

**IX. PROPOSAL EVALUATION**

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### IX.1 INTRODUCTION

This section presents the process that the Phoenix Program Evaluation Team will follow in evaluating Proposals submitted by Bidders in response to RFP 010708-NCRO and the criteria to be used in evaluating the Proposals. Any Agreement resulting from this RFP shall be awarded to that responsible and responsive firm whose Proposal represents the best overall value to the AOC and who offers a fair and reasonable price.

### IX.2 PROPOSAL PROCESS AND SUBMISSION

Proposals must be delivered to the Person of Contact specified in RFP Section I.7, Person of Contact, at the time and place specified in RFP Section I.8, RFP Key Action Dates. Proposals must be in the quantity and format specified in RFP Section VIII, Proposal Format. Proposals will be rejected as non-responsive if not received by the date and time specified for Proposals as specified in RFP Section I.8, RFP Key Action Dates. For Additional information regarding the procurement processes to be followed, see RFP Section II.2, Proposal Process.

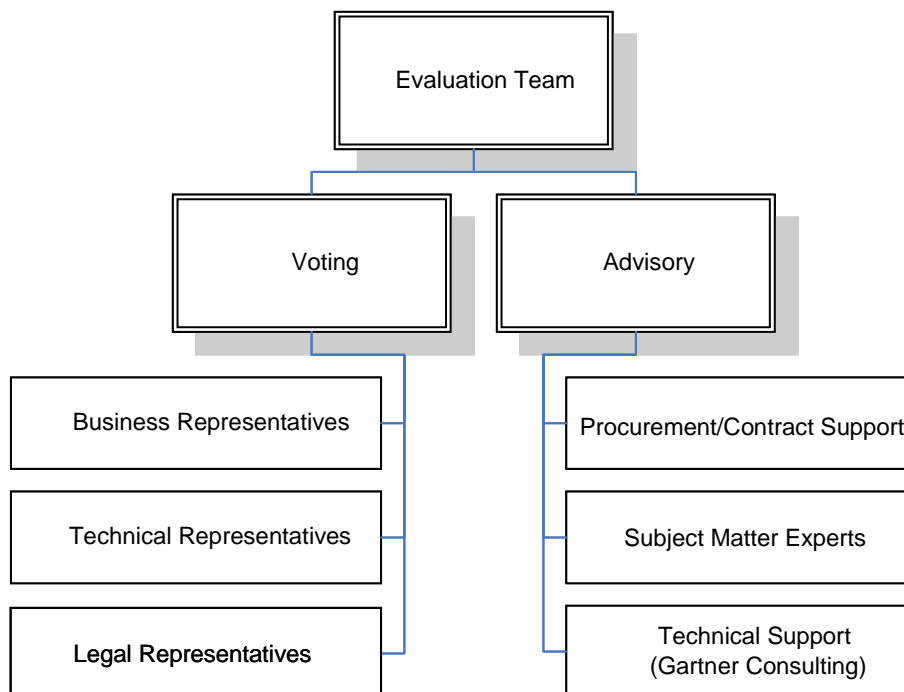
### IX.3 EVALUATION TEAM ORGANIZATION

The Evaluation Team for the Phoenix Program consists of many individuals who possess expertise in various areas of evaluation. The Evaluation Team is comprised of two groups:

- Voting members
- Advisory members

Voting members participate fully in the procurement and evaluation process, including reviewing and scoring all Proposals. Advisory members provide additional expertise in key areas of review of the Proposals (e.g. technical and functional subject matter expertise, administrative and procurement expertise). Figure IX.1 below provides a general overview of the Phoenix Program Evaluation Team Organization.

Figure IX.1. Evaluation Team Organization



#### **IX.4 TIER 1 – INITIAL ADMINISTRATIVE REQUIREMENTS AND MINIMUM QUALIFICATIONS REVIEW**

The first step in the Proposal evaluation consists of the screening of each Bidder's Proposal for compliance with various content requirements, administrative requirements, and minimum qualification requirements defined in the RFP. The AOC reserves the right to request clarification from Bidders who fail to meet any Tier 1 requirements prior to rejecting a Proposal for material deviation from requirements or non-responsiveness.

##### *IX.4.1.1 Bid Opening and Content Validation Check*

The AOC will review each Bidder's Proposal for the presence of the proper number of Proposal copies and required information in conformance with the content requirements of this RFP. Absence of the required number of copies or required information may result in the Proposal being deemed non-responsive and rejected.

##### *IX.4.1.2 Minimum Qualification Requirements Review*

The AOC will review the Bidder's Proposal to determine whether the Bidder meets the Minimum Qualification requirements contained in RFP Section VI.3.1, Bidder Minimum Qualifications as documented in Form 6.2, Bidder Experience Reference Form in RFP Appendix C, Bidder Response Forms. Failure to meet a Bidder Minimum Qualification requirement **shall** result in the Proposal being deemed non-responsive and rejected.

##### *IX.4.1.3 Administrative Requirements Review*

The AOC will review the Bidder's Proposal to determine whether it meets all of the Administrative Requirements contained in RFP Section V, Administrative Requirements. The AOC will also determine if the Bidder has provided the required explanations to specific Administrative Requirements. Failure to meet an Administrative Requirement may result in the Proposal being deemed non-responsive and rejected.

##### *IX.4.1.4 Non-Functional and Functional Requirements Response Review*

The AOC will review the Bidder's Proposal to determine whether the Proposal contains permissible responses to all of the System Requirements contained in RFP Section VI.2, Non-Functional and Functional Requirements, and RFP Appendix B, Response to System Requirements. This includes all non-functional and functional requirements. If a Proposal fails materially to meet a System Requirement, it **will** be considered non-responsive and rejected by the AOC.

##### *IX.4.1.5 Master Services Agreement (MSA) Exceptions Review*

The AOC will review the Bidder's Proposal to determine whether the redlined MSA submitted by the Bidder is consistent with the MSA instructions provided in this RFP Section and Form 8.1, Bidder's Acceptance of the AOC's Contract Terms, in RFP Appendix C, Bid Response Forms. Failure to comply with these instructions may result in the Proposal being considered non-responsive and rejected by the AOC.

Bidders are required to use the MSA provided in RFP Appendix H, Master Services Agreement and to mark any exceptions to the MSA in redline form as specified in RFP Appendix C, Bid Response Forms. In addition, Bidders must provide associated rationale for each change within Form 8.1, Bidder's Acceptance of the AOC's Contract Terms. Bidder clarification sessions with selected Bidders will be performed during Tier 2 Initial Evaluation, and finalization of the Agreement will be performed during Tier 3 BAFO Evaluations. Specific instructions with respect

to requirements for taking exceptions to the MSA (including Exhibits) appear in RFP Appendix C, Bid Response Forms. Bidders are requested to minimize the exceptions taken to the MSA (including Exhibits).

#### *IX.4.1.6 Statement of Work Review*

The AOC will review the Bidder's Proposal to determine whether the Statement of Work (SOW) submitted by the Bidder is valid and consistent with the Statement of Work instructions provided in RFP Appendix A, Statement of Work. Bidders are required to use the standard AOC SOW template provided in RFP Appendix A, Statement of Work.

### **IX.5 TIER 2 – INITIAL EVALUATION**

The Evaluation Team will conduct a detailed review of Proposals that pass the Tier 1 Initial Administrative Requirements And Minimum Qualifications Review. During the Tier 2 Initial Evaluation phase of the evaluation process, the Evaluation Team will score each Proposal based on predefined evaluation criteria.

The AOC may require a Bidder's representative to answer questions with regard to the Bidder's Proposal. Failure of a Bidder to demonstrate that the claims made in its Proposal are in fact true may be sufficient cause for deeming a Proposal non-responsive. Proposals that contain false or misleading statements may be rejected if, in the AOC's opinion, the information was intended to mislead the AOC regarding a requirement of the RFP package. As stated in Section II, Rules Governing Competition, the AOC may request Bidder presentations provided by selected Bidder Key Personnel.

#### **IX.5.1 Scored Components**

The Evaluation Team will score each Bidder's Proposal. The Total Score of each Bidder's Proposal includes five broad components:

**Table IX-1. Scored Evaluation Components in Descending Priority Order**

<b>Evaluation Components</b>
Staff Qualifications and Project Organization
Business Solution Response
Cost Proposal
Bidder Experience Response
Exceptions taken to MSA (including Exhibits)

The sections that follow provide additional information about those components of Bidder Proposals that will be scored by the Evaluation Team and the criteria to be used in conducting the evaluation.

##### *IX.5.1.1 Evaluation of Bidder Experience Response*

The Evaluation Team may verify Bidder client references and will review and evaluate the Bidder's responses to all subsections of RFP Section VI.3.2, Bidder Experience. Scoring of the Bidder's responses to the Bidder Experience response requirements of the RFP will be based on:

- Customer rating of Bidder services performed for the required references in Form 6.2, Bidder Experience Reference Form, Appendix C, Bid Response Forms.
- Consensus of the Evaluation Team based on similarity and depth of Bidder experience as compared to the needs of the Phoenix Program Project.

*IX.5.1.2 Evaluation of Project Staff and Project Organization*

The Evaluation Team will review and evaluate the Bidder's responses to all subsections of RFP Section VI.3.3, Project Staff and Project Organization. Scoring of the Bidder's responses to each of the Staff Qualifications and Project Organization response requirements of the RFP will be based on:

- Consensus of the Evaluation Team based on similarity and depth of staff experience as compared to the needs of the Phoenix Program, as demonstrated in Form 6.3, Staff Experience Reference Form, and client references.
- Consensus of the Evaluation Team based on Bidder response to RFP Section VI.3.3.2, Project Organization, including level of integration with AOC staff and commitment to on-site performance of work.

The Evaluation Team will contact client references to verify reference information and assess Key Personnel performance.

*IX.5.1.3 Evaluation of Business Solution Response*

AOC will review and evaluate the Bidder's responses to all subsections of RFP Section VI.4, Business Solution Response Requirements. The Evaluation Team will assess and score the Bidder's proposed business solution (technical, implementation, M&O support and functional) based on the criteria identified in the table below.

**Table IX-2. Evaluation Criteria Terms**

<b>Term</b>	<b>Definition</b>
Thoroughness of Approach or Plan	The level of detail and completeness the Bidder provides in response to specific requirements
Demonstrated Knowledge	The extent to which the Bidder demonstrates present capabilities to perform the services required by the solicitation, including use of standard methodologies and best practices
Scope of the Solution	The extent or scale of the Bidder's response to specific requirements
Impact to Existing Operations	This includes any identified impact or affect to the AOC, including business operations and level of AOC staff participation required to implement the solution
Clarity of Responsibilities	The extent to which the Bidder has clearly and reasonably defined the roles and responsibilities of Bidder and State staff to perform duties required of the project

*IX.5.1.4 Evaluation of Contract Risk and Exceptions*

AOC will review and evaluate the Bidder's responses to the Phoenix Program MSA, Form 8.1, Bidder's Acceptance of AOC's MSA Terms, the Bidder's redlined MSA, and Bidder assumptions as described in Form 7.1. The Evaluation Team will assess and score the Bidder's proposed changes based on the degree of Bidder acceptance of the AOC terms and conditions, level of

effort required to negotiate terms and the contractual risk introduced by the Bidder's requested changes and/or Proposal assumptions.

#### *IX.5.1.5 Evaluation of Cost Proposal*

Sealed cost information will not be opened until the Evaluation Team has completed the previous steps in the evaluation process. The cost assessment will be based on the total cost of the Bidder solution as defined in RFP Section VII, Pricing Proposal, and provided by the Bidder in RFP Appendix D, Cost Workbook (Total Cost Summary Worksheet). The Evaluation Team will consider both mandatory and optional requirements for cost evaluation purposes.

### **IX.6 TIER 3 – BEST AND FINAL OFFER (BAFO) EVALUATION**

After completion of the Tier 2 Initial Evaluation, the Evaluation Team will select a "short list" of Finalist Bidders with the highest scores and proceed to the due diligence, Bidder clarification session, and BAFO phase.

#### **IX.6.1 AOC/Bidder Due Diligence and Bidder Clarification Sessions**

Following the selection of the Finalist Bidders, the AOC and selected Bidders will have the opportunity to conduct Bidder clarification sessions to narrow and resolve exceptions taken by Bidder to the MSA (including Exhibits) and to review the Bidder's Proposal. The AOC and selected Bidders will also perform due diligence. These sessions will provide the AOC the opportunity verify and clarify Bidder responses and will allow the Bidder to clarify remaining questions regarding RFP requirements. Prior to the AOC/Bidder due diligence and Bidder clarification sessions, the AOC will provide an Agenda to Bidders in order to guide the activities, which will include:

- AOC Due Diligence
  - Bidder presentation of Proposal
  - Discuss Bidder Proposal errors, omissions and weaknesses
  - Interview Bidder Key Personnel (interviews with key staff will be scored based on similarity and depth of staff experience, understanding of AOC business and technical requirements and ability to articulate how the performance of their roles will benefit the AOC).
- Bidder Due Diligence
  - Walk through of current AOC Finance and HR operations in Sacramento, CA.
  - Discuss AOC functional, technical and operational environments, both current and future
- Bidder Clarification Sessions
  - Clarify/resolve issues identified during AOC's evaluation of Proposal
  - Clarify/resolve exceptions taken to MSA (including Exhibits)

#### **IX.6.2 Best and Final Offers**

Following due diligence and Bidder clarification session activities, the AOC will issue an Addendum to the RFP and Bidders will be required to prepare Best and Final Offers. Bidders must resubmit full Proposals for the BAFO. However, Bidders are required to make additions,

modifications, and/or deletions to their original Proposal in track changes or equivalent highlights/mark-ups.

**IX.6.3 Final Evaluation and Bidder Selection**

Based on the BAFO evaluation, the Evaluation Team will select one or more preferred Bidder(s) that will be invited to final contract negotiations. If contract negotiations cannot, in the AOC’s sole opinion, be completed successfully, the AOC reserves the right to initiate final negotiations with the next highest ranked Bidder(s) or to cease the solicitation process, as appropriate. The AOC also reserves the right to negotiate with multiple Bidders in parallel.

**IX.7 SUMMARY OF OVERALL EVALUATION SCORING PROCESS**

Table IX-3, Summary of Overall Evaluation Scoring Process, presents a summary of the specific evaluation components and illustrates how the Evaluation Team will score Bidder Proposals.

**Table IX-3. Summary of Overall Evaluation Scoring Process**

<b>Evaluation Component</b>	<b>Possible Score</b>	<b>Bidder’s Score</b>
<b>STEP 1 – PROPOSAL SCREENING</b>		
<b>BID OPENING AND CONTENT VALIDATION</b>		
Content Requirements Met?	Yes/No	
<b>MINIMUM QUALIFICATION REQUIREMENTS REVIEW</b>		
Requirements Met?	Yes/No	
<b>ADMINISTRATIVE REQUIREMENTS REVIEW</b>		
Requirements Met?	Yes/No	
<b>NON-FUNCTIONAL AND FUNCTIONAL REQUIREMENTS RESPONSE REVIEW</b>		
All Responses Provided?	Yes/No	
<b>MSA EXCEPTIONS REVIEW (including Exhibits)</b>		
All Responses Provided?	Yes/No	
<b>STATEMENT OF WORK REVIEW</b>		
All Responses Provided?	Yes/No	
<b>STEP 2 – EVALUATION OF BIDDER EXPERIENCE RESPONSE</b>		
<b>BIDDER EXPERIENCE</b>		
A. Customer Reference Rating		
B. Bidder Experience Evaluation		
C. Financial Viability		
<b>STEP 3 – EVALUATION OF PROJECT STAFF AND ORGANIZATION RESPONSE</b>		
<b>PROJECT STAFF &amp; PROJECT ORGANIZATION</b>		
A. Project Staff Experience and Qualifications Evaluation		
B. Project Organization Evaluation		
C. Key Personnel Interviews		



<b>Evaluation Component</b>	<b>Possible Score</b>	<b>Bidder's Score</b>
<b>STEP 4 – EVALUATION OF BUSINESS SOLUTION RESPONSE</b>		
<b>BUSINESS SOLUTION</b>		
A. Functional Solution		
B. Technical Solution		
C. Implementation Approach		
D. M&O Support Approach		
<b>STEP 5 – EVALUATION OF CONTRACT RISK AND VIABILITY</b>		
<b>Contract Risk and Viability</b>		
<b>STEP 6 – EVALUATION OF COST PROPOSAL</b>		
<b>COST ASSESSMENT</b>		
<b>STEP 7 – FINAL SCORE</b>		
<b>TOTAL SCORE</b>		