PGI 225.504 Evaluation examples.

The following examples illustrate the evaluation procedures in DFARS 225.502(c)(ii). The examples assume that the contracting officer has eliminated all offers that are unacceptable for reasons other than price or a trade agreement and that price is the determining factor in contract award. The same evaluation procedures and the 50 percent evaluation factor apply regardless of whether the acquisition is subject to the Buy American Act (BAA) or the Balance of Payments Program (BOPP).

(1) Example 1.

Offer A $945,000 Foreign offer subject to BAA/BOPP

Offer B $950,000 Foreign offer exempt from BAA/BOPP

Since no domestic offers are received, do not apply the evaluation factor. Award on Offer A.

(2) Example 2.

Offer A $950,000 Domestic offer

Offer B $890,000 Foreign offer exempt from BAA/BOPP

Offer C $880,000 Foreign offer subject to BAA/BOPP

Since the exempt foreign offer is lower than the domestic offer, do not apply the evaluation factor. Award on Offer C.

(3) Example 3.

Offer A $9,100 Foreign offer exempt from BAA/BOPP

Offer B $8,900 Domestic offer

Offer C $6,000 Foreign offer subject to BAA/BOPP

Since the domestic offer is lower than the exempt foreign offer, apply the 50 percent evaluation factor to Offer C. This results in an evaluated price of $9,000 for Offer C. Award on Offer B.

(4) Example 4.

Offer A $910,000 Foreign offer exempt from BAA/BOPP

Offer B $890,000 Domestic offer

Offer C $590,000 Foreign offer subject to BAA/BOPP

Since the domestic offer is lower than the exempt foreign offer, apply the 50 percent evaluation factor to Offer C. This results in an evaluated price of $885,000 for Offer C. Award on Offer C.

(5) Example 5.

Offer A $900,000 Foreign offer exempt from BAA/BOPP

Offer B $850,000 Domestic offer (complies with the required domestic content)

Offer C $550,000 Foreign offer subject to BAA/BOPP (exceeds the required domestic content)

Since the domestic offer complies with the required domestic content and is lower than the exempt foreign offer, apply the 50 percent evaluation factor to Offer C. This results in an evaluated price of $825,000 for Offer C. Award on Offer C.

Parent topic: PGI 225.5 -EVALUATING FOREIGN OFFERS-SUPPLY CONTRACTS