Supplemental Section M

SECTION M - EVALUATION FACTORS FOR AWARD

(b)(3)

SM-2 General Basis for Contract Award

The Government intends to award at least one contract (no more than two) resulting from this solicitation to the responsible offeror whose offer, conforming to this solicitation, is judged to be most advantageous and of greatest value to the Government, price and other factors using the Trade-off process described in FAR 15.101. The Government will award the contract(s) without discussions unless the CO determines that discussions are necessary. In addition, the Government reserves the right to award no contract at all, depending on the quality of the proposals, the availability of funding, and the continued existence of the requirement. Accordingly, it is important that offerors ensure that their written proposals properly reflect their ability and approach to satisfy the requirements of the RFP.

SM-3 Evaluation Criteria

The evaluation criteria below will be used to evaluate an offeror's proposal with respect to each of the major proposal items. Each offeror's proposal will be evaluated in two areas, Non-Cost and Cost, as shown. In determining which proposal represents the best value to the Government, the Non-cost Area is significantly more important than the Cost Area.

The Non-Cost Area consists of three items: Technical/Management, Past Performance, and Security. The Technical/Management Item is more important than both the Past Performance and Security Items. Both Past Performance and Security item are weighted equally. The Past Performance Item will be evaluated on a level of confidence basis, while the Security Item will be evaluated on a Pass/Fail basis. ~~Failure to satisfactorily pass~~A Final score of "fail" in the security evaluation will constitute grounds for rejection of the offeror's proposal.

The Technical/Management Item consists of four factors: Design Approach; Reliability, Availability and Maintainability (RAM); Capabilities and Experience; and Program Management. Design Approach is the most important factor. The RAM and Capabilities and Experience factors are equally weighted, and are more important than the Program Management factor. The Design Factor consists of six standards: Unit Architecture, High-Speed Design, Development Approach, Future Upgrades, Development Schedule and Intellectually Property. The first five standards are equally important and are more important than the last (Intellectually Property) standard. The standards within each of the remaining factors will be weighted equally within the specific factor.

Evaluation criteria are statements by the Government, which communicate to the offeror what is of major importance to the Government for evaluation and selection purposes. The criteria serve as anchor points both for the offeror in preparing his proposal, and the Government in performing the evaluation. Evaluation factors have been set forth in the solicitation and are listed below in order of importance:

1.0 Technical/Management Item

This item includes the Offeror's capability to perform the technical tasks specified in the Statement of Work (SOW). The capabilities and experience, the merits of the proposed approaches and processes are indicative of the Offeror's understanding of the requirements of this solicitation and the Government mission it will support.

1.1 Factor – Design Approach

This factor evaluates the suitability of Offeror's approach to perform the work required. It considers the overall completeness of the proposed work plan as well as the Offeror's demonstrated understanding of the SOW and 100G EE Functional Specification (100G EE SPEC).

Standard: Unit Architecture. The standard is met when the Offeror's proposal presents ~~an acceptable~~ data, management and control plane architecture and implementation approach that meets the 100G EE functional and environmental requirements as defined in the SOW, Section 3, and the 100G EE SPEC, Section 3.

Standard: High-Speed Design. The standard is met when the Offeror's proposal describes an ~~acceptable~~ approach for high-speed circuit board and logic design that includes risk reduction methodologies appropriate for the risk of the proposed design to meet the requirements defined in the SOW, Section 3, and the 100G EE SPEC, Section 3.

Standard: Development Approach. The standard is met when the Offeror's proposal presents an ~~satisfactory~~ approach to meet SOW, Sections 3 & 4 requirements for the development, integration, test and verification of the 100G EE architecture as decomposed between Register Transfer Level and software components utilizing appropriate industry best practices.

Standard: Future Upgrades. The standard is met when the Offeror's proposal presents ~~an acceptable~~ security architecture and implementation approach that supports full ESS Version 1.0 functionality as defined in the 100G EE SPEC, with only firmware and software upgrades as required by the SOW, Section 3.

Standard: Development Schedule. The standard is met when the Offeror's proposal presents a complete, reasonably detailed and efficient development schedule meeting the requirements in the SOW Sections 3 & 4, that identifies key milestones, critical path, and any critical interdependencies. If the Offeror's proposed schedule provides sufficient detail and justification for early unit deliveries the standard may be positively impacted. If the Offeror's proposed schedule provides insufficient detail or late unit deliveries the standard may be negatively impacted.

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1.2 Factor – Reliability, Availability and Maintainability (RAM)

This factor evaluates the Offeror's process for ensuring the equipment developed will meet the Government's RAM requirements as articulated in the SOW and 100G EE SPEC.

Standard: Reliability and Availability. The standard is met when the Offeror's proposal presents an ~~acceptable~~ approach to ensure high reliability and high availability in accordance with the requirements of the SOW, Section 3 and the 100G EE SPEC.

Standard: Maintainability. The standard is met when the Offeror's proposal presents a~~n~~ ~~acceptable~~ maintainability approach for equipment repair and software and firmware upgrades that satisfies the requirements of the SOW, Section 3 and the 100G EE SPEC.

1.3 Factor – Capabilities and Experience

This factor evaluates the Offeror's capability to perform the development, test, and fabrication tasks of high-speed cryptography as outlined in the SOW. It considers the Offeror's corporate capabilities and experience.

Standard: Corporate Capabilities. The standard is met when the Offeror's proposal demonstrates mature processes and capabilities for developing high assurance security hardware/software that leverages existing libraries and internally developed or 3rd party intellectual property (IP), to meet the requirements of the SOW, Sections 3 & 4.

Standard: Corporate NSA Certification Experience. The standard is met when the Offeror's proposal substantiates that they understand the current NSA high-assurance certification process and have successfully achieved NSA certification of multiple End Cryptographic Units, to meet the requirements of the SOW, Sections 3 & 4.

1.4 Factor – Program Management

This factor evaluates the Offeror's program management approach for ensuring that tasks required for key milestones and the critical path are successfully accomplished within the proposed schedule and budget.

Standard: Project Management. The standard is met when the Offeror's proposal presents a~~n~~ ~~acceptable~~ management approach for ensuring effective project task management, integration, and control of resources, to meet the requirements of the SOW, Section 3.

Standard: Risk Management. The standard is met when the Offeror's proposal presents an acceptable plan for managing program, schedule, and cost risks, to meet the requirements of the SOW, Section 3. The Offeror's plan should address important risks, proactive mitigation approaches, and an acceptable risk register and risk burn down plan.

2.0 Past Performance Item (Level of Confidence)

Each Offeror's past performance on relevant efforts will be evaluated subjectively for the level of performance confidence to the Government using data obtained regarding recent past performance. This

item evaluates the Offeror's performance on relevant past and current Federal, State or Local Government, or industry efforts of similar scope, size and complexity. The Government will require submittal of past performance data to substantiate experience claimed by the Offeror, which will include, at a minimum, completed questionnaires from previous program participants. The Past Performance evaluation will include an assessment of the Offeror's Past Performance (Volume 2), Past Performance questionnaire data collected by Offeror references, and other sources. If additional data are needed from any sources, the Government may conduct interviews in order to obtain sufficient information to complete the evaluation.

The Past Performance Panel will gather data, through the use of questionnaires, interviews, Government/contractor performance databases, and other means, about the Offeror's relevant past performance. This data will be compiled and used in evaluating individual Offeror's past performance against the past performance evaluation criteria provided in this document.

This factor evaluates the Offeror's performance on past (within five years) and current Government contracts of similar scope, size and complexity. This factor evaluates whether the contractor performance on selected contracts met the contractual requirements. It also evaluates cost and schedule performance: e.g. timely performance of tasks and meeting milestone dates; and effectiveness in forecasting, managing, and controlling contract cost. If no relevant past performance information is found or available, the Offeror will be evaluated neither favorably nor unfavorably for performance confidence and receive a neutral rating.

Standard: Program Management. The standard is met when the Offeror has demonstrated ~~adequate~~ management performance based upon an assessment of responsiveness and providing a stable workforce (retention and attrition management).

Standard: Cost Management. The standard is met when the Offeror has demonstrated a~~n adequate~~ record of cost management based upon an assessment of cost project realism and cost visibility.

Standard: Scheduling. The standard is met when the Offeror has demonstrated a~~n adequate~~ scheduling process based upon an assessment against the completion of the contract, milestones, delivery schedules, and administrative requirements.

3.0 Security Item (Pass/Fail)

The Government will evaluate the Offeror's plan for compliance as well as its ability to comply with the Government security requirements. The Security Item will be evaluated on a Pass/Fail basis. If an Offeror's proposal fails to meet the Security criteria and it cannot reasonably be brought into compliance with SOW requirements, the offer may be rejected without further evaluation. The evaluation considers the following elements:

Standard: Security Approach. The standard is met when the Offeror's proposal describes an ~~acceptable~~ approach for ensuring and maintaining compliance with the NRO and other applicable Government security policies, procedures, and directives, including the program security requirements.

Standard: Personnel Clearances. The standard is met when the Offeror's proposal describes an ~~acceptable~~ approach for providing required personnel that are fully cleared to the DoD SECRET level;

Standard: Facility Clearance. The standard is met when the Offeror's proposal describes an ~~acceptable~~ approach for providing timely and appropriate Closed Area facilities to accomplish all work required for the contract.

4.0 Cost

The cost area will not be numerically scored beyond its innate value as a quantifiable metric. Rather, Offeror's costs will be evaluated for realism, reasonableness, and completeness of the proposed cost of the contract. No advantage will accrue to an Offeror who proposes to perform work for an unrealistically low price. Unrealistically low estimates may be grounds for eliminating a proposal from competition on the basis that the Offeror does not understand the requirements. The burden of proof of cost credibility rests with the Offeror. Evaluation of the cost proposal will also consider adherence to the proposal preparation instructions and completeness and verification of proposed rates and factors.

Realism: The Government will evaluate the cost proposal to determine the overall realism of the proposed technical and management approaches with respect to cost. Realism is evaluated by assessing the compatibility of the proposed costs with the proposed scope and effort. Cost realism, or the lack thereof, shall enter into the Government's assessment of the measure of understanding possessed by each Offeror. Cost realism includes the validity of the cost as proposed by each Offeror, meaning the degree of the Government's confidence in the Offeror's ability to perform at or within the proposal's estimated cost. Part of this confidence will be assessed by a Government price analysis of Most Probable Cost, which will be based on both the Offeror's proposal and evaluation of the proposal by the evaluation panel. The Most Probable Cost estimate will be used to adjust each Offeror's proposal in order to evaluate cost realism.

Reasonableness: The Government will evaluate the cost proposal for reasonable cost elements. Proposed rates and factors will be verified. The Government evaluation will assess how well the proposal supports elements of cost, work hours, loading factors, and rates over the contract life. Reasonableness is evaluated by assessing the acceptability of the Offeror's methodology used in developing the cost estimates.

Completeness: The Government will evaluate the cost proposal for completeness by assessing the responsiveness of the Offeror in providing cost data for all RFP requirements and items in the SOW and assessing their traceability and consistency.