C-6 Comparing Key Characteristics

Tradeoff vs LPTA Methods of Source Selection

TRADEOFF	**LPTA**
SUMMARY OVERVIEW	**SUMMARY OVERVIEW**
A Tradeoff process is appropriate when it may be in the best interest of the government to: a) consider award to other than the lowest-priced Offeror or: b) other than the highest technically rated Offeror. Therefore, if the ability to distinguish between the quality of non-cost/price factors and cost/price factors within Offerors' proposals and give credit (assign strengths) for aspects which provide a benefit to the government and for which it might be willing to pay more for (premium), then the tradeoff process is the best approach. □ Less definitive □ More complex and time-consuming development work □ Greater performance risk/integration risk □ Technical and past performance considerations more important than price □ Price based on performance-based approach □ Past performance is critical in reducing risk	An LPTA process is appropriate when best value is expected to result from selection of the technically acceptable proposal with the lowest price. Award is made to the responsible contractor who is technically acceptable and has the lowest evaluated price. □ government design or stable requirements, clearly definable □ Risk of unsuccessful performance is minimal □ No mission-related reason to pay a premium for quality or performance exceeding the acceptable level □ Only use LPTA when able to clearly define and strictly evaluate Offerors' proposals based on technical acceptability □ Technical evaluation lends itself to acceptable/unacceptable basis □ When requirement is easy to price □ When past performance is not critical to reducing risk □ When a "standard of proof" is identifiable for each evaluation criteria

Tradeoff vs LPTA Methods of Source Selection

TRADEOFF	**LPTA**
Encourages Innovation	**Innovation Not Needed, Encouraged, nor Rewarded**
Proposals can offer various technical approaches that may be of benefit to the government and the competitive environment should encourage this depending upon what the solicitation places the most value/importance upon.	LPTA inherently places the most value on the technical acceptability to provide known, stable requirements for the lowest price and the government will not benefit from/is not willing to pay for above threshold performance.

Maximum Flexibility	Minimum Flexibility
The tradeoff process provides the most discretion/flexibility when it comes to the award decision. The Source Selection Evaluation Board (SSEB) can identify strengths within proposals that may benefit the government and increase the value of the proposal. The Source Selection Authority can give consideration to the benefit/value of non-cost/price factor differences between Offerors to determine if those differences justify paying the cost/price differential between them.	Tradeoffs not permitted – intended to be a simple selection process based upon technical acceptability/lowest price. Use a checklist or form to document the technical evaluation (1) to ensure the requirements/criteria/standards are suitable for this process; and (2) enable the offeror to provide the standard of proof and determine whether the offeror should be rated as acceptable or unacceptable for that item. - You must be able to evaluate everything included in your "checklist" using an objective standard of proof. - By associating minimum standards with relative risks for execution of each task, risk of unsuccessful performance can be mitigated or decreased. -The offeror is required to provide clear proof that they meet the requirement (and the government determines what the standard of proof is and announces it in the RFP). No additional "credit" can be given for exceeding established standards.

Tradeoff vs LPTA Methods of Source Selection

TRADEOFF	LPTA
Competitive Range and Discussions	**Competitive Range and Discussions**
52.215-1, Instructions to Offerors – Competitive Acquisition enables the government to provide notice to prospective Offerors of the intent to make award without discussions as well as limit the number of proposals in the competitive range to the number at which an efficient competition can be conducted. Contracting officer can provide the opportunity for offerors to eliminate weaknesses and deficiencies through the discussion process.	If few or no acceptable offers are received or proposals indicate that the requirements are misunderstood, the contracting officer may set a competitive range and conduct discussions with technically unacceptable Offerors and provide them the opportunity to eliminate deficiencies. A proposal rated technically acceptable cannot be further improved through the discussion process. However, all offerors in the competitive range must be afforded the opportunity to submit a revised proposal after discussions have concluded. See *Commercial Design Group, Inc.,* B-400923.4, August 6, 2009, CPD ¶ 157.
Enables Meaningful Comparisons	**No Comparisons Permitted**

Tradeoff allows for meaningful comparisons and discrimination between and among competing proposals.

If some, but not all, evaluation criteria fit the LPTA requirements, a combination approach may be a consideration. If a combination approach is used, comparison is allowable only for those factors based on tradeoff.

Evaluation is More Complex But Can Be Simplified Using a Hybrid Approach When Appropriate

By using a combination approach, the government can simplify some aspects of the evaluation where criteria are clear, can be evaluated on an acceptable/unacceptable basis, and a clear standard of proof can be linked to each one.
Examples of may include professional qualifications, special certifications, licensing.

Evaluation is Straightforward

Well-written evaluation criteria and "standard of proof" that the Offeror must provide to satisfy each, should enable the evaluation to be conducted in an efficient and straightforward manner.
If not all evaluation criteria is clear and objective with an objective standard of proof for evaluation, a combination approach may be appropriate.

Tradeoff vs LPTA Methods of Source Selection

TRADEOFF	**LPTA**
Performance Risk and Past Performance Assessment	**Past Performance Rated Acceptable or Unacceptable**
In the case of an offeror without a record of recent/relevant past performance, or for whom information on past performance is not available, or so sparse that no meaningful past performance rating can be assigned, you must evaluate the offeror's lack of past performance as "Neutral Confidence", having no favorable or unfavorable impact on the evaluation.	Past performance shall be evaluated unless waived. However, a comparative assessment is not allowed. When using LPTA, unknown past performance shall be considered acceptable. - You may utilize a combination approach where past performance is evaluated as part of the tradeoff and technical approach is assessed on acceptable/unacceptable basis.
Planning Considerations	**Planning Considerations**

The tradeoff methodology generally involves in-depth planning and more time and resources. Tradeoffs must be clearly documented and supported.	The LPTA process is not necessarily faster. Requires significant up-front time investment to clearly identify the critical technical requirements (standards) for evaluation and the standard of proof (evidence of the offeror's compliance with the requirement) to determine whether each one is met (technical acceptability). ***The time investment is key to establishing whether the requirement is suitable for LPTA, and if so, setting up the procurement for success.***

Parent topic: Appendix C Lowest Priced Technically Acceptable Source Selection Process