

PEM – Proposal Evaluation Methodology

<System name>

This document will guide the proposal evaluation team for RFP _____ (dated _____) in selecting a proposal for _____.

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1. General – Administration

This document will guide the proposal evaluation team for RFP _____ (dated _____) in selecting a proposal for < the total / part of the > < computerization of the _____ system / supply of _____ hardware/software >. Proposals will be evaluated in accordance with this document and with the RFP supplied to the bidders.

1.1 The Examination Process

The examination process includes the following steps and milestones:

- a. A check of the Administration section, for compliance with all requirements.
- b. A check for compliance with all other Level 1 and Level 2 Go/NoGo conditions.
- c. A meeting of the procurement committee to select proposals for further examination.
- d. Examination of the benefit side: Sections 2, 3, and 4 of the RFP. Grading and weighting.
- e. Examination of costs: Section 5.
- f. Summation of cost/benefit.
- g. Final meeting of the procurement/RFP committee.

1.2 The Examination Team

The examination team consists of the following members:

- _____ -
- _____ -
- _____ -

The procurement committee (administrative steering committee) consists of the following members:

- _____
- _____
- _____ -

1.3 Definitions

- _____

1.4 Cost/Benefit Ratio

Proposals are to be examined against this cost/benefit ratio:

Cost: _____, benefit: _____

1.5 Sources of Information

These are the sources of information for this proposal examination:

- The proposals submitted in writing by the bidders
- The opinions requested from the following consultants:

- Demonstrations by the bidders
- < further sources >

1.6 Tools and Techniques

These are the techniques and computerized tools to be used in the proposal examination:

- _____

2. Go/NoGo Conditions

Following are details of the Go/No-Go (threshold) conditions for the RFP. These factors belong to three categories:

1. Mandatory conditions
2. Mandatory benefits (qualities)
3. Maximum and/or minimum costs

Only if all its Go/No-Go factors are satisfactory will a proposal qualify for further (phase 2) evaluation and for final cost/benefit comparison with other proposals. Details follow.

2.1 Mandatory Conditions

The mandatory conditions are all the items that are labeled “Mandatory” in the RFP. Failure to meet any one level-1 mandatory condition, or failure to meet any three level-2 mandatory conditions, will disqualify the proposal. The following tables detail the RFP’s mandatory conditions and the criteria for assessing compliance with them.

Condition	Level	Guidelines/Criteria	Results
Summary:		Decision:	Explanation:

Table 1: Go/No-Go Table for Bidder <bidder’s name>

The next table combines all the bidders’ compliance results for the mandatory conditions. The data in this table will guide the decision regarding which bidders, having met the mandatory conditions, will proceed to more comprehensive evaluation.

Condition	Level	Guidelines/Criteria	Bid 1	Bid 2	...	Bid n
Summary:		Decisions & Explanations:				

Table 2: Combined Go/No-Go Table for RFP <RFP name>

2.2 Mandatory benefits

If there are no mandatory benefits:

Not applicable. The RFP did not specify a quality (benefit) threshold for proposals. The matter is deferred to the final cost/benefit calculation.

If there are mandatory benefits:

The RFP specified a quality (benefit) threshold for proposals, as detailed in section 0.12 within the RFP's Administration section.

2.3 Mandatory cost range

If there is no mandatory cost range:

Not applicable. The RFP did not specify a maximum or minimum cost. The matter is deferred to the final cost/benefit calculation.

If there is a mandatory cost range:

A proposal with costs of more than _____ will be disqualified because ...

A proposal with costs of less than _____ will be disqualified because ...

3. Grading, Weighting, & Evaluating

3.1 Scale for Grading

Following is the scale for examining and evaluating the proposals:

- 0 – Unanswered (for a mandatory condition, a No Go)
- 1 – Unsatisfactory (for a mandatory condition, a No Go)
- 2 – Fair
- 3 – Good
- 4 – Very good
- 5 – Excellent (“above and beyond the call of duty”)

While evaluation is in progress, the team may use the following indications:

- A – Unknown, not evaluated, no point examining further.
- B – Unknown, not evaluated, bears further examination.
- C – Requires further examination (even if already graded).

Indications B and C are temporary, to change eventually into a numeric grade or A. Any final grade of A will be handled by distribution of the weight proportionally among related components.

3.2 Table of Weights

The following table details the weights of benefit components – sections (1), 2, 3, and 4 of the RFP.

Component / Main Item	Component Details – Subcomponents	Weight (Level 2)	Weight (Level 1)
Total weight			

Table 3: Weights

3.3 Table of Criteria and Grades

Following is the summation table that will guide the calculation and final grading for a particular bidder. In a finished evaluation of proposals, this table will appear once for each bidder.

Component / Section	Details / Subcomponents	Criteria (cross-reference to evaluation form)	Weight (Level 1)	Nominal Grade	Weighted Grade
Total					
Grade out of 100 (one-fifth of overall weighted grade)					
Bidder's amendments:					
Comments:					

Table 4: Summary of Grades for a Proposal

4. Summary of Benefits (Proposal's Quality)

4.1 Weighted Grade per Proposal

Following is the structure of the summation table that brings together the grades of all the bids that have met the Go/No-Go criteria and subsequently been evaluated fully.

Component / Section	Details / Subcomponents	Bid 1	Bid 2	Bid 3	...	Bid <i>n</i>
Total						
Grade out of 100						

Table 5: Summary of Benefits (Weighted Grades) for Proposals

4.2 Amendments and Elaborations

In answering an RFP, a bidder may include amendments and elaborations (sections x.97). A summary of amendments and their implications should be presented to the steering committee (procurement committee) in a table such as this:

Component / Item	Amendments		
	Bid 1	Bid 2	Bid <i>n</i>
Summary of Implications:			

Table 6: Collected Amendments of the Bidders

5. Cost Summary

The following tables summarize the costs from the various proposals and how the costs break down.

5.1 Total cost

Cost Item	Bid 1	Bid 2	Bid 3	...	Bid <i>n</i>

Table 7: Summary of Costs from the Proposals

5.2 Timing of Costs

Bid	<Period> 1	<Period> 2	...	<Period> <i>n</i>	Total Cost (Capitalized)

Table 8: Timing of Costs from the Proposals

6. Summation: Cost/Benefit

Presented below is a summary of the cost/benefit calculations and of the choice of the preferred proposal.