SECTION M

SOLICITATION PROVISIONS IN FULL TEXT
EVALUATION FACTORS FOR AWARD

1 Basis for Contract Award

This is a best value source selection conducted in accordance with (IAW) Federal Acquisition Regulation (FAR) Part 15, *Contracting by Negotiation*, as supplemented by the Department of Defense Federal Acquisition Regulation Supplement (DFARS), *Department of Defense Source Selection Procedures*, the *Air Force Federal Acquisition Regulation Supplement* (AFFARS) 5315.3, and *AFFARS Mandatory Procedures* (MP) *5315.3*. These regulations are available electronically at the Air Force FAR Site, http://farsite.hill.af.mil.

A contract may be awarded to the offeror who is deemed responsible IAW FAR Part 15, as supplemented, whose proposal conforms to the solicitation's requirements (to include the *Aircraft* and *Ground Based Training System* (GBTS) *System Specifications* (SS), *Statement of Work*, all stated terms, conditions, representations, certifications, and all other information required by *Section L* of this solicitation) and is determined, based on evaluation factors, to represent the best value to the Government. While the Source Selection Evaluation Board, the Source Selection Advisory Council, and the Source Selection Authority (SSA) will strive for maximum objectivity, the source selection process is, by its nature, subjective, and professional judgment is, therefore, implicit throughout the entire process.

The SSA will base the source selection decision on an integrated assessment of proposals against all source selection criteria (described below) in the solicitation. The overall structure of the source selection evaluation is depicted in Figure 1, Advanced Pilot Training (APT) Source Selection Strategy.

1.1 Number of Contracts to be Awarded

The Government intends to award one contract for the APT Program. However, based on price and other considerations, the Government reserves the right to not award a contract. The Government also reserves the right to award without discussions to the offeror that represents the best value to the Government. To prepare for that possibility, each initial proposal should contain the offeror's best terms from both a price and a technical standpoint.

1.2 Correction Potential of Proposals

The Government will consider, throughout the evaluation, the "correction potential" of any deficiency. The judgment of such "correction potential" is within the sole discretion of the Government. If an aspect of an offeror's proposal does not meet the Government's requirements and is not considered correctable, the offeror may be eliminated from the competitive range.

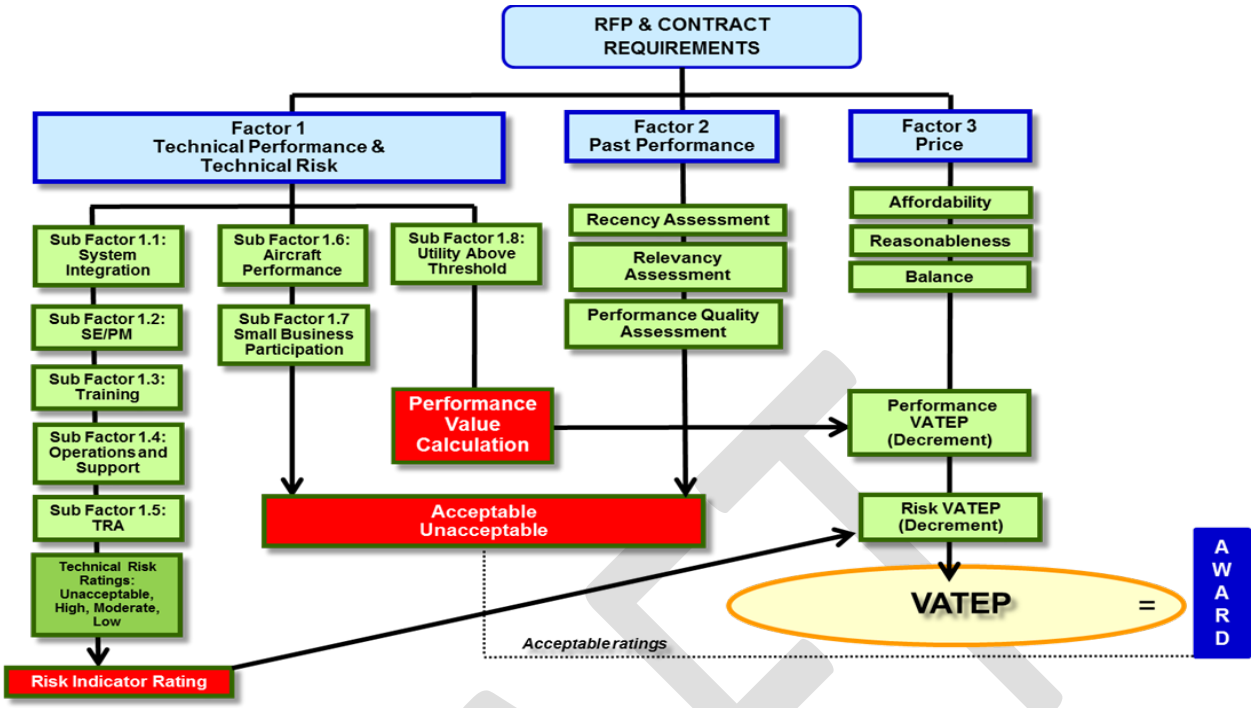

Figure 1: Advanced Pilot Training (APT) Source Selection Strategy

2 Evaluation Factors

The Government will select the offeror whose proposal is determined to offer the best value to the Government based upon an integrated assessment of the following factors: (1) Technical Performance and Risk, (2) Past Performance, and (3) Price.

2.1 Solicitation / Model Contract Requirements, Terms and Conditions

Offerors are required to meet all solicitation requirements. Failure to comply with the terms and conditions of the solicitation will result in the offeror being ineligible for award. The elements to be evaluated are as follows:

(1) Format/Discrepancies. (Section L, paragraph 2.5)

(2) Complete Proposal/Volumes. (Section L, paragraph 2.5 and 2.6)

(3) Compliance with Request for Proposal (RFP) Terms and Conditions. (Section L, paragraph 2 2.1)

(4) Intellectual Property Assertions. (Section L, paragraph 7.1.10.7)

(5) Equal Employment Opportunity (IAW FAR 22.805, Procedures).

(6) Earned Value Management System (IAW FAR 34.201(a), Policy (Earned Value Management System) and DFARS 252.234-7001, Notice of Earned Value Management System).

(7) Cost and Software Data Requirements (IAW DFARS 252.234-7003).

(8) Department of Defense (DD) Form 254, Contract Security Classification Specification (Compliance with Security Requirements must be verified to be evaluated as complete). (Section L, paragraph 7.1.10.1)

(9) Expenditure Profile (Not to exceed Government Funding Profile). (Section L, paragraph 7.1.9).

2.2 Factor 1 - Technical Performance and Risk Assessment

2.2.1 Technical Risk Evaluation Process

Technical Risk will be assigned at the subfactor level and a technical risk indicator will be assigned at the factor level. All subfactors are considered of equal importance. If an offeror is rated as high or unacceptable risk in one or more subfactor(s), the offeror will be unawardable.

Evaluation of the offeror's proposed approach, for Subfactors 1.1 – 1.4 will identify and document weaknesses as follows: (see Table 1.1 below).

Table 1.1: Definition of Weakness

Type	Definition per FAR 15.001
Weakness	A flaw in the proposal that increases the risk of unsuccessful contract performance.
Significant Weakness	A flaw in the proposal that appreciably increases the risk of unsuccessful contract performance.

Subfactors 1.1 – 1.4 will then receive one of the ratings described in Table 1.2.

Table 1.2: Technical Risk Ratings

Rating	Description
Low	Proposal may contain weakness(s) which have little potential to cause disruption of schedule, increased cost or degradation of performance. Normal contractor effort and normal Government monitoring will likely be able to overcome any difficulties.
Moderate	Proposal contains significant weakness or combination of weaknesses which may cause disruption of schedule, increased cost, or degradation of performance. Special contractor emphasis and close Government monitoring will likely be able to overcome difficulties.
High	Proposal contains significant weakness or combination of weaknesses which is likely to cause disruption of schedule, increased cost, or degradation of performance. Is unlikely to overcome any difficulties, even with special contractor emphasis and close Government monitoring.
Unacceptable	Proposal contains a material failure or a combination of significant weaknesses that increases the risk of unsuccessful performance to an unacceptable level.

Note: Proposals assessed as High in any subfactor are unawardable. Proposals evaluated as either low or moderate risk in all subfactors will receive an overall technical risk indicator of Acceptable (A) with an additional indicator of 1-6 as described in Table 1.3: Technical Risk Indicators. A lower numbered technical risk indicator is considered more advantageous to the Government and will form the basis of a Value Adjusted Total Evaluated Price (VATEP)

Table 1.3: Technical Risk Indicators

# of Low Subfactors	# of Moderate Subfactors	# of High Subfactors	Risk Indicator	VATEP
5	0	0	A/1	$ 350M
4	1	0	A/2	$ 275M
3	2	0	A/3	$ 200M
2	3	0	A/4	$ 125M
1	4	0	A/5	$ 50M
0	5	0	A/6	$ 0
0-4	0-4	> 0	U	N/A
* The VATEP shall be a decrement to the offeror's Government-calculated TEP, which will be used for evaluation purposes.				

Subfactor 1.5 will be assigned a risk rating based on the offeror's Technical Readiness Level (TRL) See Table 1.4 in section 2.2.6 below for details.

2.2.2 Subfactor 1.1 - Systems Integration

This subfactor will be evaluated to identify the risk associated with the technical approach in meeting the requirements associated with System Integration. Assessment of technical risk, which is manifested by the identification of weaknesses, considers potential for disruption of schedule, increased costs, degradation of performance, the need for increased Government oversight, or the likelihood of unsuccessful contract performance. The following elements will be evaluated for weaknesses and significant weaknesses, and these evaluations will roll up into one overall risk rating of low, moderate, or high for this subfactor: (*Section L*, paragraph 4.2.1.1)

(1) Aerial Refueling
(2) Anthropometrics
(3) Software Development and Architecture
(4) Design Maturity
(5) Datalink and Network Connectivity
(6) Embedded Training
(7) Terrain Warning and Avoidance

2.2.3 Subfactor 1.2 - Systems Engineering/Program Management (SE/PM)

This subfactor will be evaluated to identify the risk associated with the technical approach in meeting the requirements associated with SE/PM. Assessment of technical risk, which is manifested by the identification of weaknesses, considers potential for disruption of schedule, increased costs, degradation of performance, the need for increased Government oversight, or the likelihood of unsuccessful contract performance. The following elements will be evaluated for weaknesses and significant weaknesses, and these evaluations will roll up into one overall risk rating of low, moderate, or high for this subfactor: (*Section L*, paragraph 4.2.1.2)

(1) Schedule

(2) Airworthiness

(3) Manufacturing and Quality

2.2.4 Subfactor 1.3 - Training

This subfactor will be evaluated to identify the risk associated with the technical approach in meeting the requirements associated with Training. Assessment of technical risk, which is manifested by the identification of weaknesses, considers potential for disruption of schedule, increased costs, degradation of performance, the need for increased Government oversight, or the likelihood of unsuccessful contract performance. The following elements will be evaluated for weaknesses and significant weaknesses, and these evaluations will roll up into one overall risk rating of low, moderate, or high for this subfactor: (*Section L*, paragraph 4.2.1.3)

(1) Aircrew Training Device (ATD) Fidelity

(2) Type 1 Training

2.2.5 Subfactor 1.4 – Operations and Support

This subfactor will be evaluated to identify the risk associated with the technical approach in meeting the requirements associated with Operations and Support. Assessment of technical risk, which is manifested by the identification of weaknesses, considers potential for disruption of schedule, increased costs, degradation of performance, the need for increased Government oversight, or the likelihood of unsuccessful contract performance. The following elements will be evaluated for weaknesses and significant weaknesses, and these evaluations will roll up into one overall risk rating of low, moderate, or high for this subfactor: (*Section L*, paragraph 4.2.1.4)

(1) Reliability and Maintainability

(2) Provisioning

2.2.6 Subfactor 1.5 - Technology Readiness Assessment

This subfactor will be evaluated to identify the risk associated with the Critical Technologies (CTs) required and the resulting Technology Readiness Levels (TRLs). Assessment of technical risk considers potential for disruption of schedule, increased costs, degradation of performance, the need for increased Government oversight, or the likelihood of unsuccessful contract performance. The Government will assess the offeror's list of CTs for completeness using the detailed system description. If the offeror's list of CTs is incomplete, the risk assessment for this

subfactor will result in a high risk rating. The Government will assign a TRL for each CT identified in accordance with Section 2.5, TRL Definitions, and Supporting Information of Department of Defense (DoD) *Technology Readiness Assessment Guidance*, April 2011. The Subfactor 1.5 risk assessment will assign a risk rating based on the CT with the lowest TRL according to the Table 1.4 below. In the event the Source Selection Evaluation Team identifies no CTs, the overall risk assessment for this subfactor will result in a low risk rating. (Section L, paragraph 4.2.1.5).

Table 1.4 – TRL / Risk Ratings

	TRL 1-5	TRL 6	TRL 7-9
Low			X
Moderate		X	
High	X		

2.2.7 Subfactor 1.6 - Aircraft Performance

This subfactor will be evaluated and receive an Acceptable (A) or Unacceptable (U) rating as described in Table 1.5. An unacceptable rating will result in an unawardable proposal.

Table 1.5: Technical Capability Ratings

Code	Rating	Description
A	Acceptable	Proposal meets the requirements of the solicitation.
U	Unacceptable	Proposal does not meet the requirements of this solicitation.

This subfactor will evaluate the offeror's proposed aircraft ability to meeting Aircraft Performance requirements. This subfactor is met when the offeror's proposal substantiates the offeror's ability to deliver an aircraft that meets the following requirements as documented in the *Aircraft SS*:

1) *High G Maneuvering*

To be acceptable in this area the offeror must demonstrate performance of the proposed APT Aircraft using data from offeror-conducted flight test in accordance with Government-provided test procedures defined in *Section L*, Attachment 12, paragraph 1.

The offeror shall demonstrate that its proposed solution performs to the proposed G value IAW the *Aircraft SS*, Appendix D (without degradation to the aircraft structures, components, and systems) for High G maneuvering and a G-onset rate of at least 6.0 G per second IAW the *Aircraft SS*, paragraph 3.1.2.1.

The offeror's engineering authority-approved test plan, to include a data analysis plan as part of the test plan, will be evaluated using Edwards AFB Instruction 99-101, including Attachment 3 *Test Plan Content Checklist* and Attachment 4 *Data Analysis Plan Content Checklist* as a guide. An acceptable plan must, at a minimum, demonstrate a technically sound approach was used to collect, reduce, and analyze the data.submitted in this proposal to substantiate this area.

2) *Maneuverability*

To be acceptable in this area the offeror shall demonstrate performance of the proposed APT Aircraft, using data from validated performance model output, and design analysis to show that its proposed solution performs the following maneuverability performance requirements IAW

a) *Aircraft SS* 3.1.3.6.1.1, Symmetric Maneuver Load Factor. (*Section L*, paragraph 4.2.1.6(2)(a))

b) *Aircraft SS* 3.1.2.4, Instantaneous Turn Rate. (*Section L*, paragraph 4.2.1.6(2)(b))

c) *Aircraft SS* 3.1.2.5, Sustained Turn Rate. (*Section L*, paragraph 4.2.1.6(2)(c))

3) *High Angle-of-Attack Maneuvering*
(Aircraft SS, paragraph 3.1.2.6)(Section L, paragraph 4.1.2.6(3)

To be acceptable in this area the offeror must demonstrate performance of the proposed APT Aircraft using data from offeror-conducted flight test according to Government-provided test procedures defined in *Section L*, Attachment 12.

The offeror shall demonstrate that its proposed solution performs High AOA maneuvering to the proposed AOA IAW *Aircraft SS*, Appendix D while maintaining Level 1 (Satisfactory) flying qualities and departure resistance IAW the *Aircraft SS* using the additional performance ground rules defined in the *Aircraft SS*. (*Section L*, Attachment 9)

The offeror's engineering authority-approved test plan, to include a data analysis plan as part of the test plan, will be evaluated using Edwards AFB Instruction 99-101 including the integrated *Test Plan Content Checklist* and *Data Analysis Plan Content Checklist* as a guide. An acceptable plan must, at a minimum, demonstrate a technically sound approach was used to collect, reduce, and analyze the datasubmitted in this proposal to substantiate this area.

4) *Takeoff Distance and Landing Distance*
(Aircraft SS, paragraphs 3.1.2.8 and 3.1.2.9)

To be acceptable in this area the offeror shall demonstrate using data from validated performance model output and design analysis that its proposed solution performs all takeoff and landing configurations required in aforementionedAircraft SS paragraphs. (*Section L*, paragraph (*Section L*, paragraph 4.2.1.6(4).

5) *Flight Endurance*
(Aircraft SS, paragraph 3.1.2.8)

To be acceptable in this area the offeror shall demonstrate using data from validated performance model output and design analysis that its proposed solution performs all flight endurance requirements in aforementioned *Aircraft SS* paragraph. (*Section L*, paragraph 4.2.1.6(5)).

2.2.8 Subfactor 1.7 – Small Business Participation

Pursuant to DFARS 215.304(c)(i), this area will be evaluated and assigned an *Acceptable* or *Unacceptable* rating as described in Table 1.6, below. An "unacceptable" rating will result in an unawardable proposal. In order to be "acceptable" the offeror shall include all the required elements identified in FAR 52.219-9 and agree to the contractual requirements identified in *Section H*, Special Contract Requirement (SCR) H-003, *Small Business Subcontracting Requirements*, evidenced by incorporating the percentage requirements in the offeror's *Small Business Plan* and certification to same in the *CEO Letter*, (Sec L, Atch 3).

Table 1.6: Small Business Ratings

Rating	Description
Acceptable	Proposal indicates an adequate approach and understanding of small business objectives.
Unacceptable	Proposal does not meet small business objectives.

2.2.9 Subfactor 1.8 – Utility above Threshold

This subfactor will be evaluated and a Value Adjusted Total Evaluated Price (VATEP) decrement will be computed for the eight elements listed below. The values provided in the *Aircraft SS*, Appendix D and *GBTS SS*, in Appendix G of the offeror's proposal, validated by the Government, will be used to populate Table 1.7. Validation of proposed values will include the use of flight test data referenced in Subfactor 1.6 above, IAW Section L attachments 12, and 14 and the CEO Certification Letter, *Section L* attachment 3. Calculation of the applicable TEP adjustments are described in the following subparagraphs:

1) *High G Maneuvering*
(Aircraft SS, paragraph 3.1.2.1)

The offeror will receive $13.2M decrement to its TEP for every proposed and validated 0.1G above threshold (defined as 6.5G) up to 7.0G. For for every 0.1 G above 7.0G up to 7.5G the offeror will receive $4.40M. Maximum decrement available for this element is $88.0M. All G values will be rounded down to the nearest 0.1G (e.g., 6.99G equals 6.9G). (*Section L*, paragraph 4.2.1.6(1)).

TEP Adjustment: Offerors will receive a decrement to its TEP for every 0.1G above the 6.5G threshold, up to the objective value of 7.5G, for a maximum decrement of $88.0M as follows:

Table 1.7

Proposed High G Value	TEP Decrement
6.6	$13.2M
6.7	$26.2M
6.8	$39.6M
6.9	$52.8M
7.0	$66.0M
7.1	$70.4M
7.2	$74.8M
7.3	$79.2M
7.4	$83.6M
7.5	$88.0M

2) *High AOA Maneuvering*
(Aircraft SS, paragraph 3.1.2.6).

The offeror will receive an $6.375M decrement to its TEP for every proposed and validated 0.5 degrees above threshold (20 degrees) up to 23 degrees. For for every 0.5 degrees above 23 degrees up to 25 degrees the offeror will receive $3.1875M.

Maximum decrement available for this element is $51.0M. All degree measurements will be rounded down to the nearest 0.5 degrees (e.g., 23.99 degrees equals 23.5 degrees). (*Section L*, paragraph 4.2.1.6(3))

TEP Adjustment: Offerors will receive a decrement to its TEP for every 0.5 degrees above the 20 degree threshold, up to the objective value of 25 degrees, for a maximum decrement of $51.0M as follows:

Table 1.8

Proposed High AOA Value	VATEP Decrement
20.5	$6.375M
21	$12.75M
21.5	$19.125M
22	$25.5M
22.5	$31.875M
23	$38.25M
23.5	$41.4375M
24	$44.625M
24.5	$47.8125M
25	$51.0M

3) *Terrain Warning & Avoidance (Aircraft SS, paragraph 3.2.3.5).*

The offeror will receive a $27.0M decrement to its TEP for a proposed and validated Terrain Warning and Avoidance capability that meets the objective requirement. Maximum decrement available for this element is $27.0M. (Section L, paragraph 4.2.1.1(7))

4) *GBTS Connectivity*
(Aircraft SS, paragraph 3.2.4.5.1).

The offeror will receive a $13.0M decrement to its TEP for a proposed and validated GBTS Connectivity capability that meets the objective requirement. Maximum decrement available for this element is $13.0M (Section L, paragraph 4.2.1.1(5)(b)).

5) *Aerial Refueling Subsystem Full Integration (Receiver)*
(Aircraft SS, paragraph 3.4.2.1).

The offeror will receive a $20.0M decrement to its TEP for a proposed and validated Aerial Refueling Full Integration (Receiver) capability that meets the objective requirement. Maximum decrement available for this element is $20.0M. (Section L, paragraph 4.2.1.1(1)).

6) *Targeting Pod System Simulation*
(Aircraft SS, paragraph 3.6.6).

The offeror will receive a $17.0M decrement to its TEP for a proposed and validated Targeting Pod System Simulation capability that meets the objective requirement. Maximum decrement available for this element is $17.0M. (Section L, paragraph 4.2.1.1(6)(b)).

7) *Ground Support Station (GSS) Connectivity*
(Aircraft SS, paragraph 3.2.4.6 and 3.2.4.6.2).

The offeror will receive a $24.0M decrement to its TEP for a proposed and validated GSS Connectivity capability that meets the objective requirement. Maximum decrement available for this element is $24.0M. (Section L, paragraph 4.2.1.1(5)(c)).

8) *Turn-around Time*
(Aircraft SS, paragraph 3.8.8)

The offeror will receive a $4.25M decrement to its TEP for each proposed and validated 1 minute increment reduction to the Turn-around Time capability below the threshold of 45 minutes. Maximum decrement available for this element is $51.0M. All time measurements will be rounded up to the nearest 1 minute (e.g., 43:01 minutes equals 44 minutes). (Section L, paragraph 4.2.1.4(1)(b)(v))

TEP Adjustment: Offerors will receive a decrement to its TEP for every 1 minute increment reduction to the Turn Around Time threshold of 45 minutes, for a maximum decrement of $51.0M as follows:

Table 1.9

Proposed Turn Around Time (minutes)	VATEP Decrement
44	$4.25M
43	$8.5M
42	$12.75M
41	$17.0M
40	$21.25M
39	$25.5M
38	$29.75M
37	$34.0M
36	$38.25M
35	$42.5M
34	$46.75M
33	$51.0M

The Government Evaluation Team will populate the table below using proposed and validated values and the respective VATEP decrements from paragraphs 2.2.9 (1) through 2.2.9 (8), above. The Total Performance VATEP decrement will be applied to the offeror's TEP. (see Figure 1 above)

Table 1.10 VATEP Decrements for Utility Above Threshold

SS Appendix D & G Proposed Capability Values	Element	VATEP Decrement
	High G Maneuvering	
	High Angle of Attack Maneuvering	
	Terrain Warning & Avoidance	
	GBTS Connectivity	
	Aerial Refueling Subsystem Full Integration (Receiver)	
	Targeting Pod System Simulation	
	Ground Support Station (GSS) Connectivity	
	Turn-around Time	
	Total Performance VATEP	

2.3 Factor 2 - Past Performance

The Past Performance evaluation results in an assessment of the offeror's probability of meeting the solicitation requirements. Offerors must receive a past performance rating of Acceptable to be eligible for award.

2.3.1 Ratings

The Past Performance factor will receive one of the ratings described in Table 2.1 below.

Table 2.1: Past Performance Evaluation Ratings

Rating	Description
Acceptable	Based on the offeror's performance record, the Government has a reasonable expectation that the offeror will successfully perform the required effort, or the offeror's performance record is unknown (see note below).
Unacceptable	Based on the offeror's performance record, the Government has no reasonable expectation that the offeror will be able to successfully perform the required effort.

Note: In the case of an offeror without a record of relevant past performance or for whom information on past performance is not available or so sparse that no meaningful past performance rating can be reasonably assigned, the offeror may not be evaluated favorably or unfavorably on past performance (see FAR 15.305(a)(2)(iv)). Therefore, the offeror shall be determined to have unknown past performance. In the context of acceptability/unacceptability, "unknown" shall be considered "Acceptable."

2.3.2 Evaluation Process

The Past Performance evaluation considers each offeror's demonstrated recent and relevant record of performance in supplying products and services that meet the solicitation requirements. In conducting the Past Performance evaluation, the Government reserves the right to use both the information provided in the offeror's Past Performance proposal volume and information obtained from other sources available to the Government, to include but not limited to the Past Performance Information Retrieval System, Federal Awardee Performance and Integrity Information System, Electronic Subcontract Reporting System, or other databases as well as interviews and questionnaires with program managers, contracting officers and fee determining officials, the Defense Contract Management Agency, and commercial sources.

1) *Recency Assessment*

An assessment of the past performance information will be made to determine if it is recent. To be recent, the effort must be ongoing or must have been performed during the past 3 years from the date of issuance of this solicitation. Past performance information that fails this condition will not be evaluated.

2) *Relevancy Assessment*

The Government will conduct an evaluation of all recent performance information obtained to determine whether the products provided / services performed under those contracts relate to the work to be performed IAW the SOW for this RFP. For each recent Past Performance citation reviewed, the relevance of the work performed will generally be assessed for the Technical subfactors and Price Factor; however, all aspects of performance that relate to this acquisition may be considered. Consideration will be given to similarity of contract scope and type, technology, and complexity of effort. A relevancy determination of the offeror's past performance will be made based upon the aforementioned considerations, including joint venture partner(s) and major and critical subcontractor(s). In determining the relevancy of effort performed under individual past performance contracts, the Government will only consider the specific effort or portion consistent with that proposed by the prime, subcontractor, or teaming partner. The past performance information forms and information obtained from other sources will be used to establish the relevancy of past performance. Efforts determined to be "Not Relevant" will not be included in the Past Performance evaluation. The Government will use the following relevancy definitions when assessing recent, relevant contracts:

Table 2.2: Past Performance Relevancy Ratings

Rating	Definition
Relevant	Present/past performance effort involved similar scope and magnitude of effort and complexities this solicitation requires.
Not Relevant	Present/past performance effort involved little or none of the scope and magnitude of effort and complexities this solicitation requires.

3) *Performance Quality Assessment*

The Government will consider the performance quality of recent, relevant efforts (how well the contractor performed on the contracts). For each recent, relevant Past Performance citation reviewed, the performance quality of the work performed will be assessed. Pursuant to DFARS 215.305(a)(2), the assessment will also consider the extent to which the offeror's evaluated past performance demonstrates compliance with FAR 52.219-8, Utilization of Small Business Concerns, and FAR 52.219-9, Small Business Subcontracting Plan. The quality assessment may result in positive or adverse findings. Adverse is defined as past performance information

that supports an unsatisfactory rating on any evaluation element or any unfavorable comment received from sources without a formal rating system. For adverse information identified, the evaluation will consider the number and severity of the problem(s), mitigating circumstances, and the effectiveness of corrective actions that have resulted in sustained improvements. Process changes will only be considered when objectively measurable improvements in performance have been demonstrated. The Government will use the following quality levels when assessing recent, relevant efforts:

Table 2.3 – Past Performance Quality Assessment

Quality Assessment/Color	Description
Satisfactory (S)	During the contract period, contractor performance is substantially meeting (or substantially met) contract requirements. For any problems encountered, contractor took effective corrective action.
Unsatisfactory (U)	During the contract period, contractor performance is not meeting (or did not meet) some contract requirements. For problems encountered, corrective action appeared only marginally effective, not effective, or not fully implemented. Customer involvement was required.
Not Available (N)	Quality and/or performance information is not available.

2.3.3 Assigning Ratings

As a result of the relevancy and performance quality assessments of the recent contracts evaluated, offerors will receive an integrated Past Performance evaluation rating at the factor level (see Table 2.1).

2.4 Factor 3 – Price

2.4.1 Evaluation Process

Offerors' price proposals will be evaluated in the areas identified below. The results of the price evaluation will be shown to the SSA for consideration in determining a best value decision.

2.4.2 Affordability Target Gate

The Government has established an affordability target of $ 16,300,000,000. Using offeror-proposed prices, any affordability calculation that exceeds the Government's affordability target will be considered ineligible for award. The exact values used to calculate the affordability target are identified in the *TEP/Affordability Worksheets*, *Section L*, Attachment 1(a).

2.4.3 Value Adjusted Total Evaluated Price (VATEP)

The offeror's price proposal will be evaluated based upon the VATEP. The VATEP will be calculated using prices from the proposed pricing tables, as adjusted for the Risk Indicator and the Utility Above Threshold Adjustments, respectively (see para 2.1.0 and Table 1.3, hereof). Even though all prices proposed will be evaluated, not all proposed prices will be used in the TEP calculations.

The TEP is an example scenario that will be used to evaluate total price for the purpose of the source selection. Evaluation of this scenario shall not obligate the Government to execute the contract according to the scenario. The exact values used to calculate the TEP are identified in the *TEP/Affordability Worksheets*, *Section L*, Attachment 1a.

2.4.4 Reasonableness

Price reasonableness is established through adequate price competition but may also be determined through cost or price analysis techniques as described in FAR 15.404, *Proposal Analysis*. All prices in the proposed pricing tables will be evaluated for reasonableness (every proposed price in every cell of the pricing tables, to include individual prices not included in the TEP calculation, will be evaluated for individual price reasonableness). If a single cell/price is deemed unreasonable the entire price proposal will be deemed unreasonable. A proposal deemed unreasonable is unawardable.

2.4.5 Realism

Price realism will not be evaluated as part of this source selection.

2.4.6 Unbalanced Pricing

Unbalanced pricing exists when, despite an acceptable TEP, the price of one or more contract line items is significantly overstated or understated, as indicated by the application of price analysis techniques. The Government will analyze proposals to determine whether unbalanced pricing exists. All prices in the proposed pricing tables will be evaluated for balance (every proposed price in every cell of the pricing tables, to include individual prices not included in the TEP calculation, will be evaluated for unbalanced pricing). A proposal may be considered unawardable if it is determined that the lack of balance poses an unacceptable program risk to the Government.

3 Discussions

Exchanges with offerors conducted to resolve minor or clerical errors (clarifications other than past performance) will not constitute discussions. The Government reserves the right to award a contract without discussions. If it is determined to be in the best interest of the Government to hold discussions, the offerors' responses to Evaluation Notices and the Final Proposal Revision will be considered in making the source selection decision. If the offeror's proposal has been evaluated as acceptable at the time discussions are closed, any changes or exceptions in the Final Proposal Revision are subject to evaluation and may introduce risk that the offeror's proposal be determined unacceptable and ineligible for award.

Acronyms

AFFARS	Air Force Federal Acquisition Regulations Standards
AOA	Angle of Attack
APT	Advanced Pilot Training
CT	Critical Technologies
DFARS	Defense Federal Acquisition Regulation Supplement
FAR	Federal Acquisition Regulation
GBTS	Ground Based Training System
IAW	In Accordance With
MTTR	Mean Time to Repair
N	Not Available
RFP	Request for Proposal
SE/PM	System Engineering / Program Management
SS	System Specification
SSA	Source Selection Authority
TEP	Total Evaluated Price
TRL	Technology Readiness Level
VATEP	Valued Adjusted Total Evaluated Price