

THE EVALUATION PROCESS FOR A REQUEST FOR PROPOSALS



STANDARD

The receipt, handling, and evaluation of proposals must be carried out in accordance with all applicable laws, the process outlined in the Request for Proposals (RFP), as well as the principle of ethics, which includes accountability, impartiality, professionalism, service, and transparency. The entity must keep all proposals secure and must maintain the confidentiality of those proposals subject only to applicable freedom of information or public records laws.

Definition

Evaluation is the process by which a qualified committee reviews and scores the proposals based on evaluation criteria published in the RFP. The evaluation criteria should be comprehensive enough to determine the best value solution for the entity so that a recommendation for award can be made.

For more information on evaluation criteria, refer to NIGP: The Institute for Public Procurement. "Developing Evaluation Criteria." Global Best Practices. Available at <http://www.nigp.org/home/find-procurement-resources/guidance/global-best-practices>.

Element 1.1: The Evaluation Committee

The evaluation committee should be vetted in advance by the procurement professional to ensure that all members are free of bias or conflict of interest. Evaluation committee members must be competent, i.e., possess the required expertise to apply the published evaluation criteria to identify the best value solution and recommend a proposal for award.

Preparation and Planning

Advance planning is necessary for the timely and proper execution of the evaluation process. Prospective members, e.g., end users, the project manager, other stakeholders, of the evaluation committee should be notified well in advance of their involvement and given a schedule of activities. Evaluation committee members may be asked to review and approve the evaluation criteria before the RFP is issued.

The procurement professional should serve as the chairperson of the evaluation committee. When the role of chairperson is delegated, for example, to the program manager, the procurement professional should provide oversight to facilitate and manage the evaluation process.

Operation of the Committee

Local laws and entity policies and procedures will determine how members of the evaluation committee operate. Committee members must act in a manner that best serves the public interest, ensures the fairness of the evaluation process, and never manipulates or unfairly influences other members of the committee.



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Impartiality and Non-Disclosure

All evaluation committee members should sign a declaration of impartiality and non-disclosure or similar declaration before they are given the proposals and associated RFP materials. By signing such a document, each committee member:

- Affirms that they will conduct themselves in an ethical manner during the evaluation and award process.
- Declares that they are not associated with any of the potential suppliers or their proposed subcontractors.
- Commits to maintaining the confidentiality of any information received or discussed during the evaluation process and agrees not to share any such information with potential suppliers or with any other persons not officially involved in the evaluation process.

Rules regarding impartiality and non-conflict of interest also apply to procurement professionals. The procurement professional must avoid any actual or perceived ethical violation, including a conflict of interest or bias towards or against any proposer.

Element 1.2: Receipt and Responsiveness

Once the deadline for proposal receipt has passed, the names of the proposers are recorded for the procurement file and the proposals are reviewed for responsiveness. The responsive proposals are then provided to members of the evaluation committee for review and evaluation according to the established criteria.

Receipt

Upon receiving the proposals, the procurement professional:

- Documents, physically or electronically, the exact date and time the proposals were received.
- Safeguards the unopened proposals in a secured physical or electronic location. The security built into electronic systems allows access only after the deadline.
- Maintains confidentiality by ensuring that information concerning the identity and number of submissions is only made available to the public as required and, when necessary, made available only to those entity employees who are involved in the evaluation process.
- Rejects and returns unopened any proposals received after the submission deadline and records this decision.
- Returns unopened any proposal withdrawn by the proposer prior to the deadline.

Once the deadline for submissions has passed, the evaluation process for an RFP differs from that of an Invitation for Bids (IFB). An IFB includes full public disclosure of all submitted documentation, including prices. With an RFP, disclosure of information is limited since the RFP selection process is not based solely on price and may involve negotiations. These negotiations would be best conducted if the apparent awardee does not have information on the other proposals.

After the deadline for an RFP, the names of proposers and number of proposals may be provided to the public in accordance with applicable laws, ordinances, regulations, and entity policies.

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Responsiveness

After the proposal deadline, the procurement professional determines responsiveness by ensuring that the proposals comply with objective requirements such as the correct number of copies and authorized signatures, proof of insurance, bonding, and certification. Use of a checklist of requirements is recommended.

After the procurement professional has determined responsiveness, the proposals are then provided to members of the evaluation committee for evaluation and scoring. Throughout the evaluation process, the procurement professional retains responsibility for determining responsiveness. If, for example, the evaluation committee raises a question regarding a proposal's responsiveness, the procurement professional would review the issue and render a final determination on responsiveness.

Non-Responsiveness

The RFP should define responsiveness and clearly explain the reasons a proposal may be rejected as non-responsive. If a proposal is rejected, the reasons should be documented in the evaluation report. Such a rejection should be communicated without delay to the affected proposer. The decision to reject a proposal may need to be approved by an individual with relevant authority and knowledge, which may include legal expertise.

As a general rule, requirements that would not give a proposer a competitive advantage may be waived based on applicable laws and the entity's policies. Acceptance of a non-responsive submission, other than a proposal with minor informalities or irregularities, violates the principle of impartiality.

Minor Informalities and Irregularities

In general, minor informalities and irregularities refer to requirements that do not affect price, quantity, quality, or delivery. For example, failing to sign the original proposal or not submitting the requested number of copies should not by themselves result in the rejection of the proposal. Rather, the entity should request that the proposer correct the minor informality or irregularity within a specified time. This opportunity should be applied equally to all proposers.

Requests for Clarification

An entity may request that a proposer clarify a specific aspect of a proposal. This process may not be used to correct a proposal determined to be non-responsive, except for minor informalities or irregularities, nor for the entity to change or add new requirements. When a request for clarification is necessary:

- Negotiations are not implied.
- The request for clarification must be in writing and provided to all proposers, if the clarification is applicable to all proposers.
- The request must be sent by the designated procurement professional. Individual members of the evaluation committee are not allowed to contact the proposers during the evaluation process.
- The request must be summarized in detail in the evaluation report, with a clear indication of whether the answers received are satisfactory to the evaluation committee and if not, why not.





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Element 1.3: Evaluation

Following the check for responsiveness, the evaluation committee must use the published evaluation criteria to score the proposals. Often, this involves a two-step process of scoring the proposer's technical approach to the stated needs, known as the technical proposal, followed by scoring the price, which is known as the price proposal. The technical and price proposals are often submitted separately to prevent price bias. However, some entities prefer to evaluate the price and technical proposals concurrently.

When evaluating proposals, members of the evaluation committee must:

- Evaluate the proposals according to the published criteria and evaluation methodology, e.g., established weights for criteria.
- Use a consistent approach when scoring each criterion and each proposal.
- Record scores with the rationale or justification and include the scores with the evaluation report.

Written comments regarding each proposal's strengths and weaknesses improve the quality and value of the final recommendation for award.

Technical Proposals

Signing the relevant impartiality or non-disclosure declarations takes place no later than the first meeting of the evaluation committee, before the proposals are distributed. The committee members will be given instructions on the evaluation process and provided with the technical proposals. Committee members will be asked to independently score each technical proposal before the committee's next meeting.

Before members of the evaluation committee receive the proposals, they should understand and commit to:

- Their responsibilities while serving on the committee.
- The timeline and expectations for the evaluation process, including attendance and participation at scheduled meetings.
- The evaluation process to be followed, including signature of relevant declarations, e.g., impartiality, confidentiality, conflict of interest.
- How criteria and scoring will be applied.

Price Proposals

Prices may be calculated by the procurement professional or considered by the evaluation committee in relation to the technical proposal. The evaluation committee may review prices for anomalies and may forward issues to the procurement professional. However, the procurement professional is responsible for:

- Ensuring that all costs are included.
- Correcting and recording any arithmetical errors.
- Confirming that discounts have been applied.
- Investigating prices that appear to be abnormally low or high.

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Creating a Short List

After each member of the committee has completed initial scoring of the technical proposals, the committee will reconvene to discuss the scores. The procurement professional should facilitate a discussion during which members of the committee may adjust their scores and written comments based on those discussions. Once discussions are completed, scores are finalized and recorded for the public record. The committee then selects a short list of proposers that will be invited to give presentations or participate in interviews as established in the RFP. In many cases, there is a natural break between proposers that scored well and those that did not, which helps in selecting the short list. Selection of a short list of proposers for presentations must not be arbitrary.

After presentations and interviews have been completed, members of the evaluation committee may adjust their original scores and comments. The evaluation committee would subsequently rank the proposers.

Responsibility

Before making the recommendation for award, the evaluation committee must determine if a proposer is responsible. A responsible proposer is a business entity or individual who has the financial and technical capacity to perform the requirements of the RFP and subsequent contract. The evaluation committee may determine if a proposer is responsible during the evaluation process. A formal review of the top-ranked proposer may also be performed as a final step before award recommendation. That process may involve, but is not limited to, checking a proposer's facilities, equipment, inventory, management, support personnel, finances, references, supply chain, and integrity. The procurement professional may seek the expertise of a subject matter expert to confirm proposer responsibility, e.g., consulting with the entity's treasurer or comptroller regarding the proposer's financial viability.

Element 1.4: Evaluation Report and Recommendation for Award

In accordance with applicable laws, the evaluation committee will:

- Issue the recommendation for award.
- Develop the evaluation report as justification for the recommendation for award.

The report should be prepared by the chairperson of the evaluation committee with support from committee members. Depending on applicable laws, names of the committee members may or may not be included. The evaluation report typically includes:

- General description of the RFP.
- A statement of the evaluation methodology used by the committee, which should match the methodology stated in the RFP.
- Names of all proposers.
- Clear summary of the activities, analysis, and associated results of the evaluation process that were performed by the evaluation committee.
- Justification for the award recommendation.





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Award Approval

Based on entity policy, the procurement professional may need to seek approval of the award recommendation, for example, from the city manager, council, or governing board.

Notice of Award

Once the award recommendation has been approved, the procurement professional should notify the successful proposer in writing that their proposal has been recommended for contract award. All other proposers should also be notified of the decision.

Mandatory Waiting Period

Following the written notice of award, a mandatory waiting period, which depends on applicable law and practice, e.g., 10 calendar days, must elapse between the award notification and the signing of the contract to allow for protests regarding the notice of award. During this time, preliminary discussions with the selected proposer may be conducted by the entity. Once the protest period has expired, the entity may execute the contract.

Background

The behavior of the members of the evaluation committee and the evaluation process they follow directly impact the efficiency and effectiveness of the RFP process. Adherence to the guidance provided in this practice will ensure that evaluation committee members conduct a fair and impartial process thereby decreasing the likelihood of a protest filed due to conflicts of interest or perceived bias. Evaluating responsive proposals according to the published evaluation criteria will result in the selection of a responsible supplier that provides the entity with the best value proposal.