



PPI Relevancy

An Additional Help for ADS Chapter 302

Revision Date: 05/05/2006
Responsible Office: OAA/P
File Name: 302saj_050506_cd44

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Excerpted from:

DOD Guide: A Guide to Collection and Use of Past Performance Information (Version 3), May 2003

Source selection officials have broad discretion to determine which PPI (Past Performance Information) to consider relevant for an individual procurement. Relevancy is a **threshold** question when considering past performance, not a separate element of past performance. Relevancy, as defined in *Appendix A (see below in lieu of Appendix)**, should not be described as a subfactor. Irrelevant past performance must not form the basis of a performance risk evaluation. PPI with applicable but limited relevance may be used for evaluation but should be given less weight. The source selection team may consider data available from any source. One source is PPIRS, which provides access to a central data repository containing PPI from all of the DoD Services and other federal Agencies. The team should also attempt to obtain information from references cited by offerors in their proposals. Upon receipt of proposals, the team must determine which of the offerors' past contract efforts relate closely to the solicitation requirements. The evaluation group should screen the information provided for each of the referenced contracts to make an initial determination of its relevancy to the current requirement. However, the source selection authority may make an independent relevancy determination.

Source selection officials should use the most relevant, recent PPI available in making the source selection decisions. They must consider updated information by the contractor regarding relevant PPI. Some aspects of relevancy include the type of effort (e.g., development, production, repair) and the business sector. The objective of the screening is to remove from consideration those contract references that are clearly *unrelated* to the type of effort sought. Other members of the source selection team may be consulted as necessary for assistance in determining relevancy. In some cases, previous contracts as a whole may be similar to the current contract, while in others only portions of previous contracts may be relevant. One example of focusing on only a an evaluation of a requirement calling for portion of a previous contract is for the evaluation of the contractor's management, planning, and scheduling of subcontractors on subcontract management skills. The evaluation group should consider the most recent data available.

* **Relevant (Relevancy).** Information that has a logical connection with the matter under consideration

A **best practice** is to select similar efforts that are either still in progress or just completed and that have at least one year of performance history. While the actual cut-off time should be determined by the Contracting Officer on a case-by-case basis, the currency of the information requested should be determined by the commodity or service and the specific circumstances of the acquisition. The Comptroller General recommends the use of solicitation language that evokes the phrase “for the same or similar items,” which may ensure that the Government does not overly restrict its ability to consider an array of information. PPI relating to the recent or ongoing production of a transport aircraft, for example, would be relevant for the source selection for production of a new transport aircraft of similar range or payload. When considering the relevance of PPI to be used in making a source selection decision, similarities in the following should be considered:

- Location of the work to be performed
- Nature of the business area(s) involved
- Required levels of technology
- Contract types
- Materials and production processes
- Type of work (product/service)
- Scope of work or complexity/diversity of tasks
- Skills required to provide the service

One specific relevancy issue that should always be clearly articulated in the solicitation is relevancy of the proposed performance **location**. When procuring commodities, the PPI for work performed at the proposed performance location will be considered relevant for assessing the performance risk for the work to be performed. Mergers and acquisitions should be considered when determining what information may be considered relevant. Past performance evaluations are typically conducted only for the specific site where work is proposed for future performance. Performance within companies may vary widely from site to site or specific address. When evaluating the performance of services or commercial items, however, corporate past performance may be a consideration. The PPI criteria should be tailored in the solicitation to clarify whether evaluating global corporate capability really evaluates company experience instead of past performance. If more than one site is proposed for performance, each site should be evaluated for the type of effort proposed for performance at that site. The DUNS+4 is a good way to distinguish between contractor segments when searching PPI.

Relevancy versus Experience

To a slight degree, experience is inherent in the relevancy determination of a past performance evaluation. Relevancy in general is a threshold determination, not a quantitative analysis. Experience is a comparative analysis when an offeror may get additional credit for breadth or depth of the experience.

Evaluating Contractors with No Relevant Past Performance

In most cases the evaluation group will find some related government or other public or private PPI for each contractor and subcontractor. Such information will usually surface if the evaluation approach allows a broad interpretation of relevancy or takes into account information regarding the past performance of predecessor companies, key personnel who have relevant experience, or subcontractors that will perform key aspects of the requirement. This flexibility will take on increasing importance as the Department modernizes through the use of commercial items.

Occasionally, however, an evaluation group may not find any relevant information. In this case, an offeror's lack of past performance must be treated as an unknown performance risk, having no positive or negative evaluation significance. This allows the Government to evaluate past performance in a fair manner. The method and criteria for evaluating offerors with no relevant PPI should be constructed for each specific acquisition to *ensure that such offerors are not evaluated favorably or unfavorably on past performance*. The solicitation must clearly describe the approach that will be used for evaluating offerors with no relevant performance history. Solicitations should encourage offerors to identify PPI that may be judged related or relevant to the specific acquisition.