



Competitive Range Determination Template

A Mandatory Reference for ADS Chapter 300

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COMPETITIVE RANGE DETERMINATION TEMPLATE

BUREAU FOR MANAGEMENT (M)
OFFICE OF ACQUISITION AND ASSISTANCE
TEMPLATES SERIES

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Introduction

A competitive range is range of qualified offers for a competitive procurement that uses the contracting by negotiation procedures outlined in FAR Part 15. A Contracting Officer (CO) determines a competitive range and creates the memo documenting that determination based on the ratings of each proposal against all technical evaluation criteria. The competitive range comprises the most highly rated proposals. The following document includes guidance based on the Federal Acquisition Regulations that requires the CO to establish a competitive range, the factors the CO should consider when determining the competitive range and a template that can be used to draft the memo.

You should cross reference the following relevant guidance when using this guidance and template: *Technical Evaluation Committee Process Instruction Guide and Template, Technical Evaluation Committee Chairperson Guide and Template, Technical Evaluation Committee Member Guide and Template and the Harmonization Guidance Section C (SOW) –to- Section L and M.*

Audience

- | | |
|--|--|
| <input type="checkbox"/> Agreement Officer | <input type="checkbox"/> Agreement Officer’s Representative |
| <input checked="" type="checkbox"/> Contracting Officer | <input checked="" type="checkbox"/> Contracting Officer’s Representative |
| <input checked="" type="checkbox"/> Contract Specialist | <input type="checkbox"/> Program Analyst/Activity Manager |
| <input type="checkbox"/> Agreement Specialist | <input type="checkbox"/> Budget Officer |
| <input checked="" type="checkbox"/> Technical Evaluation Committee | |

Acronyms

CO	Contracting Officer
FAR	Federal Acquisition Regulations
FBO	Federal Business Opportunities
IGCE	Independent Government Cost Estimate
M/OAA	Bureau for Management, Office of Acquisition and Assistance
RFP	Request for Proposal
SSA	Source Selection Authority
TEC	Technical Evaluation Committee

Roles and Responsibilities

Contracting Officer (CO) is responsible for coordinating with the Activity Manager to define the acquisition requirements, entering into, administering, and terminating USAID-direct contracts in accordance with the limitations of their delegated authority, policy directives, and required procedures.

Contract Review Board (CRB) comprises Contracting Officers and, when available, a representative of General Counsel. The CRB is responsible for reviewing documentation for acquisition actions (pre-solicitation, competitive range determination, and pre-award) that are expected to exceed \$25M. This includes basic Indefinite Quantity Contracts (IQCs) with the total estimated ceiling expected to exceed \$25M for single or multiple awards.

Director, Bureau for Management, Office of Acquisition and Assistance (M/OAA) has been designated the responsibilities of the Senior Procurement Executive, the Chief Acquisition Officer, and the Head of the Contracting Agency by the Director, Bureau of Management (M). He/she is responsible for developing, issuing and maintaining the Agency's acquisition regulations, procedures, and standards, in accordance with established Agency delegations and requirements.

Definitions

Acquisition: Obtaining of supplies or services by the federal government with appropriated funds through purchase or lease.

Cost Realism Analysis: is a component of cost analysis requiring the application of judgment to independently determine how well the proposed costs represent what the cost of performance should be, assuming reasonable economy and efficiency. Cost realism is the process of independently reviewing and evaluating specific elements of each Offeror's proposed cost estimate to determine whether the cost estimate is realistic for the work to be performed; reflects a clear understanding of the requirements; and is consistent with the unique methods of performance and materials described in the Offeror's technical proposal. Cost Realism Analysis is conducted by evaluating the supportive data that form the bases of the individual elements of cost to determine overall price reasonableness.

Independent Government Cost Estimate (IGCE): is the U.S. Government's estimate of the resources and projected cost of the resources a contractor or a recipient will incur in performing services and/or providing supplies to achieve the Government's objectives. These costs typically include direct costs: such as labor, supplies, equipment, or transportation; and indirect costs such as labor overhead, material overhead, general and administrative (G&A) expenses, and for contract only profit or fee.

Negotiation Memorandum: the CO's documentation of the principle elements of the considerations leading to an award decision.

Request for Proposal (RFP) is a solicitation used when the intent is to obtain services or supplies for in support of USAID's program objectives. The RFP usually has a minimum response time of 30 days or more, depending on the complexity of the program.

Solicitation: Formal document that elicits proposals for acquisition awards. It includes issuance of a request for proposal and usually an announcement on the US Government's Federal Business Opportunities website (<https://www.fbo.gov/>).

Guidance

Establishment of a competitive range is required when using the competitive negotiated acquisition procedures outlined in FAR Part 15. Even a decision to negotiate with all offerors is a competitive range decision. A formal competitive range determination is not required when using simplified acquisition procedures, outlined in FAR Part 13.

Agencies shall evaluate all proposals in accordance with FAR Part 15.305(a), and, if discussions are to be conducted, establish the competitive range. Based on the ratings of each proposal against all evaluation criteria, the Contracting Officer must establish a competitive range comprised of all of the most highly rated proposals, unless the range is further reduced for purposes of efficiency.

After the Technical Evaluation Committee completes evaluation of all proposals in accordance with FAR Part 15.305 and the evaluation criteria specified in the solicitation, the Contracting Officer may determine that the number of most highly rated proposals will be too many to conduct an efficient competition. In such a case, the Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals, provided that the solicitation notifies offerors that the competitive range can be limited for purposes of efficiency.

In identifying the greatest number of proposals that will permit an efficient competition, the Contracting Officer should take the following factors into consideration:

- Expected dollar value of the award;
- Total number of offers in the most highly rated listing;
- Complexity of the acquisition and the variety and complexity of offered solutions, in terms of impact on the likely breadth and depth of the discussions;
- Resources available to conduct discussions vs. the expected variable administrative costs of discussions;
- Impact on lead-time for award vs. the need for timely delivery; and
- The extent to which discussions with additional offerors would likely provide diminishing returns.

If the Contracting Officer decides that an offeror's proposal should no longer be included in the competitive range, the proposal will be eliminated from further consideration for award. The Contracting Officer must provide written notice of this decision to unsuccessful offerors in accordance with FAR Part 15.503(a). The notice to each offeror must state (1) the basis for excluding/eliminating its offer, (2) the basis for the determination, and (3) that a revision of its proposal will not be considered.

The Contracting Officer must prepare a written competitive range determination based on all evaluation factors, including a complete rationale for decisions to include or exclude specific proposals from the competitive range. This document is the Competitive Range Determination memorandum.

Templates

The template on the following pages provides a basic guidance on how to execute a Competitive Range Determination memorandum. Although there is no standardized format, this template provides the basis and essential information that should be included in the memorandum.

COMPETITIVE RANGE DETERMINATION

Solicitation No [##]

Title: [Program/Activity name]

In accordance with Federal Acquisition Regulation (FAR) Subpart 15.306(c), the following establishes which offerors are in the competitive range for the purpose of conducting discussions regarding the subject solicitation. This determination is made on the basis of the ratings of each proposal against all evaluation criteria specified in the solicitation. *[The competitive range is comprised of all of the most highly rated proposals, unless the range is further reduced for purposes of efficiency. See FAR 15.306 (c)(1) and (2).]*

I. REQUIREMENT

The subject solicitation is for the acquisition of *[description of supplies/services]* for *[name of office/program]* at the *[name of Mission]*.

The Government anticipates awarding a *[contract type, i.e., CPFF/CPAF etc.]* type contract for a *[insert total period or, if there are options, then insert base period and number of option periods]*. The associated IGCE, dated *[insert date]* (refer to the INDEPENDENT GOVERNMENT COST ESTIMATE (IGCE) GUIDE AND TEMPLATE) for the total estimated requirement is in Table 1 as follows (modify as required):

Table 1 – Independent Government Cost Estimate (IGCE)	
Period of Performance	Estimated Amount
Base Year	\$
Option Year 1	\$
Option Year “n”	\$
Total	\$

II. PROCUREMENT BACKGROUND

The solicitation was issued as a *[identify the type of procurement here, i.e., full and open competitive, competitive small business set-aside/competitive 8(a), etc.]* procurement. The solicitation was posted on FBO on *[insert date]*.

Table 2 is a chronology of events that have taken place up to competitive range determination (modify as required):

Table 2 - CRONOLOGY OF EVENTS	
PROJECT NAME: Click here to enter text.	Solicitation No.: Click here to enter text.
EVENT	DATE
Synopsis	Click here to enter a date.
Contract Review Board	Click here to enter a date.
Solicitation Issued	Click here to enter a date.
Proposals Received	Click here to enter a date.
TEC Evaluation Start	Click here to enter a date.
Oral Presentations (If required)	Click here to enter a date.
Decision to Open/Not Open Discussions	Click here to enter a date.
Contract Review Board	Click here to enter a date.
Competitive Range Determination	Click here to enter a date.

III. EVALUATION FOR DETERMINATION OF THE COMPETITIVE RANGE

The Government evaluated proposals and determined which were the most highly rated and eligible for inclusion in the competitive range relying on the merits of each offer. The merits of each offer were determined on the basis of:

- (1) The quality of the technical proposal based on the ratings of each proposal against all evaluation criteria.
- (2) The proposed cost/prices.

Those proposals not included in the competitive range will receive no further consideration and will be notified of this in accordance with FAR Part 15.503.

Technical Evaluation of Proposals

In this section, draft a short paragraph summarizing the technical qualifications of each offeror by identifying their strengths, weaknesses, deficiencies, and ultimately providing a determination of whether the offeror was considered to be technically acceptable, conditionally acceptable, or unacceptable in accordance with Section M of the solicitation.

NOTE: A summary, by offeror, is sufficient with reference made to full TEC memo.

IV. COMPARISON OF PROPOSED COST/PRICES

Summarize the cost analysis of each offeror. Proposed cost and fee of each Offeror as well as a summary comparing all offerors cost and price. Cost realism analysis and reasons for adjustments should also be summarized in this section.

Table 3 is a matrix of the proposed cost, fee, and price of each offeror determined to be in the competitive range (modify as required):

Table 3.1 – Offeror “1” Proposed Cost and Price			
Offeror	Proposed Price		
	Cost	Fee	Proposed Price
#1 Prime: Click here to enter text.			
Sub: Click here to enter text.			
Sub:			
Total	\$	\$	\$

Table 3.”n” – Offeror ”n” Proposed Cost and Price			
Offeror	Proposed Price		
	Cost	Fee	Proposed Price
#”n” Prime: Click here to enter text.			
Sub: Click here to enter text.			
Sub:			
Total	\$	\$	\$

Table 4 summarizes the cost, fee, and price of each of the Offerors proposals submitted (modify as required.)

Table 4 – Summary of All Offerors Proposed Cost and Price			
Offeror	Proposed Price		
	Cost	Fee	Proposed Price
Offeror 1: Click here to enter text.	\$	\$	\$
Offeror 2: Click here to enter text.	\$	\$	\$
Offeror “n”: Click here to enter text.	\$	\$	\$

V. DETERMINATION

The line of demarcation between what is considered to be the “most highly rated” proposals and the proposals excluded from the competitive range must be explained. One should be able to read this determination and clearly understand what factors separated the offerors included in the competitive range from those excluded.

Table 5 is a matrix of the initial overall consensus rating, most probable cost and evaluated price of each offeror determined to be in the competitive range (modify as required):

Table 5 – Comparison of Offers <u>Initial</u> Overall Consensus Ratings, Most Probable Cost and Evaluated Price				
Offeror	<u>Initial</u> Overall Consensus Rating	<u>Initial</u> Evaluated Price		
		Most Probable Cost	Fee	Evaluated Price
Offeror 1:	Choose an item.	\$	\$	\$
Offeror 2:	Choose an item.	\$	\$	\$
Offeror "n":	Choose an item.	\$	\$	\$

Table 6 below is the Initial overall individual offeror technical evaluation findings (modify as required):

Table 6: <u>INITIAL</u> OVERALL INDIVIDUAL OFFEROR TECHNICAL EVALUATION FINDINGS	
Offeror “n”: Click here to enter text.	
Rating Information	
#1 FACTOR: Choose an item.	OVERALL RATING: Choose an item.
#1 SubFactor: Click here to enter text.	Rating: Choose an item.
#2 SubFactor: Click here to enter text.	Rating: Choose an item.
#”n” SubFactor: Click here to enter text.	Rating: Choose an item.
<u>RATIONAL for RATING:</u> Click here to enter text.	
<u>STRENGTHS:</u> Click here to enter text.	
<u>WEAKNESSES:</u> Click here to enter text.	
<u>DEFICIENCIES:</u> Click here to enter text.	
<u>RISK:</u> Click here to enter text.	

[Discuss the above, and ensure the disparity/unevenness between the offerors both quantitative and qualitative difference are explained; see sample below]

(The technical proposals of Offerors A and B are rated as conditionally acceptable. This means that, while they have no deficiencies, they have weaknesses that need to be addressed during discussions and/or certain aspects of the proposals require further clarification. The cost/prices of Offerors A and B are in line with the IGCE of \$XXXXXX, although there is a good chance that the cost/prices can be improved to the Government's benefit after discussions. When compared to Offerors A and B, Offeror C submitted a technical proposal that included a large number of weaknesses and several deficiencies; it was judged to be technically unacceptable. It is noted that Offeror C's cost/price is 36% higher than the IGCE.)

VI. CONCLUSION

Pursuant to FAR 15.306(c), and based on the foregoing discussion, it is hereby determined [see sample below]:

A. *Offeror C's proposal will be excluded from the competitive range as it failed to meet all of the mandatory technical requirements set forth in the solicitation. Offeror C's proposal of \$XXXXXXXX.00 was 36% higher than the IGCE, which when compared to Offerors A and B, who were within 5% and 1% respectively, is exceedingly high. In accordance with FAR Part 15.503(a), Offeror C will be notified of its exclusion from the competitive range, providing the basis for the exclusion, and stating that a revision to its proposal will not be considered.*

B. *Offeror A's and B's proposals are within the competitive range. They will be notified of this in writing and discussions will take place with each of them, in accordance with FAR Part 15.306(d) and (e).*

Submitted by: _____
[Insert Name]
Contract Specialist

Date

Approved by: _____
[Insert Name]
Contracting Officer

Date