

# C-5 Quick Comparison of Best Value Basics

## The FAR on Tradeoff vs LPTA Source Selection Processes

FAR 15.101-1 Tradeoff Process		FAR 15.101-2 LPTA Process	
Permits tradeoffs among cost or price and non-cost factors and allows the government to accept other than the lowest price proposal.		Does not permit tradeoff among cost or price and non-cost factors.	
Used in competitive negotiated contracting.		Used in competitive negotiated contracting.	
Select the most <u>advantageous</u> offer.		Select the lowest price proposal that meets/exceeds minimum requirements.	
Evaluate and compare factors in addition to cost or price.			
Proposals may be ranked.		No ranking of proposals.	
Exchanges may occur.		Exchanges may occur.	
IF	THEN	IF	THEN
<ul style="list-style-type: none"><li>- Generally considered complex items or services</li><li>- Less definitive</li><li>- Developmental or developmental work is required</li><li>- Non-price factors play a dominant role in the source selection decision</li></ul>	<b>Use the Tradeoff Process</b>	<ul style="list-style-type: none"><li>- Commercial/non-complex items or services</li><li>- Clear and well-defined requirements</li><li>- Stable requirements</li><li>- Items or services are readily and consistently available in the marketplace</li><li>- Risk of unsuccessful performance is minimal</li><li>- There is neither value, need or willingness to pay for higher performance</li><li>- Cost/price plays a dominant role in the source selection decision</li></ul>	<b>Consider using the LPTA Process</b>