EVALUATION OF PROPOSALS - REVIEW PANEL INSTRUCTIONS

A. REVIEW PANEL INSTRUCTIONS

The following points through Section A.8. (Housekeeping Notes) are intended to identify likely steps or things not to forget in establishing a review panel.

1. Objective

a. The objective is to select a concessionaire whose overall proposal is in the best interest of the Government. The process for making that selection is intended to be fair to all offerors, relatively simple to implement, and also highly defensible in the event that the process or the decision is challenged.

b. The evaluation panel should have at least three members. One member will be designated as the chair of the panel. There are cases where two people would be sufficient. An example of such a case is a small concession contract in which only one proposal is received. There should be no instance where only one person completes the necessary record. In some cases, the panel can conduct its business without meeting. This should be carefully considered because it limits important interactions that are part of the review process. Panel members must be Reclamation employees, preferably "subject matter experts" (e.g., environmental, financial, recreation, construction, and concession experts). While there may be instances where it is desirable to have outside parties such as financial or other expert consultants or other non-Federal employees participate in an evaluation of proposals by advising the panel members, they should be involved only in an advisory capacity and not be voting panel members.

c. Try not to make prejudgments about any of the proposals. Your first read-through can easily give an impression that is different from your later analysis. It is better to remain impartial for as long as possible.

d. The record of the evaluation is to include one separate evaluation document for each proposal and a separate summary of proposals memorandum describing how the proposals addressed the factors for consideration. The record is very important because it will be used to defend against any challenges by unsuccessful offerors.

e. The decision process should seek to build a consensus. It is fine to keep individual notes to record your thoughts during the evaluation; however, your notes may contain private information that would not be appropriate to release to the public—either about the offeror or the proposal involved.

If a review evaluation is contested, such notes would be subject to exposure through the discovery process and the Freedom of Information Act. Therefore, to protect against your notes becoming public information, you should destroy them when you have completed the review process. All pertinent facts and opinions should be consolidated in the final analysis document for each proposal and a consensus reached regarding that document.

f. The evaluation of a proposal will eventually be available to the offeror involved. Be careful to represent the facts fully and carefully and to use good judgment in your comments and analysis.

g. The objective is to have an evaluation panel develop a single evaluation document for each proposal for consideration by the selecting official. To do this, the evaluation panel members will consolidate their thoughts through discussion and review each of the other members' comments in a single, computer-based, evaluation document about each proposal. The evaluation document will include an evaluation sheet and an evaluation summary.

h. The offer should be evaluated based on the information submitted. Hearsay and opinions beyond the scope of the offer and any requested clarifications will not be considered by panel members in the evaluation process.

2. Opening the Proposals and First Review

The proposals must not be opened until after the due date. And then, all proposals must be opened at once. Make a written inventory of each item included in each proposal. Record a brief description of each item.

3. Reference Check and Evaluation of Financial Capability

Next, select one or more people to conduct telephone interviews with each offeror's management, experience, and financial references and perform an evaluation of the credibility of each offeror's financial capability. This should be started before the review panel is scheduled to meet, allowing enough time to perform the interviews and evaluations, recognizing that the references may not be available immediately. Except in the most simple instances, one of the members or consultants should be an individual with educational or practical experience that enables him or her to provide a financial analysis and review of the offers. This should be the case even if that individual is not a voting member of the panel. The reason is to be able to professionally support any decision that is based in whole or in part on the review of an offeror's financial package.

4. Panel Review

Panel members should be given the prospectus no later than 2 weeks before the panel convening and should read and understand the prospectus and especially the proposal package. Panel members should be familiar with the prospectus before the panel convening.

a. Next, each panel member should read all the proposals that were received. The proposals should be read in two stages, once to obtain an overview and then again to perform the analysis.

b. The evaluation panel should then determine whether it considers any of the proposals to be clearly and without question nonresponsive. Such proposals would be those with gross errors, such as failing to provide material items requested in the prospectus. These proposals should be set aside and the specific reasons for concluding that they are unresponsive should be documented in the related evaluation document. All other proposals received on time should continue to be evaluated fully, even if there are questions regarding the degree of responsiveness in some areas.

c. A nonresponsive proposal is a proposal that is not submitted on time or fails to meet the terms and conditions outlined in the prospectus. Specifically, the prospectus will list a series of specific requirements that must be met for a proposal to be considered responsive. If a proposal does not comply with each, it will be considered nonresponsive. The evaluation panel should consult the Office of the Solicitor if the panel intends to consider a proposal to be nonresponsive.

5. Detailed Examination and Documentation

a. The proposals should be reviewed in detail and evaluated at this point. Each panel member will read through each criterion and question on the evaluation form and all the material presented in each proposal, correlating the criterion and questions. The evaluation document should be filled in with quotations, paraphrases, and summaries of the proposal that the reviewers feel are appropriate to portray each section of each proposal. This information will represent the key points made in each proposal. It is strongly advised that all this work be carried on electronically. This means that each member needs to have a computer work station or lap top available. An electronic process makes sharing, combining, and editing much simpler.

b. Each panel member will add his or her comments or analysis.

c. It is important to note separately each excerpt from the proposals and each comment about the proposals, indicating which is a proposal excerpt and which is a reviewer comment, and to reference the page number in the

proposal from which the excerpt was extracted and about which the comment was made. ALL EVALUATORS CAN BENEFIT FROM EACH OTHER'S WORK AND RESPOND TO ANY CHALLENGES.

d. After evaluating each criterion and after facts and comments have been collected, write a brief summary and judge the quality of the proposal's response with respect to that particular criterion relative to the other proposals. Specifically, state whether the response showed that the offer should be considered as being SUPERIOR, GOOD, SATISFACTORY, or NOT SATISFACTORY. Note the particular strengths and weaknesses of the proposal. Document any failures to adequately address the criteria. With the evaluation summary block complete, add a copy of it to the collected summaries at the beginning of the evaluation document for inclusion in the summary of offers memorandum.

e. After the initial review by the first evaluator is completed, the proposal should be passed to at least one other evaluator for the same review. This will be easier if the initial review is done using a computer and the second is an edit of the first. With this approach, the second review builds on the computerized evaluation from the first review.

f. The second and any subsequent reviews should not be superficial. It is essential that a careful second opinion be generated as a check on the first review. Things that are missed, misread, or misinterpreted need to be caught in later reviews.

Assume the offeror will eventually read the review and will look for unfair or erroneous treatment. The second and subsequent reviewers may need to meet with the earlier reviewers to discuss points of difference as they arise.

g. It is also possible to do separate reviews and then merge them. This could be done in long hand or otherwise. This method is not recommended because it is inefficient. The final evaluation document for a proposal is the sum of the review work that each evaluator has done. There should be only one document containing the collected wisdom of all evaluators. Individual opinions should be reconciled into a single panel opinion of each proposal. The only exception may be to highlight a single opinion when it is a technical point from one of the panel's subject matter experts (e.g., financial), and that is to indicate its validity.

h. This is a consensus process. If there is a problem between evaluators, a resolution should be worked out and the issue recorded, as it was resolved, in the evaluation document. At least two reviewers are necessary, but more are better. In selecting panel members, it is useful to pick people who can work as a team and who can talk through disagreements to mutually acceptable resolution. Individuals who cannot compromise and those who want others to do their thinking for them are not the most

effective choices. Being selected for a panel should not be considered as automatic because of an employee's duties if he or she does not meet the team oriented profile.

i. Reviewers may organize their indepth analyses by subject or by individual criterion rather than by proposal. For example, two or more people may evaluate the financial section and another two or more may evaluate the managerial section, etc., as long as all panel members read the entirety of all the proposals and a minimum of two people give careful attention to each of a proposal's parts. Reviewers should keep in mind that some criteria or questions could overlap with others in the way they are answered. If the answer is in the proposal, the reviewers must make a reasonable effort to find it. Being too focused on only some parts of any proposal can lead to mistakes.

j. Before performing the evaluation of the proposals, the evaluation panel should review the information obtained for the credit and reference checks.

k. A complete evaluation will have all of the facts and comments entered. A summary will then be written for each criterion, including a characterization of the Offeror's response to the criterion as NOT SATISFACTORY, SATISFACTORY, GOOD, or SUPERIOR. The entire analysis should then be copied to the evaluation summary section at the front of the review evaluation document.

l. The evaluation panel should make every effort to evaluate proposals from the initial submissions of the offerors. Seeking clarification or additional information from offerors is not recommended and should be done only when absolutely necessary. If clarification of a proposal is sought from one offeror, clarifications must be sought from other offerors if their respective proposals are determined to require clarification. If an offeror is permitted to provide additional information, other offerors are to be granted the right to provide additional information of the same nature. Advice from the Office of the Solicitor should be sought if the evaluation panel wishes to seek clarification or additional information from an offeror. In general, making any contact with any offeror after proposals are submitted and before the evaluation and selection is announced is strongly discouraged.

m. Four of the criteria are qualitative. The fifth is quantitative (financial benefit to the Government). The fifth criteria will be evaluated strictly according to the proposed franchise fee—but only on the condition that all other financial benefits are equal. All other financial benefits will be equal if the prospectus was structured properly as described in (1) below. The franchise fees proposed by the different offerors should be easy to compare if the prospectus was structured properly, as described in (2) below.

(1) First, the only other financial benefit should be the offeror's annual deposits into the RAFI. Those deposits should have been specified in the prospectus to be equal for all offerors either in terms of an annual dollar amount or as a percentage of gross receipts. If the latter, the prospectus should have also specified the future annual gross receipts and instructed all offerors to assume those gross receipts for the purpose of their proposals. Therefore, the annual RAFI deposits assumed and proposed in all proposals should be the same for all offerors. Each offeror should have agreed in writing in their proposal that they will implement the RAFI as specified in the prospectus.

(2) The prospectus will have allowed the proposed franchise fee to be expressed either as a single fixed percentage of gross receipts or as different percentages of gross receipts for different levels of gross receipts (a "tiered" or "graduated" franchise fee). In either case, the prospectus must have specified the future annual gross receipts and instructed all offerors to assume those gross receipts for the purpose of their proposals, which the offerors must have done. However, unless they assume the gross receipts specified, their offer cannot be objectively compared with other offers.

(3) When franchise fees are expressed as a single fixed percentage of gross receipts, the process of comparing and evaluating the franchise fees is straight forward. However, when franchise fees are expressed as a "tiered" or "graduated" franchise fee, the review panel should compare offers by applying the proposed franchise fee percentages for the respective offers to the gross receipts specified in the prospectus and assumed by each offeror. That process will yield a franchise fee value for each offeror that may be compared with the franchise fee values for other offerors.

6. Comparing the Offers and Documenting the Process: Summary of Proposals Memorandum

a. After all the proposals have been reviewed and documented, any proposals receiving a **NOT SATISFACTORY** rating for any of the criteria should be eliminated from further consideration. The justification for such a **NOT SATISFACTORY** rating must be carefully explained.

b. The summary of proposals memorandum should present the conclusions about each proposal. Provide very strong written justification for the scoring. The summary will begin with a numerical sum of the points for the five criteria and will be followed by a brief but warranted commentary justifying the ratings.

7. Selection of Best Proposal

a. The prospectus, proposals, proposal evaluations, credit checks, and other reference check information should be included as attachments to the summary of proposals memorandum sent by the evaluation panel to the selecting official. This material provides the entirety of the information to support the selecting official's decision. All the unofficial notes and tables compiled by the evaluation panel should be destroyed upon completion of the panel review.

b. The selecting official is to review the materials provided by the evaluation panel and confirm, upon application of the selection factors, the best proposal. The selecting official is also to review the conclusions of the evaluation panel of any proposal considered nonresponsive, that is, any offeror's criterion that was given a **NOT SATISFACTORY** rating.

c. When the selecting official selects which is the best overall proposal, the reasoning for this decision must be documented. Usually, it will be enough for the selecting official to concur in writing with the reasoning in the summary of proposals memorandum. However, when appropriate, the selecting official should state in narrative form, upon application of selection factors, his or her reasoning for selecting the best overall proposal (or, if applicable, his or her reasoning for determining nonresponsiveness). The easiest way to write the narrative is to tell a story. That story must be compelling, convincing, and defensible.

d. In the event a responsive proposal from an offeror with a right of preference is not selected as the best proposal, such offeror must be notified in writing of the superior terms and conditions of the best proposal and be given a reasonable opportunity to amend its proposal to meet those superior terms and conditions. If the offeror with a right of renewal preference does so within the period of time allowed and the proposal, as amended, is determined by the selecting official to be substantially at least equal to the best proposal and the offeror is determined to be capable of carrying out the terms of the amended proposal, the offeror with a right of preference shall be selected for award of the concession contract upon the terms and conditions of its amended proposal.

e. The proper internal parties should be briefed and letters written promptly to all offerors announcing the selection and thanking the offerors for their participation. The individual evaluation of each proposal can be provided either at this time or sent later, if requested by the offeror.

8. Housekeeping Notes

a. The evaluation panel members are responsible for the products of the proposal evaluation process. However, if the matter is controversial, consider having a solicitor present throughout the process to help evaluate the legal technicalities that may arise. Remember, however, a solicitor cannot be expected to do your thinking for you or to ensure that you conduct a sound, business-like evaluation and leave a good document trail.

b. Ensure that the proposal items that need to be included in the final concession contract are identified (e.g., the proposed franchise fee, the risk, the environmental management programs, and the additions or changes to the maintenance and operating plans. The proposal will be of little use if it is not reflected in the very concession contract that will guide future operation of the concession during the new contract term.

c. The panel should critique the process used. Improvements should be recommended for incorporation in future evaluations.

d. Establish what is needed to form the record of the decisionmaking process. The prospectus, all proposals, the individual proposal evaluation documents, the summary of proposals memorandum, and credit and reference reviews should be included. Draft materials, notes, or other preliminary or review information should not be retained. Destroy all material considered unnecessary to summarize and validate the review and conclusions, including computer files.

e. The instructions set forth above do not preclude establishing additional levels of review, such as a selection panel to assess the results of the evaluation panel. Appropriate procedures should be developed to integrate evaluation responsibilities in such circumstances.

B. EVALUATION DOCUMENTS

This is the basic evaluation document. It has two parts. The first part, the evaluation sheet, includes the name and address of the offeror being evaluated, the names and titles of the panel members doing the review, a description of the evaluation procedure used, and a summary of the results for the proposals evaluated.

The second part is the evaluation summary and should be an abbreviated form of the proposal format used in the prospectus. The offerors should organize their proposal in the format of the proposal package. That will enable the Reclamation review panel to review and compare each proposal more easily, systematically, and thoroughly.

All evaluation panel members should collectively prepare one evaluation document for each proposal received, based on a compilation of the panel members' individual evaluations. The evaluation summary at the front of the evaluation document should be completed for each proposal. This evaluation, once completed, should be complete with respect to all the factors evaluated and conclusions drawn about that proposal. It should be written with the understanding that it may be provided to each offeror and to congressional staff inquiring on behalf of a constituent or the offeror. Note, however, that some of the information contained in the evaluation document will be confidential. Therefore, the evaluation document may not be made generally available to anyone. These forms should be made available to panel members in an electronic format for ease and efficiency of completion by multiple members.

1. Evaluation Sheet

Date of evaluation:	
Full name of offeror:	
Address of offeror:	
Telephone number of offeror:	
FAX number of offeror:	
Proposal was signed by:	Mr./Ms.
	Title: Chairman of the Board/President/Chief Executive Officer Signed by Proposal on behalf of (*Corporation Name*)

Evaluation Panel	
Chair:	Mr./Ms.
	Title:
	Location:
	Mr./Ms.
	Title:
	Location:
	Mr./Ms.
	Title:
	Location:
	Mr./Ms.
	Title:
	Location:
Consultants:	Mr./Ms.
	Title: Solicitor, Office of the Solicitor, Department of the Interior, Washington, DC
	Mr./Ms.
	Consultant Title:
	Mr./Ms.
	Consultant Title:
	Mr./Ms.
	Consultant Title:

2. Method of Evaluating Proposals – Principal Factors

Concessionaires are selected through an evaluation of the criteria specified, including:

a. Responsiveness of the proposal to the objectives of preserving and protecting the resources of the area.

b. Responsiveness of the proposal to the objectives of providing high quality visitor services.

c. Experience and background of the offeror, including the management expertise and past performance of the offeror relevant to providing the same or similar visitor services as those specified in the concession contract.

d. The offeror's understanding of the financial needs of the business and the financial capability to meet the necessary financial obligations.

e. Financial benefit to the Government.

Upon consideration of each offeror's proposal with respect to each of these criteria, Reclamation selects for award of the concession contract the offeror that submitted the best proposal on an overall basis.

In documenting the evaluation of proposals, the evaluators, under the appropriate criteria and questions, paraphrase or quote the response made by the offeror. These factual statements, including page number references to the proposal to facilitate future reference, are indented and blocked from the left margin. Comments or analyses or other evaluations of the offerors response are added to by evaluators in statements beginning against the left margin and preceded by three asterisks (***). At the end of each criterion, there is an evaluation summary of the response.

3. Evaluation Summary

Overall Rating: (Superior, Good, Satisfactory, or Not Satisfactory)

Summary: (A brief summary of the reasons for the rating will follow, preferably in narrative form.)

The summary evaluations for each individual criterion are duplicated in the evaluation summary section of this evaluation. "Not Satisfactory" means that the offeror failed to satisfy the requirements of the criteria. "Satisfactory" means that the offeror's response was acceptable and met the basic criteria. "Good" means that the Proposal was better than satisfactory because it exceeded some of the basic criteria. And "Superior" means the proposal exceeds all the basic criteria.

It is necessary for a proposal to achieve a satisfactory or better rating on each of the criteria to be an acceptable proposal.

4. Summary of Proposals Memorandum

After the review, briefly describe how thoroughly the proposals addressed the factors under consideration in a summary of proposals memorandum. Attach the memorandum to the beginning of the compilation of the individual proposal evaluation summaries. The memorandum is then given to the selecting official who is asked to make the final selection decision.

It is possible for proposals to be roughly equal overall but to have different strengths and weaknesses. The evaluation panel and the selecting official should make every effort to make distinctions between proposals with respect to each criterion.