Evaluating Proposals

This section explains how to evaluate proposals once they have been received.

Evaluation Committee

A selection/evaluation committee will evaluate proposals. This committee will consist of personnel who are familiar with the services to be provided and applicable GNWT policies, directives and contractual procedures. The committee should have a minimum of three, and a maximum of five, members depending on the size and complexity of the work. The committee will appoint a Chairperson who will chair the committee and ensure that a comprehensive evaluation report is prepared.

Selection Procedure

The evaluation committee will evaluate the proposals to determine which proposal appears to offer the best overall value to the GNWT, while also maximizing the opportunity for northern businesses and workers.

General

During evaluation it is important to treat all proponents fairly and equally, and to evaluate their proposals in accordance with the process described in the RFP. Care must be taken throughout the process not to take any actions or make any decisions that could be construed as providing an unfair advantage to any proponent.

Confidentiality

As they will be entrusted with or have access to information governed by the Access to Information and Protection of Privacy Act, committee members must be aware of the need for confidentiality. Evaluation committee members will be expected to:
keep the proposals, and any notes they might make relating to them, in a secure place where others will not have access to them;

not discuss the proposals or disclose their contents to anyone other than their fellow committee members;

keep all notes, discussions, and point ratings confidential and not disclose their substance or details to anyone;

evaluate the proposals strictly in accordance with the evaluation criteria stated in the Request for Proposal;

evaluate proposals solely on information contained therein, not on the committee’s previous knowledge of the proponent or its business; and

score proposals strictly in accordance with the established points ratings.

**Preliminary Steps**

Prior to opening proposals, the committee should meet and determine the evaluation process. That is, if any particular criteria weighing is to be sub-divided, then the numbers should be clearly identified and agreed upon and an agreement as to whether a consensus or averaging method of tabulating scores will be used.

After opening, each member should review all proposals and do an independent preliminary evaluation. The committee should then formally meet and conclude the process.

**Mandatory Requirements**

The first thing the evaluation committee will do when it gets together to score the proposals is check each proposal in turn for its compliance with any mandatory criteria that may have been included in the RFP. Assessing the mandatory criteria should be a matter of the proposal either meeting or not meeting each criterion; any proposal not fully meeting every one of the mandatory criteria must be rejected without further consideration.
Scoring Methodology

The Financial Administration Manual, Section 3302 provides an example of a rating methodology that has proven useful. This methodology suggests that each submission is rated subjectively according to the degrees of satisfaction on a criteria-by-criteria basis.

Note that the cost elements of proposals may be objectively evaluated by comparing them to the budget, lowest cost, historic cost, or if appropriate, to the average cost figures for all proposals.

For each criterion, the assigned weight is multiplied by the proponent’s rating for that criterion to yield the total points for each criterion. The total points are added to yield the total score, which represents the overall degree of satisfaction with the specific proposal.

Unless otherwise rejected for not meeting any required mandatory requirements, all proposals received must be evaluated, even obviously poor proposals. This ensures that the process is fair, and will enable a constructive debriefing of the unsuccessful proponents afterwards.

The following matrix may be of use as a scoring guide to assign relative weightings:

<table>
<thead>
<tr>
<th>QUALITY OF RESPONSE</th>
<th>POINTS ASSIGNED</th>
</tr>
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<tbody>
<tr>
<td>Excellent: Meets all of our requirements / Exceeds expectations / excellent probability of success in achieving all objectives / very innovative.</td>
<td>9 - 10</td>
</tr>
<tr>
<td>Good: A sound response / Fully meets most of our requirements / Very good probability of success / achieves all objectives in a reasonable fashion.</td>
<td>7 - 8</td>
</tr>
</tbody>
</table>
Fair: Acceptable at a minimum level / Meets our basic requirements / has a reasonable probability of success / some objectives may be met. 4 - 6

Poor. Falls short of meeting basic expectations / has a low probability of success. 1 - 3

The response is completely unacceptable or the information is missing altogether. 0

**Keeping Notes**

One of the members of the evaluation committee should be assigned the responsibility for making a master record of the scores and keeping notes explaining each score. It is important to write supporting comments for both high scores and low scores. A benefit of documenting both high and low scores is that when it comes to debriefing the unsuccessful proponents, the experience is a more pleasant one for everyone if you are able to praise the proposal’s strengths as well as point out its weaknesses.

**Application of the Business Incentive Policy**

The Government of the Northwest Territories may when purchasing goods, services or construction provide an incentive to Northwest Territories based businesses.

In June 2006 the BIP Senior Management Preference Committee issued Interpretive Bulletin #7 which stipulated:

When issuing RFPs and evaluating proposals received, the following evaluation criteria, based on dollar value, shall be applied.

(a) Allocate 15% of the total assigned weight to the provision of goods and services by Northern Businesses; and

(b) Allocate 5% of the total assigned weight to the provision of goods and services by Local
Contracts that are awarded based on a proposal call require the government’s preference policy to apply to registered BIP Businesses. For the purposes of ranking proposers, the application of the bid adjustment will be only to the Northern and Local Content of the proposal bid amount. Preference is not applied the bid amount.

Section 9.4 provides additional information on the application of BIP preferences.

**Additional Information**

During a proposal evaluation, additional information may be requested from the proponent. Unlike a tender, the Request for Proposal process allows you to obtain further information after the deadline for the receipt of proposals. For example, information may be requested to:

- substantiate part of the proposal
- provide additional detail
- confirm or clarify aspects of the proposal that are not clear

Any additional information must be received in writing from the proponents.

**Proponent Interview**

Additional information may also be obtained through an interview with any or all of the proponents. In the interview, both parties may explore concerns and questions related to the project and the proposed solution.

**Reference Checks**

If the RFP requires proponents to provide references, they will have to be checked for all proponents who meet the mandatory requirements. Only references supplied by the proponent should be contacted. Questions asked should be objective and relate directly to the evaluation criteria and the same questions should be put to
all references. Both questions and answers should be recorded.

**Negotiations**

After the proposals have been evaluated, the purchaser may find that one or more of the proposals are clearly superior. Negotiations may be undertaken with the apparent winner or with a short list of proponents. Such negotiations may be done to clarify points contained within the proposal, contract terms, or minor modifications to the scope of the work.

It may be advantageous to conduct final contract negotiations with more than one proponent, so as to obtain the best contract terms as a part of the overall selection process. If this is being considered, then all the proponents who will be involved in the final negotiations should be made aware of the process and the purpose of these negotiations.