

C-5 Quick Comparison of Best Value Basics

The FAR on Tradeoff vs LPTA Source Selection Processes

FAR 15.101-1 Tradeoff Process

Permits tradeoffs among cost or price and non-cost factors and allows the government to accept other than the lowest price proposal.

Used in competitive negotiated contracting.

Select the most advantageous offer.

Evaluate and compare factors in addition to cost or price.

Proposals may be ranked.

Exchanges may occur.

IF

THEN

- Generally considered complex items or services
- Less definitive
- Developmental or developmental work is required
- Non-price factors play a dominant role in the source selection decision

Use the Tradeoff Process

FAR 15.101-2 LPTA Process

Does not permit tradeoff among cost or price and non-cost factors.

Used in competitive negotiated contracting.

Select the lowest price proposal that meets/exceeds minimum requirements.

No ranking of proposals.

Exchanges may occur.

IF

THEN

- Commercial/non-complex items or services
- Clear and well-defined requirements
- Stable requirements
- Items or services are readily and consistently available in the marketplace
- Risk of unsuccessful performance is minimal
- There is neither value, need or willingness to pay for higher performance
- Cost/price plays a dominant role in the source selection decision

Consider using the LPTA Process