# Understanding IDIQs: How the New Scorecard Methodology is Revolutionizing IDIQs

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# PUBLIC CONTRACTING INSTITUTE

## *Today's Speaker*



**Brian Friel** is a leading federal contracts market analyst with two decades of experience analyzing the business of government. Prior to launching One Nation Analytics in January 2016, Brian pioneered Bloomberg Government's IDIQ research into more than 1,800 multiple-award contract vehicles. Brian brings a journalist's eye to the federal business intelligence market. From 2003 to 2010, he covered Congress and public policy for *National Journal* and *Congressional Quarterly*. He helped launch *GovExec.com* in 1996 and wrote more than 3,000 articles on executive branch business and management. He has partnered with RASA Associates to provide custom analyses of companies' estimated rankings for VETS 2, Alliant 2 and Alliant 2 Small Business, including competitive analysis, teaming recommendations and likelihood of award. He can be reached at bfriel@onenationllc.com. One Nation's web site is www.nationanalytics.com

- **What We'll Cover:**

  - Basis in federal acquisition regulation

  - Comparative analysis

  - Examples

  - In-depth: Alliant 2

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- **15.101-1 Tradeoff process.**

(a) A tradeoff process is appropriate when it may be in the best interest of the Government to consider award to other than the lowest priced offeror or other than the highest technically rated offeror.

Alliant and Alliant Small Business grew even as the federal budget shrunk and stagnated. They surpassed $4B in obligations in 2015.

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| 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|
| LPTA: Price is king | Tradeoff 1: Price is more important than technical factors | Tradeoff 2: Price is as important as technical factors | Tradeoff 3: Price is less important than technical factors | Highest Technically Rated with Fair and Reasonable Prices: Technical factors are king |

Best Value Continuum

- **LPTA: Encore III: "**The Government will first evaluate the lowest price proposal for acceptability. The Government will then evaluate the next lowest price proposal for acceptability in accordance with this solicitation and so on until it has a pool of acceptable offerors… The Cost/Price team will evaluate the lowest total evaluated priced proposals for completeness until up to 20 complete proposals are compiled in each suite."

- **Tradeoff: SPARC: "**Award will be made to the Offeror whose proposal offers the best overall value to the Government. This will be determined by a trade-off process …. It permits tradeoffs among cost and non-cost evaluation factors. Offerors are advised that primary consideration will be given to the technical quality of the proposals in the evaluation process."

- **Highest Technically Rated: Alliant 2: "**The first step in the evaluation process will be to order the offers from highest score to lowest score solely using the Offeror's Document Verification and Self Scoring Worksheet…. A screening process of the Top 60 will commence to verify that a support document exists for all the evaluation elements…. The evaluation team will then initially verify that those top offerors up to a maximum of 60 awards have also successfully passed all of the Acceptability Review requirements… The GWAC Program will issue Multiple Awards to a maximum of 60 contractors. Even if there is a single point difference between Offeror 60 and Offeror 61, only the Offeror in the 60th position will receive an award."

| Vehicle | Scope | RFP Issuance | Award Date |
|---|---|---|---|
| One Acquisition Solution for Integrated Solutions (OASIS) | Professional Services | Jul-13 | February-June 2014 |
| Building Maintenance and Operations (BMO) | Facilities Services | Oct-15 | Mar-16 |
| Human Capital and Training Solutions (HCaTS) | HR-Related Services | Aug-15 | May-16 |
| Veteran Enterprise Technology Services 2 (VETS 2) | IT Services | Apr-16 | Est. 2017 |
| Alliant 2 | IT Services | Jun-16 | Est. 2017 |

| Category | Available Points | Percentage of Available Points |
|---|---|---|
| Relevant Experience | 33,500 | 44% |
| Leading Edge | 7,500 | 10% |
| Past Performance | 17,500 | 23% |
| Accounting | 7,600 | 10% |
| Certifications | 6,000 | 8% |
| Clearance | 3,500 | 5% |
| TOTAL | 75,600 | |

Per Alliant second draft RFP- October 2015

# Scorecard Example: Alliant 2

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| Relevant Experience Projects | Available Base Points | PSC Code |
|---|---|---|
| Group 1 Project A | 3,000 | D301 |
| Group 1 Project B | 3,000 | D302 |
| Group 1 Project C | 3,000 | D308 |
| Group 1 Project D | 3,000 | D309 |
| Group 2 Project E | 2,000 | D307 |
| Group 2 Project F | 2,000 | R425 |
| Group 3 Project G | 1,000 | D311 |
| Total | 17,000 | |

| Relevant Experience Bonus Points | Available Points | Project(s) used |
|---|---|---|
| Diversity | 3,500 | A, B, C, E, G |
| Size | 4,500 | A, B, C |
| Cost-Type | 4,000 | A,B |
| MAC | 3,000 | A,B |
| Foreign location | 1,500 | A |
| TOTAL | 16,500 | |

Per Alliant second draft RFP- October 2015

# *Scorecard Example: Alliant 2*

| Leading Edge Technology | Available Points |
|---|---|
| LET 1-1 (Artificial Intelligence) | 100 |
| LET 1-2 (Artificial Intelligence) | 200 |
| LET 1-3 (Artificial Intelligence) | 300 |
| LET 2-1 (Autonomic Computing) | 100 |
| LET 2-2 (Autonomic Computing) | 200 |
| LET 2-3 (Autonomic Computing) | 300 |
| LET 3-1 (Big Data) | 100 |
| LET 3-2 (Big Data) | 200 |
| LET 3-3 (Big Data) | 300 |
| LET 4-1 (Biometrics) | 100 |
| LET 4-2 (Biometrics) | 200 |
| LET 4-3 (Biometrics) | 300 |
| LET 5-1 (Cloud Computing) | 100 |
| LET 5-2 (Cloud Computing) | 200 |
| LET 5-3 (Cloud Computing) | 300 |

| | |
|---|---|
| LET 6-1 (Cybersecurity) | 100 |
| LET 6-2 (Cybersecurity) | 200 |
| LET 6-3 (Cybersecurity) | 300 |
| LET 7-1 (Health IT) | 100 |
| LET 7-2 (Health IT) | 200 |
| LET 7-3 (Health IT) | 300 |
| LET 8-1 (Mobile IT) | 100 |
| LET 8-2 (Mobile IT) | 200 |
| LET 8-3 (Mobile IT) | 300 |
| LET 9-1 (Internet of Things) | 100 |
| LET 9-2 (Internet of Things) | 200 |
| LET 9-3 (Internet of Things) | 300 |
| LET 10-1 (Software-Defined Networks) | 100 |
| LET 10-2 (Software-Defined Networks) | 200 |
| LET 10-3 (Software-Defined Networks) | 300 |
| LET Breadth | 1500 |
| TOTAL | 7500 |

Per Alliant second draft RFP- October 2015

| Does the Offeror have each of the following?  Type the word Yes or No in Column C. | | | |
|---|---|---|---|
| Audited/Adequate Cost Accounting System | | 5500 | 0 |
| Approved Purchasing System | | 1500 | 0 |
| Current FPRA, FPRR, and/or Approved Billing Rates | | 300 | 0 |
| Acceptable Estimating System | | 200 | 0 |
| EVMS ANSI/EIA Standard-748 | | 100 | 0 |
| SUBTOTAL SCORE FOR SECTIONS  L.5.4.1 through L.5.4.5 ONLY: | | | 0 |
| **Industry Certifications:** | | | |
| Does the Offeror have each of the following?  Type the word Yes or No in Column C. | | | |
| CMMI - SELECT HIGHEST LEVEL APPLICABLE | | | |
| CMMI - SVC or DEV - LEVEL III OR GREATER | | 1500 | 0 |
| CMMI - SVC  or DEV LEVEL II | | 1000 | 0 |
| ISO - SELECT ALL APPLICABLE | | | |
| ISO 9001 | | 1500 | 0 |
| ISO 20000 | | 1500 | 0 |
| ISO/IEC 27000 | | 1500 | 0 |
| SUBTOTAL SCORE FOR SECTIONS  L.5.4.6 through L.5.4.9 ONLY: | | | 0 |
| **Government Facility Clearances:** | | | |
| Does the Offeror have each of the following?  Type the word Yes or No in Column C. SELECT HIGHEST LEVEL APPLICABLE | | | |
| Top Secret | | 3500 | 0 |
| Secret | | 2000 | 0 |
| SUBTOTAL SCORE FOR SECTION L.5.4.10 | | | 0 |

Per Alliant second draft RFP- October 2015

- **Section 867 of the 2016 NDAA Introduces Teaming**

- **CONTRACT TEAMING.—**

- **"(A) IN GENERAL.—In the case of a solicitation of offers for a bundled or consolidated contract that is issued by the head of an agency, a small business concern that provides for use of a particular team of subcontractors or a joint venture of small business concerns may submit an offer for the performance of the contract.**

- **"(B) EVALUATION OF OFFERS.—The head of the agency shall evaluate an offer described in subparagraph (A) in the same manner as other offers, with due consideration to the capabilities of all of the proposed subcontractors or members of the joint venture**

2016 National Defense Authorization Act

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- **VETS2 is the first GSA contract to allow new teams for a scorecard methodology evaluation.**

- **To mitigate risks of new teams on VETS2, GSA introduced two new scoring elements: Organizational Risk Assessment and Limitations on Subcontracting Compliance Risk**

- **Offerors that don't form new teams get 5,000 points (5% of total 100,000 available)**

- **Offerors with at least 50% of relevant experience projects performed by SDVOSBs get 5,000 points (5% of total 100,000 available)**

2016 National Defense Authorization Act

- **GSA pioneered the highest technically rated with fair and reasonable prices/scorecard methodology for multiple-award IDIQs**
- **The methodology creates an objective means of evaluating technical factors**
- **Scorecards can be used flexibly to weight evaluation factors**
- **IDIQ-level evaluations may trend toward the scorecard approach**
- **The evaluation method has thus far been protest-proof**

2016 National Defense Authorization Act

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- Maximizing your acquisition score and ranking for award

- Structure your relevant experience to key product, service and agency areas

- Strengthen your SWOT analysis

- Increase your chance of winning task orders

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