee/Hr</th>
</tr>
</thead>
<tbody>
<tr>
<td>Systems Engineer</td>
<td>Jr. Secret</td>
<td>Jr. Secret</td>
<td>4</td>
<td>$5</td>
<td>$4</td>
<td>$3</td>
<td>$300</td>
<td>$250</td>
<td>$50</td>
<td>$50</td>
<td>$100</td>
<td>$2.5</td>
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<tr>
<td>Systems Engineer</td>
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<td>Jr. Top Secret</td>
<td>4</td>
<td>$5</td>
<td>$4</td>
<td>$3</td>
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<td>$250</td>
<td>$50</td>
<td>$50</td>
<td>$100</td>
<td>$2.5</td>
</tr>
<tr>
<td>Program Analyst</td>
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<td>4</td>
<td>$5</td>
<td>$4</td>
<td>$3</td>
<td>$300</td>
<td>$250</td>
<td>$50</td>
<td>$50</td>
<td>$100</td>
<td>$2.5</td>
</tr>
<tr>
<td>Program Analyst</td>
<td>Jr. Top Secret</td>
<td>Jr. Top Secret</td>
<td>4</td>
<td>$5</td>
<td>$4</td>
<td>$3</td>
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<td>$250</td>
<td>$50</td>
<td>$50</td>
<td>$100</td>
<td>$2.5</td>
</tr>
<tr>
<td>Technical Writer</td>
<td>Jr. Secret</td>
<td>Jr. Secret</td>
<td>4</td>
<td>$5</td>
<td>$4</td>
<td>$3</td>
<td>$300</td>
<td>$250</td>
<td>$50</td>
<td>$50</td>
<td>$100</td>
<td>$2.5</td>
</tr>
<tr>
<td>Technical Writer</td>
<td>Jr. Top Secret</td>
<td>Jr. Top Secret</td>
<td>4</td>
<td>$5</td>
<td>$4</td>
<td>$3</td>
<td>$300</td>
<td>$250</td>
<td>$50</td>
<td>$50</td>
<td>$100</td>
<td>$2.5</td>
</tr>
<tr>
<td>Cost Estimating and Cost Analysis</td>
<td>Jr. Secret</td>
<td>Jr. Secret</td>
<td>4</td>
<td>$5</td>
<td>$4</td>
<td>$3</td>
<td>$300</td>
<td>$250</td>
<td>$50</td>
<td>$50</td>
<td>$100</td>
<td>$2.5</td>
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<tr>
<td>Cost Estimating and Cost Analysis</td>
<td>Jr. Top Secret</td>
<td>Jr. Top Secret</td>
<td>4</td>
<td>$5</td>
<td>$4</td>
<td>$3</td>
<td>$300</td>
<td>$250</td>
<td>$50</td>
<td>$50</td>
<td>$100</td>
<td>$2.5</td>
</tr>
</tbody>
</table>
Evaluation Process Factor 1
Technical Evaluation

- Offerors provide up to 5 work samples as evidence for validation of self-score
- Allows Government to objectively validate previous work experience of Offerors
- The highest self-scored proposal is validated by the Technical Evaluation Team
- Only downward adjustments are made if substantiating documents and/or Government POC’s does not validate the scores
- If validated score is lower than the second highest self-score, then the next highest self-scored proposal is evaluated
- This would continue until the highest validated score is determined
Evaluation Process Factor 2
Cost/Price

- The Highest Validated Self-Score (Highest Technically Rater Offeror) moves to Factor 2 Cost Proce Evaluation
- Using Government benchmark rates cost/price analysis begins
- The Government customer pre-determines the percentile to be paid for each labor category based on several factors, including security level, geographic location....
- The 2-Step Process for Determining Cost Realism/Reasonableness of the Proposed Costs is determined by:
  1. Realistic - labor rates not understated by a % determined by the customer
  2. Reasonable – labor rates not overstated by a % determined by the customer
- If the Offeror’s proposed cost is unrealistic or unreasonable then the next highest validated Offeror will be evaluated
- The Offeror with a proposed cost/price determined to be reasonable and realistic after most probable cost adjustments receives award
Benchmark Rates

- Government determines benchmark rates prior to receipt of proposals

- Benchmark rates are a qualified estimate of what the Government should expect to pay in the competitive labor market

- Derived from a variety of sources/data points

- If historical actuals are higher than the benchmark rate a higher rate may be established for specific/specialized positions

- Government may calculate hybrid/blended benchmark rates if the duties of a specific position cross multiple functions/labor categories
Evaluation Process
Factor 2 Cost/Price (Step 1)

• Compare Offeror’s proposed direct labor rates in Uniform Pricing Template (UPT) to Government established benchmark rates

• If Offeror’s proposed rate for a labor category falls within pre-established percentage (+/-), rate is accepted

• If Offeror’s proposed rate for a labor category falls outside pre-established percentage (+/-), Government will evaluate Offeror’s Basis of Estimate (BOE) before accepting the Offeror’s proposed rate

• Decision Point:
  • Government may accept rate if Offeror’s BOE justification is sufficient
  • If BOE justification not sufficient, Offeror’s proposed rate is rejected and Government adjusts and substitutes benchmark rate in calculation

• Comparison of summation of proposed direct labor rates (Quantity of 1 hr. per rate) against summation of all Government evaluated/adjusted rates

• If result of comparison summation is within pre-established percentage (+/-), Offeror moves to step 2 of evaluation process
Evaluation Process
Factor 2 Cost/Price (Step 2)

Most Probable Cost (MPC) = Fully burdened (not including fee)
Government evaluated rates x total number of hours for each labor category

Total Evaluated Price (TEP) = MPC + travel/ODC costs + CAF +
proposed fee percentage

Reasonable
If the Offeror’s proposed total cost is within the pre-established percentage
(+/−) compared to the Government MPC the Offeror is deemed reasonable, realistic, and eligible for award

Realistic
If Offeror’s proposed total cost is not within the pre-established percentage
(+/−) the Offeror is deemed unreasonable, unrealistic, and not eligible for award

- Indicates Offeror does not likely understand Government requirements and/or the labor market
Adequate Price Competition

FAR 15.403-1(c)(1) (i) A price is based on adequate price competition when—

- (A) Two or more responsible Offerors, competing independently, submit priced offers that satisfy the Government’s expressed requirement;

- (B) Award will be made to the Offeror whose proposal represents the best value (see 2.101) where price is a substantial factor in source selection; and

- (C) There is no finding that the price of the otherwise successful Offeror is unreasonable.

Government meets the intent based on:

- Two or more independent offers received in response to the Fair Opportunity Proposal Request

- Government’s express requirement satisfied when an Offeror submits a proposal that contains a complete Uniform Pricing Template (UPT) IAW the instructions to Offerors (ITO) and evaluation criteria in the FOPR

Price Reasonableness- FAR 15.404-1

- Price analysis conducted as part of cost/price evaluation

- A Total Evaluated Price (TEP) outside the pre-established percentage is deemed unreasonable