

“Best Value” PIPS



Performance Based Studies Research Group

www.pbsrg.com

Del E. Webb
School of Construction

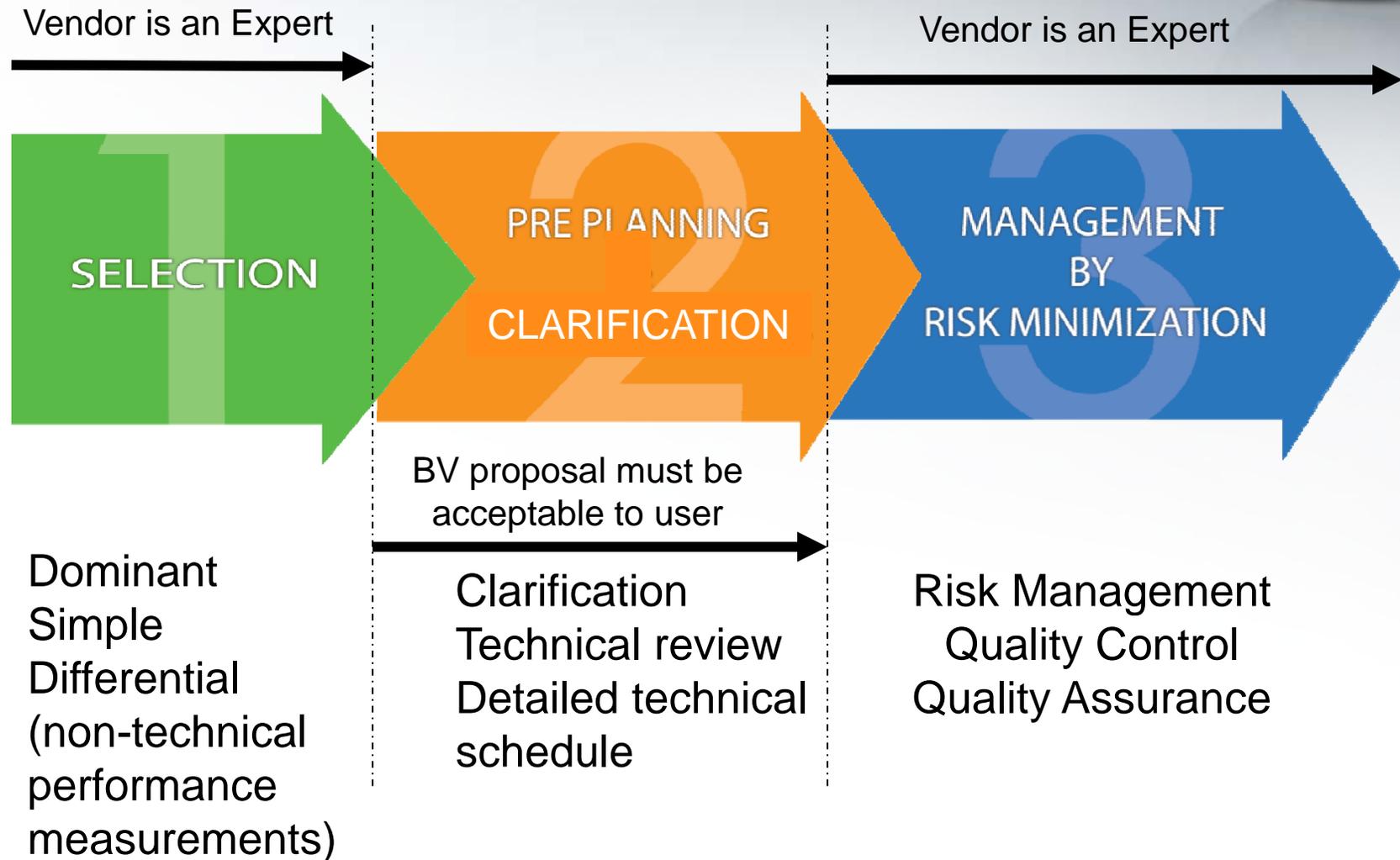




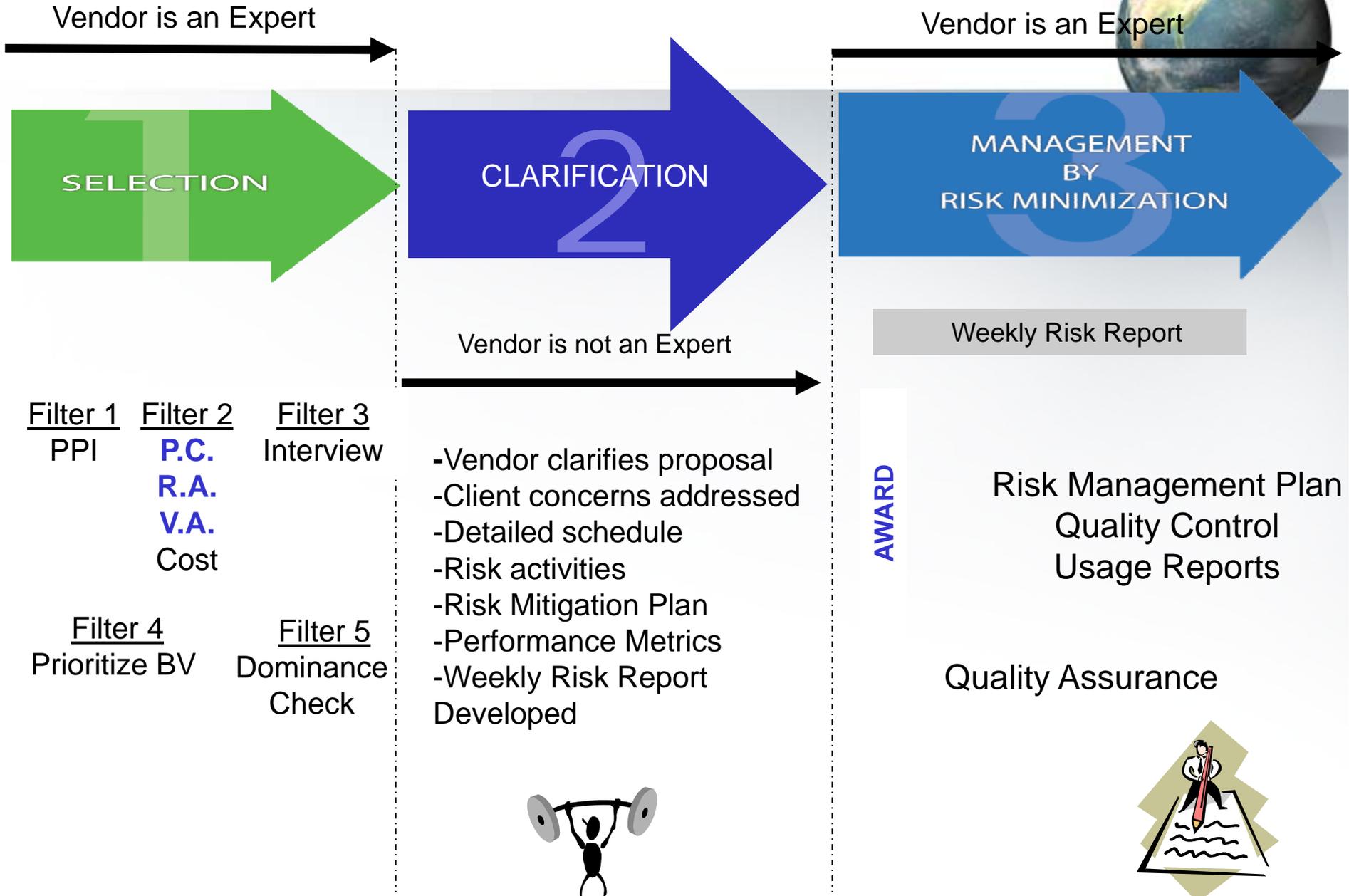
PIPS/PIRMS Characteristics

- Buyer identifies what they are “looking for”
- Vendors are the expert and can identify initial conditions
- Minimized communication
- Experts have an advantage because they can see into the future
- Use of dominant information
- Minimize everyone’s effort
- Transparency
- Vendor is the offeror and buyer is the acceptor of the offer

Performance Information Procurement System



Performance Information Procurement System

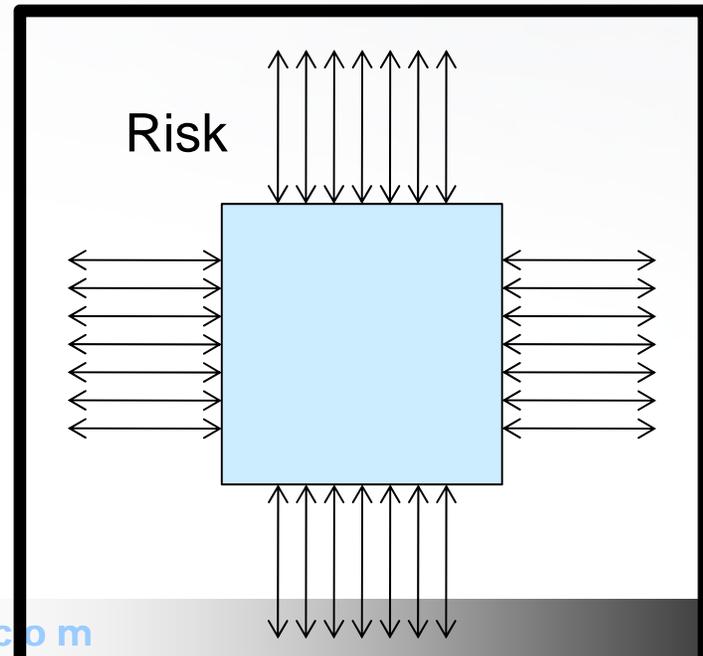
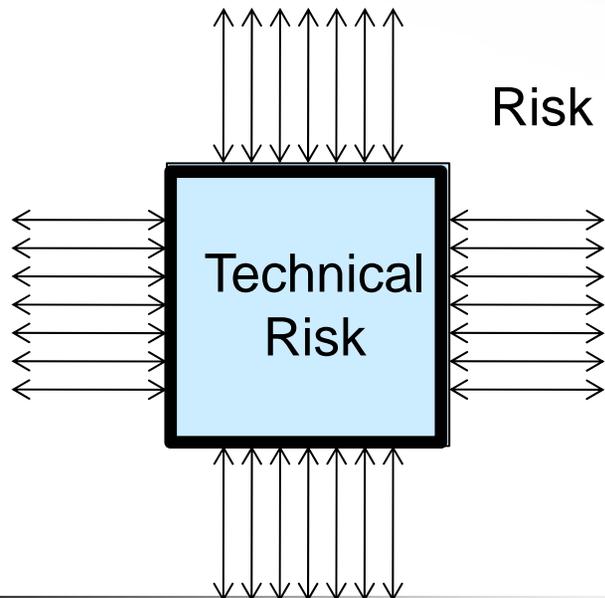
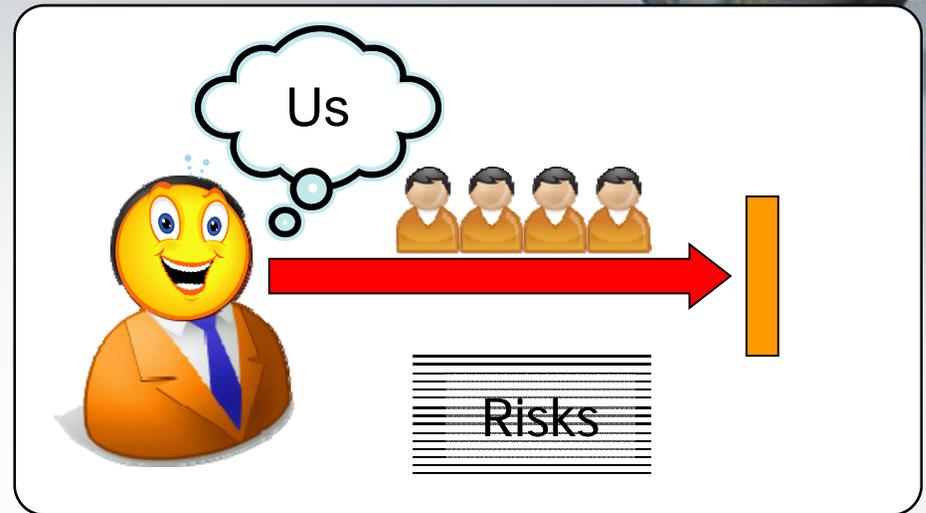
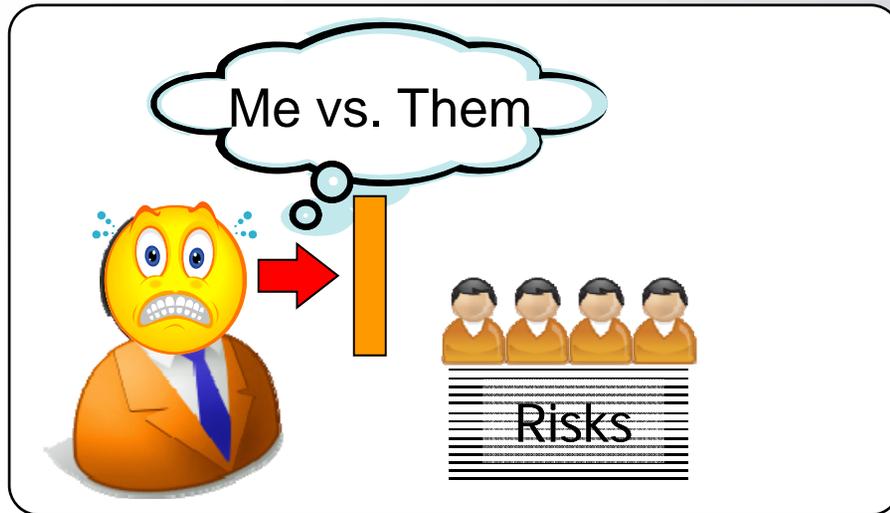


Change of Paradigm



- Minimize decision making
- Minimize flow of information and explanations
- Vendors use simple dominant measurements to communicate and create transparency
- Minimize transactions and work of everyone
- Win-win
- Require vision, plan, hold everyone accountable
- System is the problem, not the vendors

Paradigm Shift: contractors should have minimal technical risk and should minimize risk that they do not control



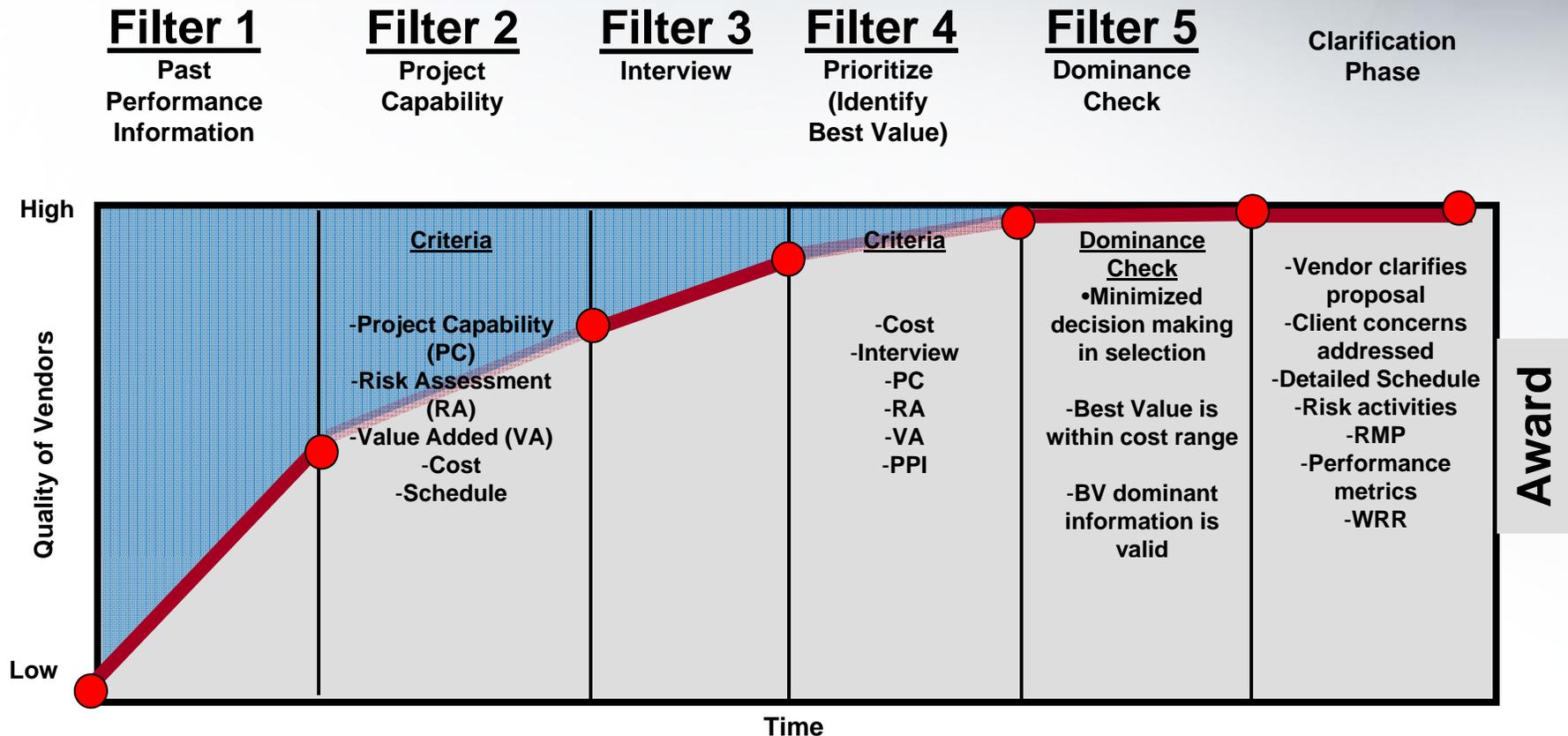
Cost



- Major cost is caused by waste, transactions, redo, stopping plan, misunderstanding, false expectations
- Cost is already controlled by budget, by competitive range (5% over next best value, 5% below average price, and within budget)
- Transparency and not more management, negotiation, and oversight is solution

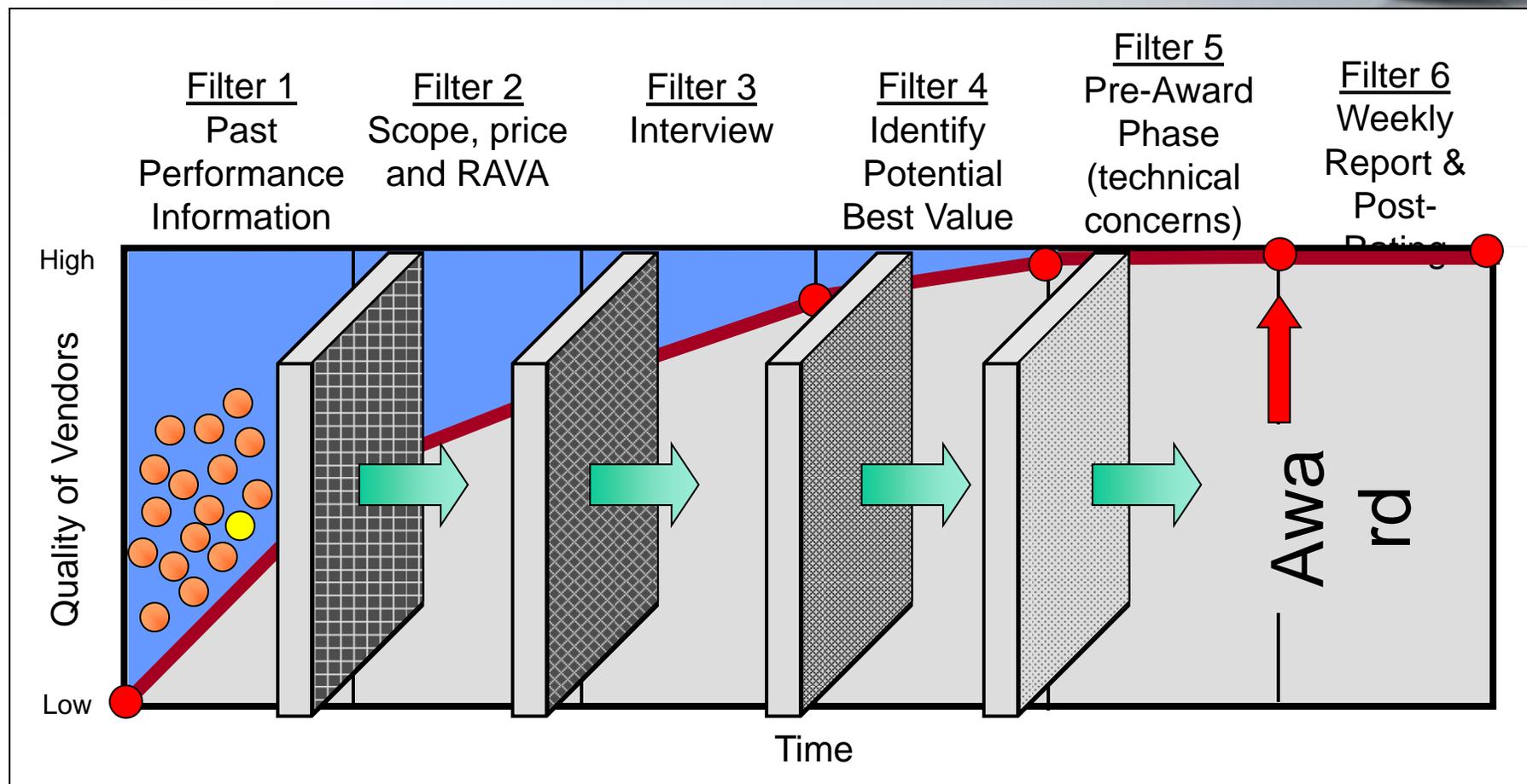


Selection Phase Filters and Clarification Phase





Remember – PIPS Has Multiple Filters



Selection Criteria



- Past Performance Information (PPI)
- Project Capability (PC)
- Risk Assessment Plan (RA)
- Value Added (VA)
- Price
- Interview

Project Submittals



- Project Capability, Risk Assessment, Value Added
 - Two pages
 - Claims and verifiable performance metrics



Rating System

- Two components:
 - Claims.
 - Verifiable performance measurements (VPM) to substantiate each claim.

- High performance claim with VPM. 6-10

- High/Low performance claim with no VPM.
- If there is a blank sheet of paper. 5
- If a decision has to be made.

- Low performance claim with VPM. 4-1

Project Requirement



- New laboratory construction
- Intensive mechanical systems, clean room environment
- Fast track project
- University campus

Project Capability Submittal



Claim: best project manager in company, does only clean room projects, best in the Midwest area

Verifiable performance metrics:

1. last 10 years
2. 20 clean room projects
3. scope \$50M
4. customer satisfaction 9.5
5. cost deviation .1%
6. time deviation 1%

Risk Assessment Submittal #1



Claim: Project manager uses clarification meeting to identify what is out (risk), uses risk mitigation plan and weekly risk report

Verifiable metrics:

1. Project manager has 9.9 customer satisfaction on last five jobs using clarification meeting
2. \$40M scope
3. using WRR and RMP
 1. cost deviation rate is .1% from project plan
 2. Time deviation rate is 1% from project plan
4. references and information immediately available

Risk Assessment Submittal #2



Claim:

1. PM uses clarification meeting to identify client's personnel who will cause the most transactions and works with them to minimize transactions and complaints at the end of the project
2. PM uses documentation to invalidate "craziness" and "confusion" at the end of the project

Verifiable performance metrics:

1. Project manager has 10.0 rating on last five projects
2. Average scope \$30M
3. Contractor customer satisfaction 9.9
4. Contractor project time deviation 0%
5. Project cost deviation .1% using the clarification meeting
6. Verifiable legitimate complaints at zero.
7. References and clarification meeting documentation available upon request



Value Added Submittal

Claim: Vendor will track all building major components for the first year including energy consumption, and give client recommendations to extend life of the building

Verifiable performance metrics:

1. Last five buildings, vendor has done this.
2. No additional cost, vendor does it as a business practice to increase workload
3. Performance metrics:
 - 9.5 customer satisfaction
 - \$40M scope
 - Deviation rate 1%,
 - Rating on value added documentation 10.0
 - references and documentation available upon request



Shortlist Using Performance Numbers

- Too many competing vendors
- Minimize effort of all participants
- Short listing Matrix includes
 - Price, RA, VA, PC, and PPI

Shortlisted
Vendors

Not
Competitive
Vendors

No	Summary Criteria	Unit	Vendor A	Vendor B	Vendor C	Vendor D	Vendor E	Vendor F
1	Price	\$	\$ 10,000,000	\$ 15,000,000	\$12,000,000	\$ 5,000,000	\$ 10,000,000	\$ 30,000,000
2	Interview	(1-10)	TBD	TBD	TBD	TBD	TBD	TBD
3	Risk Assessment (RA)	(1-10)	8.25	4.50	5.25	5	2	5
4	Value Added Plan (VA)	(1-10)	8.25	4.50	5.25	5	10	5
5	Project Capability (PC)	(1-10)	10.0	10.0	6.5	1	3	1
6	Performance Measurement	(1-10)	TBD	TBD	TBD	TBD	TBD	TBD
7	PPI - Survey	(1-10)	9.74	9.88	9.81	9.74	5	10.00
8	PPI - #/Clients	#	10.00	7.00	10.00	10.00	5	10.00

Interview



The interview of key personnel is the event when the selection committee can get the most dominant information to identify a best value vendor.

The interview is different in the following ways:

- The key person who will do the work is the one who will be interviewed.
- The interview is searching for an "expert".
- The interview is non-technical.
- The interview is searching for an individual who can lead a team.

The interview should have the following characteristics:

- Be as short as possible. A 20 minutes duration is sufficient.
- The number of questions should be limited to a few questions, and clarifications can be asked if the key personnel do not respond in a dominant fashion.

Interview Questions



The questions that should be asked include the following:

- What makes this project different and how are you going to bring more value to the project?
- Walkthrough the project from beginning to end in five minutes, identifying and prioritizing the risk and mitigation of risks.
- Explain the importance of the clarification period, and what the major steps of the clarification period are.
- How will you measure your performance that will quantify if you have performed to your expectations?

These are difficult questions. The key personnel may not be able to understand all the questions. This is OK. If the interviewee can answer all the questions, it shows great expertise in leadership, project management, and risk management.

Interview Objectives



- Can the individual see into the future?
- Does the individual know what they are looking for?
- Does the individual think in terms of everyone?
- Does the individual want to do better on this project than before?
- Is the individual into improvement?
- Can the individual understand other people?
- Is the individual capable of accepting others for who they are?
- Does the individual see the project as complex or simple?
- Is the person quick, concise, very perceptive and polite?
- Can a project manager quickly identify what to do on a project?

Dominance Check

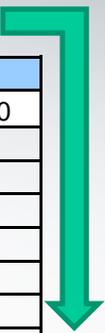


- **View all information**
 - **PPI**
 - **Project Capability**
 - **Interview rating**
 - **Cost**
- **Are ratings dominant?**
- **Is the best value the lowest cost or within 10% of the average bid price?**
- **If not dominant, override matrix and go with best value for lowest cost**



Prioritization Matrix

Insert
Scores into
Matrix



Normalized
Matrix



Prioritization

No	Summary Criteria	Unit	Vendor A	Vendor B	Vendor C
1	Price	\$	\$ 10,000,000	\$ 15,000,000	\$12,000,000
2	Interview	(1-10)	10.0	5.0	5.0
3	Risk Assessment (RA)	(1-10)	8.25	4.50	5.25
4	Value Added Plan (VA)	(1-10)	8.25	4.50	5.25
5	Project Capability (PC)	(1-10)	10.0	4.50	6.5
6	Performance Measurement	(1-10)	5.00	5.00	5.00
7	PPI - Survey	(1-10)	9.74	9.88	9.81
8	PPI - #/Clients	#	10.00	7.00	10.00

No	Summary Criteria	Best Score	Vendor A	Vendor B	Vendor C
1	Price	\$10,000,000.00	1.00	0.67	0.83
2	Interview	10	1.00	0.50	0.50
3	Risk Assessment (RA)	8.25	1.00	0.55	0.64
4	Value Added Plan (VA)	8.25	1.00	0.55	0.64
5	Project Capability (PC)	10	1.0	1.0	0.7
6	Performance Measurement	5	1.0	1.0	1.0
7	PPI - Survey	9.88	0.99	1.00	0.99
8	PPI - #/Clients	10	1.0	0.7	1.0

No	Summary Criteria	Weight	Vendor A	Vendor B	Vendor C
1	Price	30.0	30.00	20.00	25.00
2	Interview	20.0	20.00	20.00	20.00
3	Risk Assessment Plan (RA)	12.5	12.50	6.82	7.95
4	Value Added Plan (VA)	12.5	12.50	6.82	7.95
5	Project Capability (PC)	10.0	10.0	10.0	6.5
6	Performance Measurement	8.0	8.0	8.0	8.0
7	PPI - Survey	5.0	4.9	5.0	5.0
8	PPI - #/Clients	2.0	2.0	1.4	2.0
Final Scoring			99.9	68.0	72.4
			1st	3rd	2nd

Break



- Take a 10 minute break

Clarification Phase



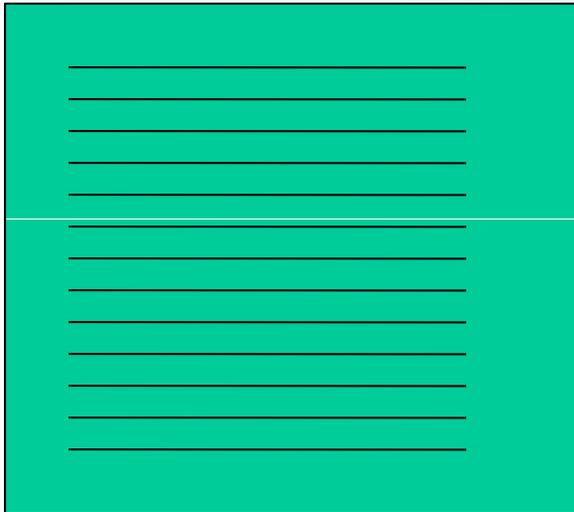
- Not implemented successfully
- Turns political
- Requires checklists and trained experts
- Vendors need training

Clarification Phase Deliverables



- Scope of Work (what is “in” and “out”)
- Detailed project schedule
- Cost/time
- Risk activities
- Performance measurements
- Risk mitigation plan
- Weekly Risk Report
- Milestone Schedule

Deliverables



ailed Technical Schedule



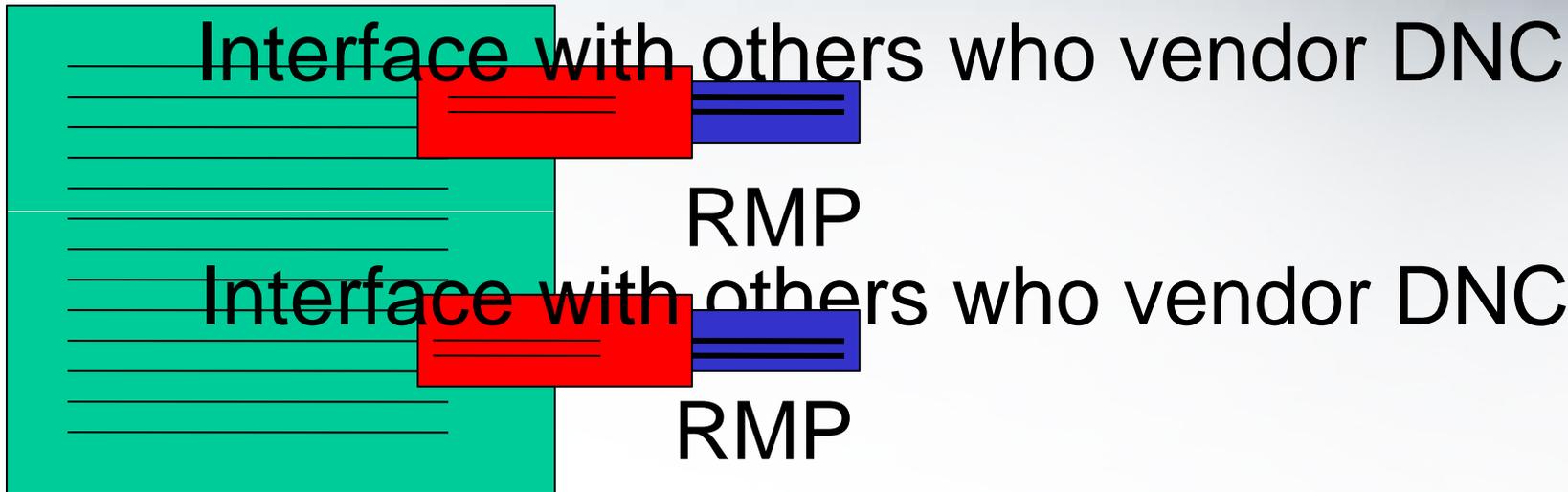
Deliverables

- Interface with others who vendor DNC
- Interface with others who vendor DNC

ailed Technical Schedule

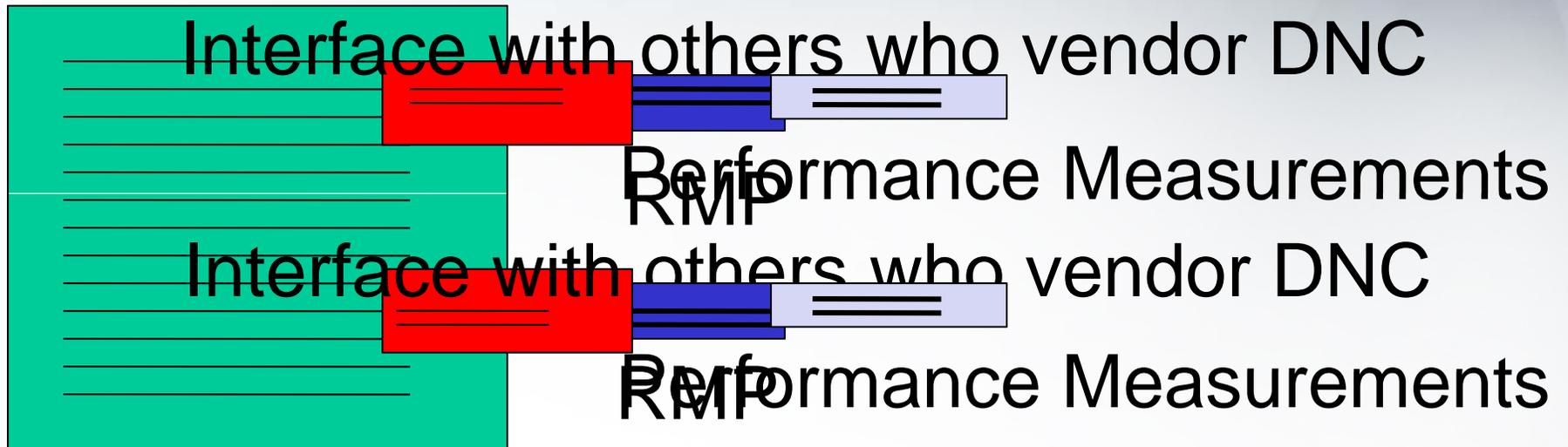


Deliverables



ailed Technical Schedule

Detailed Schedule, Interfaces with DNC parties, RMP, PM



ailed Technical Schedule

Performance Measurement Checklist

NO	Activity	Factors Impacted	Performance Measurements
1.	Example: Educating on New Software	Number of clients:25 Number of users trained: 55 Number of days educated: 2 Number of days training: 2 Expected passing rate on test: 80% Passing test score: 80% Attendance (%) Cost: \$10K Time: 20 Hrs for Two People	% Trained Number trained Passing% Training Days % Avg. Training Score Attendance % Cost % Time %

Weekly Risk Report (WRR)



- 1. Setup page**
- 2. Milestone Schedule**
- 3. Modifications (Time and Cost)**
- 4. Risk (Happened)**
- 5. Risk Management Plan (Concerns)**
- 6. Performance Metrics (Time to respond, avg. Number)**
- 7. Overview Report**

WEEKLY RISK REPORT (WRR)



Weekly Risk Report



- Tracks risk that the contractor does not control
- Protects the contractor
- Does not track technical risk unless the client is approving to pay the contractor for making a technical error or to redo work that was wrong
- Helps the contractor to stay on schedule, and implement the plan that they proposed
- Includes performance measurements that may be critical
- May include list of client/user requirements



Set-Up Page

Do not edit the form using the **CUT/PASTE** feature!!!
Please use the drop down for selection.

Project Setup Information	
Project ID / Task Order	
Project Title	
Location	
Region	
Contractor	
Designer/Architect	

Project Schedule/Budget	
All Phases in the Task Order	
Risk Management Plan Meeting Date	
NTP Date of Workplan	
NTP Date of Construction	
Workplan Completion Date	
Final Completion Date	
Total Task Order Duration	0
Awarded Workplan Cost	
Total Awarded Cost	

Total Awarded cost should compile all phase contracts (FFP).
Final Completion Date & Total Awarded Cost is the same as WP completion date & Awarded WP cost, **IF** the phase awarded is Work Plan only.

If you have any questions, please contact mrmp@pbsrg.com

Contact Information	
Contracting Office (COE)	
COE Phone	
Facility Director	
FD Email	
Facility Manager	
FM Phone	
Project Manager	
PM Phone	
Regional Project Integrator	
Regional PI Phone	
QA Representative	
QA Phone	
QA Email	
Contractor POC	
Contractor POC Phone	
Contractor POC Email	
Designer/Architect POC	
D/A POC Phone	
D/A POC Email	
MEDCOM POC	Charleszetta "Charlie" Jay
MEDCOM POC Phone	210-221-8620
MEDCOM POC Email	Charleszetta.Jay@AMEDD.ARMY.ML

Project Setup | Schedule&Budget | Risks | RMP | Report

Microsoft Excel - 071011 State of MO WMCC Prison Project.xls

File Edit View Insert Format Tools Data Window Help

Type a question for help

C2

1

2 **Week Ending:** **Sort Risks**

3 **Do not edit the form using the CUT/PASTE feature!!!**

4 **Owner Contact rating 'Satisfaction Ratings':**

5

6

No	Date Entered	Risk Items	Plan to Minimize Risk	Planned Resolution Date	Actual Date Resolved	Impact Days to Critical Path (Calendar)	Impact to Cost	Owner/ Designer/ Unforeseen Risk	Satisfaction Rating (1-10)
0	3/17/2006	EXAMPLE: Risk A	Risk A Plan: 1) Problem background - why is this an unexpected project risk? 2) What will be done to minimize this? 3) Who is responsible for the plan? 4) What kind of impact will this have?	3/17/2006		0	\$ 10,000	D	5
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36									

Project SETUP / OVERVIEW / Schedule&Budget / RISKS / Report /

Draw AutoShapes

Ready NUM

start

Inbox - Microsoft ... Best Value - Mess... F07 Attendance.xls 071011 State of ... C:\Documents and... Microsoft Offi... Microsoft PowerP... 3:38 PM





Microsoft Excel - 090114 Weekly Report Template

Type a question for help

A1

Risk management plan is a living document that identifies:

- Risk that the vendor does not control
- How the risk will be managed and minimized
- If the risk happens, what will transpire
- Will become a part of the contract and minimize procurement transactions

Project SETUP / Schedule&Budget / RISKS / Report / RMP / Client Action Item

Ready NUM

Difference Between RMP and Risk Sheet

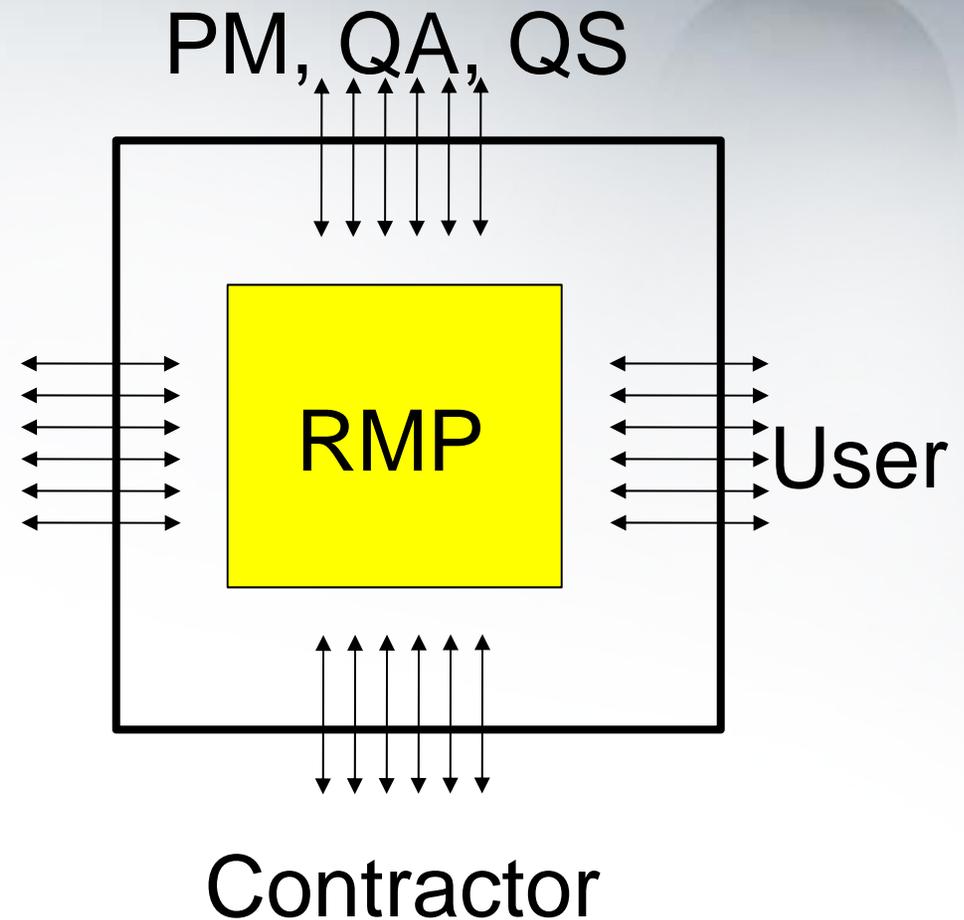


- RMP is risk that has not happened
- Risk sheet lists risks that have happened that have cost or time deviation



Origin of Risks in the RMP

- RMP is a living document
- contractor starts at NTP
- Kickoff meeting participants add to RMP
Client PM
- Anyone can add to RMP during length of the project



Review: Objective of the WRR

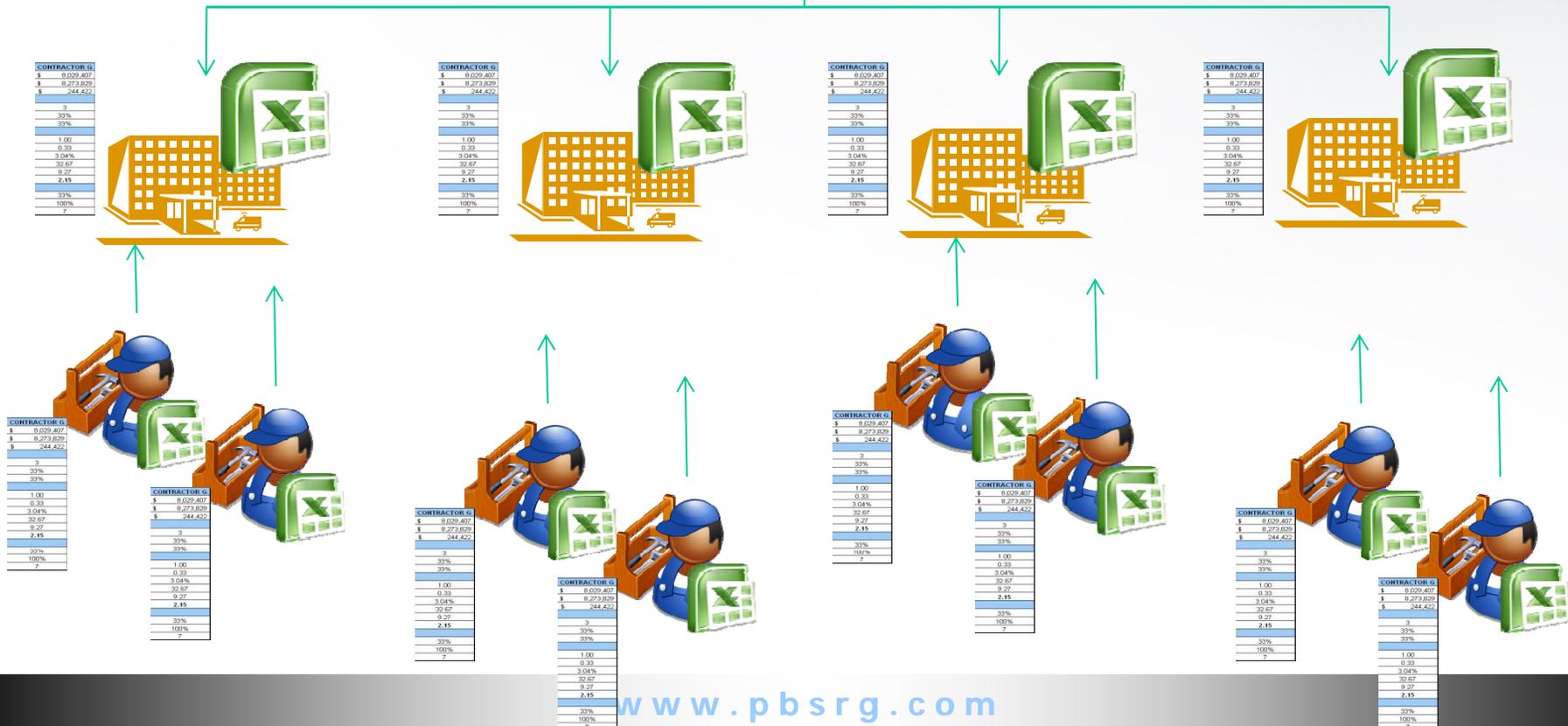


- Identify, manage, and mitigate the risk that the contractor does not control
- RMP (Risk that has not occurred yet)
- Risk Page (Risk that has occurred)
- Deviation Impact to Schedule and Cost

Weekly



CONTRACTOR OVERVIEW	CONTRACTOR A	CONTRACTOR B	CONTRACTOR C	CONTRACTOR D	CONTRACTOR E	CONTRACTOR F	CONTRACTOR G
Total Awarded Budget	\$ 194,970,414	\$ 62,747,146	\$ 73,666,145	\$ 131,032,489	\$ 96,066,165	\$ 1,630,253	\$ 8,029,407
Current Cost	\$ 202,377,643	\$ 64,031,228	\$ 76,085,093	\$ 132,775,372	\$ 97,830,447	\$ 2,106,415	\$ 8,273,829
Over Budget	\$ 7,407,229	\$ 1,284,082	\$ 2,418,948	\$ 1,742,883	\$ 1,762,282	\$ 476,162	\$ 244,422
PROJECT OVERVIEW							
Total Number of Weekly Reports Received	76	25	19	37	47	2	3
% Projects On Time	54%	28%	37%	54%	45%	0%	33%
% Projects On Budget	60%	60%	47%	62%	89%	0%	33%
AVERAGE PROJECT							
# of Risks per Job	1.20	2.36	1.53	1.51	0.79	7.50	1.00
Number of overdue risks	0.17	0.66	0.37	0.54	0.28	0.00	0.33
% Over Awarded Budget	3.80%	2.06%	3.28%	1.33%	1.83%	26.21%	3.04%
# of Days Delayed	97.79	96.20	209.68	78.00	44.60	359.50	32.67
Owner Rating	9.11	9.93	9.55	9.30	9.30	9.52	9.27
Risk Number	2.62	1.37	2.76	1.99	2.05	4.38	2.15
OVERALL WEEKLY PERFORMANCE							
% Weekly Reports not Accurate	51%	76%	36%	62%	60%	100%	33%
% Missing RMP	66%	72%	45%	74%	91%	100%	100%
# of Missing Close Out Surveys	16	2	10	1	11	2	7



Director's Report (DR)

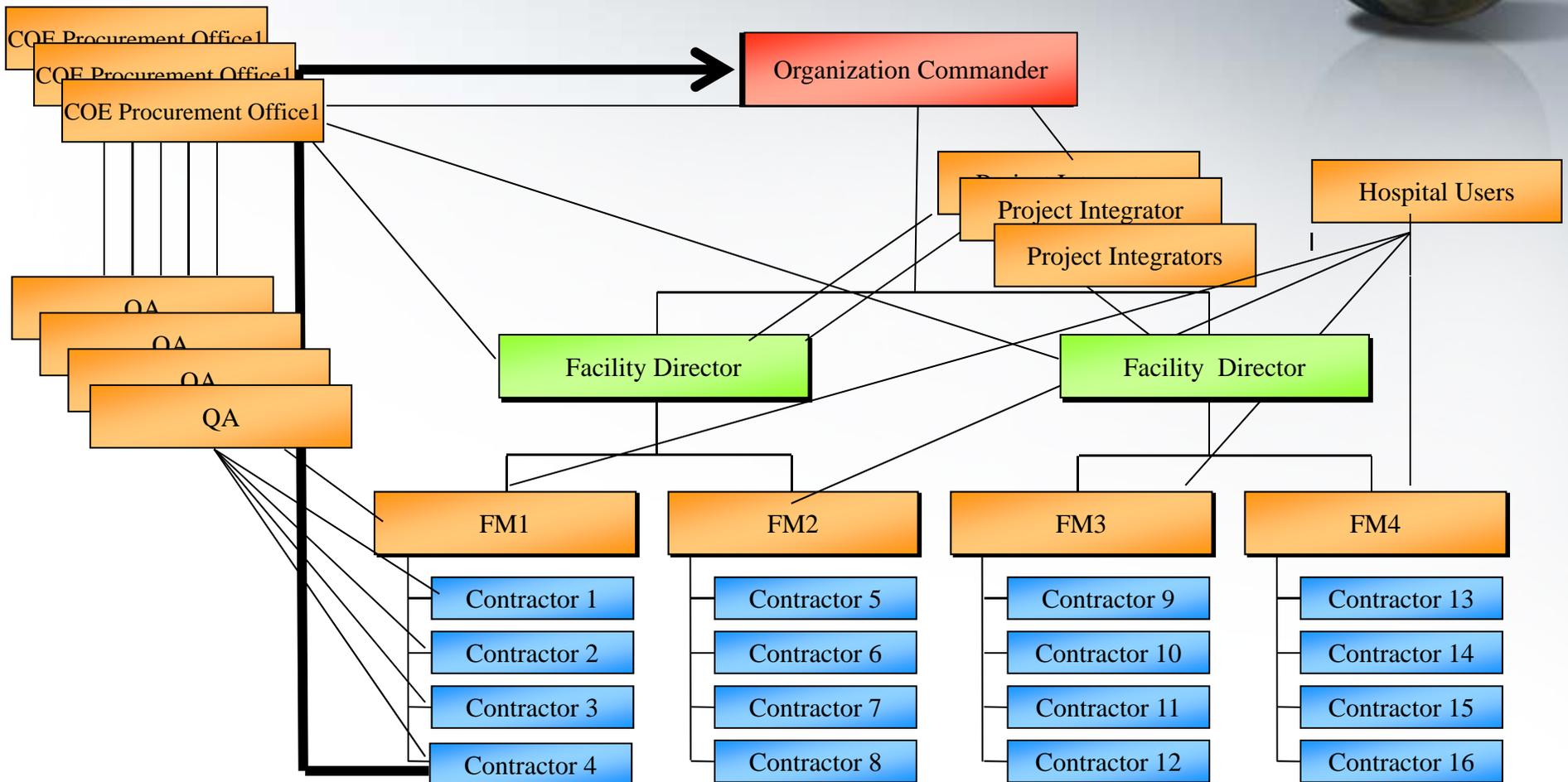


- Minimizes bureaucracy (decision making, directions, management, control and transactions).
- Forces accountability.
- Measures every entity.
- Encourages the transfer of risk to the expert.
- Creates the best value environment (quality control, risk management and quality assurance.)
- Protects the experts, maximizes profits and minimizes project cost.

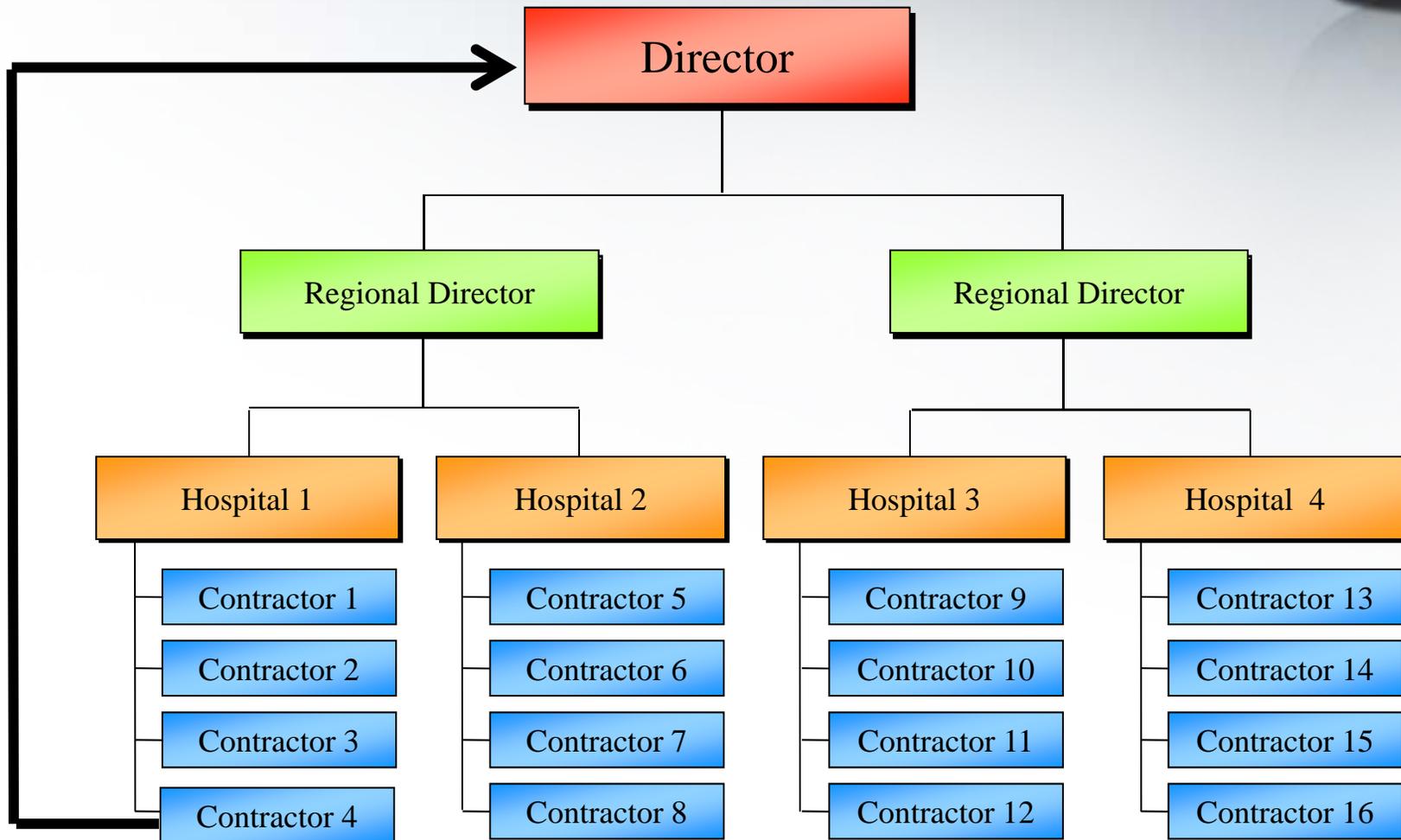
PERFORMANCE MEASUREMENTS



LGO Bureaucracy



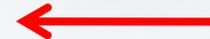
Simplification



LGO DIRECTOR'S REPORT



DIVISION OVERVIEW	1/15/2010
Original projects budget	\$711,572,485.02
Current estimated cost	\$740,069,776.77
Estimated cost over budget	\$28,497,291.75
% estimated cost over budget	4.00%
PROJECT OVERVIEW	
Total number of projects	265
% projects on time	57%
# of jobs delayed	114
% projects on budget	66%
# of jobs over awarded budget	90
# of projects missing owner ratings	27
AVERAGE PROJECT	
	\$
Project budget	2,685,179.19
% over Awarded Budget	4.00%
% over budget due to owner	2.86%
% over budget due to contractor	0.00%
% over budget due to unforeseen	1.14%
Average length of project	479
% Delayed	18.27%
% Delayed due to owner	12.83%
% Delayed due to contractor	1.22%
% Delayed due to unforeseen	4.22%

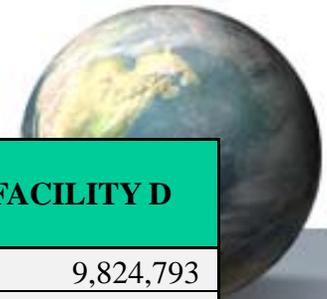


CONTRACTOR PERFORMANCE LINES



CONTRACTOR OVERVIEW	CON A	CON B	CON C	CON D	CON E	CON H
Total Awarded Budget	\$ 311,698,895	\$ 68,513,436	\$ 52,432,079	\$ 208,010,504	\$ 80,506,795	\$ 1,200,377
Current Cost	\$ 322,159,798	\$ 71,286,239	\$ 54,026,603	\$ 215,332,223	\$ 86,837,793	\$ 1,315,698
Over Budget	\$ 10,460,903	\$ 2,772,803	\$ 1,594,523	\$ 7,321,719	\$ 6,330,998	\$ 115,321
PROJECT OVERVIEW						
Total Number of Projects	146	15	7	58	35	2
% Projects On Time	66%	40%	29%	55%	29%	50%
# of Jobs Delayed	49	9	5	26	25	1
% Projects On Budget	75%	60%	14%	59%	51%	50%
# of Jobs Over Awarded Budget	37	6	6	24	17	1
AVERAGE PROJECT						
# of Risks per Job	1.01	3.60	3.71	1.31	2.23	1.00
Number of overdue risks	1	0	2	1	1	0
% Over Awarded Budget	3.36%	4.05%	3.04%	3.52%	7.86%	9.61%
% over budget due to Contractor	0.04%	0.53%	0.01%	0.00%	-0.42%	0.00%
% over budget due to Unforeseen	0.87%	0.54%	1.98%	0.19%	1.18%	0.00%
# of Days Delayed	60	135	351	72	145	105
# days delayed due to Contractor	4	41	4	0	16	31
# days delayed due to Unforeseen	10	55	61	4	58	0
Risk Number	2.83	2.37	2.76	2.35	2.16	1.74
% Projects missing	1%	6%	0%	0%	0%	0%
% Projects with no RMP	32%	43%	0%	0%	0%	50%

FACILITY PERFORMANCE LINES



FACILITIES OVERVIEW 1/15/2010	FACILITY A	FACILITY B	FACILITY C	FACILITY D
Total Awarded Budget	\$ 36,551,271	\$ 6,980,380	\$ 4,312,272	\$ 9,824,793
Current Cost	\$ 36,678,980	\$ 6,980,380	\$ 4,312,272	\$ 10,543,804
Over Budget	\$ 127,709	\$ -	\$ -	\$ 719,011
PROJECT OVERVIEW				
Total Number of Projects	4	3	3	4
% Projects On Time	100%	100%	100%	25%
# of Jobs Delayed	0	0	0	3
% Projects On Budget	75%	100%	100%	25%
# of Jobs Over Awarded Budget	1	0	0	3
AVERAGE PROJECT				
# of Risks per Job	0.25	0.00	0.00	2.75
Owner Generated Risks	0.25	0.00	0.00	1.25
Number of overdue risks	0	0	0	1
% Over Awarded Budget	0.35%	0.00%	0.00%	7.32%
% over budget due to Owner	0.35%	0.00%	0.00%	5.27%
% over budget due to Contractor	0.00%	0.00%	0.00%	0.00%
% over budget due to Unforeseen	0.00%	0.00%	0.00%	2.05%
# of Days Delayed	0	0	0	110
# of days delayed due to Owner	0	0	0	19
# days delayed due to Contractor	0	0	0	29
# days delayed due to Unforeseen	0	0	0	62
Owner Rating	10.00	10.00	10.00	9.13
Risk Number	1.01	1.00	1.00	2.48

TOP TEN LIST



TOP 10 RISK RANKING PROJECTS 1/15/2010

No.	Project	Location	Risk #	Contractor	# Weeks on Top	NTP of Project
1	Addition to Third Floor Womens Health Care Suite	Ft. Lewis, WA (MAMC)	42.63	CON A	56	10/18/2007
2	Bathroom Conversions, Bldg 9200	Ft Benning, GA	35.10	CON A	14	9/19/2008
3	WP/Rpl Surgical Supply Cartlifts	Ft. Stewart, GA (WACH)	14.23	CON A	8	9/30/2008
4	Renew Health Clinic, Building 990	Yuma Proving Grounds, AZ	13.53	CON A	9	9/11/2007
5	Misc. Medical Repair Projects '08	Ft. Bragg, NC (WAMC)	13.10	CON I	2	9/29/2008
6	Rep,Reconf for TBI Program	Schofield Barracks, HI	12.73	CON A	40	10/7/2008
7	Convert Constant Volume to VAV	Forest Glenn, MD (WRAIR)	11.46	CON D	6	10/29/2006
8	Replace Elevators	Ft. Belvoir, VA (DACH)	10.46	CON E	8	5/2/2008
9	Repair Budge Dental Clinic	Ft. Sam Houston, TX (BAMC)	10.34	CON D	2	9/30/2007
10	Expand Patient Administration Division	Ft. Lewis, WA (MAMC)	9.12	CON A	5	10/15/2009



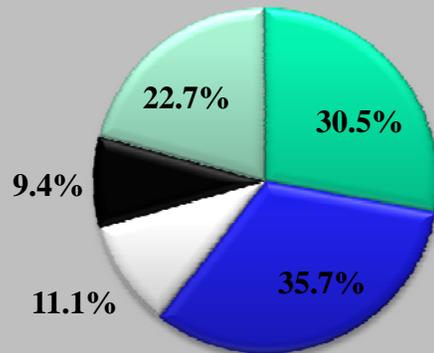
PROJECT PERFORMANCE WITH/WITHOUT WRR & RMP

	Estimates from Data			
PROJECT OVERVIEW	Without WRR	Without RMP	With RMP	% RMP Progress
% projects on time	30%	38%	56%	48%
% projects on budget	45%	52%	70%	35%
AVERAGE PROJECT	Without WRR	With WRR	With RMP	% RMP Progress
% over awarded budget	10%	5.4%	1.7%	68%
% over budget due to owner	8%	3.83%	1.13%	71%
% over budget due to contractor	0.4%	0.21%	0.04%	79%
% over budget due to unforeseen	1.6%	1.33%	0.53%	61%
% days delayed	42%	30.6%	14.6%	52%
% delayed due to owner	29.4%	19.72%	11.41%	42%
% delayed due to contractor	6.3%	4.64%	1.68%	64%
% delayed due to unforeseen	6.3%	6.20%	1.47%	76%
# of risks	4	1.98	1.29	35%
# owner generated risks	3	1.33	0.87	35%
Owner rating	Unknown	9.10	9.34	3%
Risk number	5.52	3.25	2.38	27%

SOURCE OF RISK

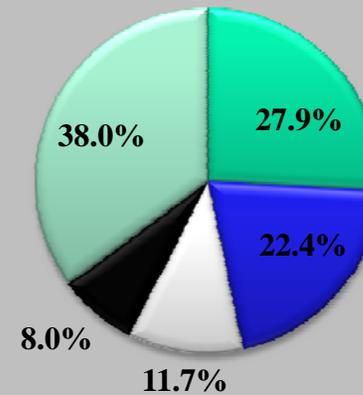


**% Impact(risk days)
Year 2008**

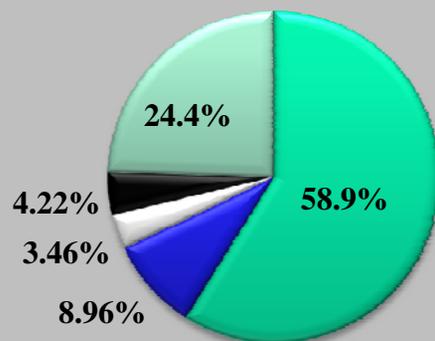


- Scope & Design Change
- Approval/ response/ review / NTP
- Site Conditions/Constructibility
- Contractor
- MISC and Unknown

**% Impact (\$\$)
Year 2008**

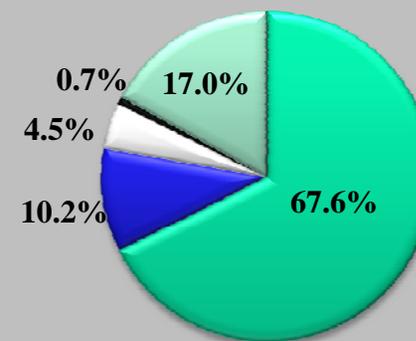


**% Impact(risk days)
Year 2009**



- Scope & Design Change
- Approval/ response/ review / NTP
- Site Conditions/Constructibility
- Contractor
- MISC and Unknown

**% Impact(risk \$\$)
Year 2009**



a State University Food Services Contract

No	Summary Criteria	Out of	Vendor		
			Incumbent	B	C
1	RAVA Plan	10	5.91	7.09	6.31
2	Transition Milestone Schedule	10	5.17	6.96	6.33
3	Interview	25	15.77	16.78	13.53
4	Past Performance Information - Survey	10	9.80	9.99	9.82
5	Past Performance Information - #/Clients	Raw #	5.67	3.00	4.42
6	Past Performance Information - Financial	10	7.02	8.67	6.90
7	Financial Rating	10	4.00	8.00	8.00
8	Financial Return - Commissions	Raw \$	\$ 30,254,170	\$ 60,137,588	\$ 64,000,000
9	Capital Investment Plan	Raw \$	\$ 14,750,000	\$ 20,525,000	\$ 12,340,000
10	Equipment Replacement Reserve	Raw \$	\$ 7,213,342	\$ 4,100,001	\$ 8,171,811
Financial Totals			\$ 52,217,512	\$ 84,762,589	\$ 84,511,811

\$32M more over ten years

No	Summary Criteria	Weight/Out of	Vendor		
			Incumbent	Best Value	C
1	RAVA Plan	28	16.55	19.85	17.67
2	Transition Milestone Schedule	2	1.03	1.39	1.27
3	Interview	25	15.77	16.78	13.53
4	Past Performance Information - Survey	9	8.82	8.99	8.84
5	Past Performance Information - #/Clients	1	1.00	0.53	0.78
6	Past Performance Information - Financial	15	10.53	13.01	10.35
7	Financial Rating	5	2.00	4.00	4.00
8	Financial Return - Commissions	7	3.31	6.58	7.00
9	Capital Investment Plan	6	4.31	6.00	3.61
10	Equipment Replacement Reserve	2	1.77	1.00	2.00
		100	65.09	78.13	69.04

After 1 Year: Monitoring/Evaluation based on measurements



- Increase sale of food by 14%
- Increased cash to ASU by 23%
- Minimized management cost by 80%
- Increased customer satisfaction by 37%
- Increased capital investment by 100%

No	Category	FY 06-07 Incumbent	FY 07-08 New Vendor	Difference	% Difference
1	Total Revenue (\$M)	\$ 27.02	\$ 30.83	\$ 3.81	14%
2	Total Return & Commissions (\$M)	\$ 2.17	\$ 2.67	\$ 0.50	23%
3	Capital Investment Contract (\$M)	\$ 14.75	\$ 30.83	\$ 18.08	109%
4	Capital Investment 2006 vs. 2007 (\$M)	\$ 0.26	\$ 5.70	\$ 5.44	2092%
5	ASU Administration (# of People)	7	1.5	-5.5	-79%
6	Customer (Student) Satisfaction (1-10)	5.2	7.1	1.9	37%
7	Myster Shopper Satisfaction	N/A	9.6	--	--

Review: PIPS/PIRMS

Characteristics



- Buyer identifies what they are “looking for”
- Vendors are the expert and can identify initial conditions
- Minimized communication
- Experts have an advantage because they can see into the future
- Use of dominant information
- Minimize everyone’s effort
- Transparency
- Vendor is the offeror and buyer is the acceptor of the offer