

## LOWEST-PRICE TECHNICALLY ACCEPTABLE (LPTA) BID REVIEW STANDARD SET FOR LIMITATION

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### INTRODUCTION

If you work with Services Contracts – especially **INFORMATION TECHNOLOGY, SYSTEMS ENGINEERING, or TECHNICAL ASSISTANCE SERVICES AND/OR OTHER KNOWLEDGE-BASED PROFESSIONAL SERVICES** – **you need to read this!!**

The **Promoting Value Based Procurement Act** bill, which encourages the Department of Defense (DOD) to avoid relying upon Lowest-Price Technically Acceptable (LPTA) source selection criteria for certain types of services contracts, has gained traction and appears to be on track for approval.

### BILLS OPPOSE IMPROPER USE OF LPTA

The Professional Services Council (PSC) has advanced its opposition to the Government's improper use of LPTA. The PSC recently issued a bulletin on the progress of two Defense Bills that further this purpose. The [bulletin](#) is reposted below, with the permission of PSC:

#### **LPTA Provisions Added to Defense Bills**

*May 19, 2016*

Continuing PSC's strong opposition to the government's improper use of "lowest-price technically-acceptable" (LPTA) evaluation factors for technology and professional services, on May 19 PSC voiced our strong support for amendments that were added to the House-passed and Senate Armed Services Committee-approved versions of the Fiscal Year 2017 National Defense Authorization Act (NDAA) to prevent DoD's inappropriate use of LPTA.

PSC issued a [press release](#) yesterday commending the inclusion of the LPTA language in the two versions of the NDAA. We also sent separate letters to Members of Congress that took a leading role to ensure that the Department of Defense uses LPTA only under appropriate circumstances moving forward. In the first [letter](#) to Reps. Don Beyer (D-Va.) and Rob Wittman (R-Va.) PSC thanked the members for teaming up on an amendment that mirrors their standalone legislation titled the **Promoting Value Based Defense Procurement Act, H.R. 4999**. The amendment was added to the NDAA prior to its passage on May 18. PSC sent a [similar letter](#) to Senators Mark Warner (D-Va.) and Mike Rounds (R-SD) who championed the Senate version of the standalone legislation, S.2826. Language from the S.2826 was also included in the Senate Armed Services Committee-passed version of the NDAA this week.

The Promoting Value Based Defense Procurement Act's provisions encourage DoD to avoid, to the maximum extent practicable, relying on LPTA source selection criteria for certain types of services contracts, including information technology services, systems engineering and technical assistance services, and other knowledge-based professional services. It also directs DoD to use LPTA only in situations where it can clearly define performance requirements and determine that technical proposals of offerors other than the lowest bidder would result in no, or minimal, benefit to the Department.

"The legislative language aligns well with recent DoD internal guidance which, if followed, will avoid an overreliance on LPTA that hinders DoD's ability to maintain a best-in-class competitive edge; inhibits DoD's flexibility in making valuable tradeoffs between cost, innovation, and capabilities; and risks higher

long-term costs due to mission failures and contract rework actions”, said PSC President and CEO David Berteau in the letter.

PSC is optimistic that the language will be retained in the final version of the NDAA. [emphasis added.]

## CONCLUSION

The two bills, if approved in their current form, will greatly further the Government’s ability to evaluate and award certain types of contracts on Value-Based Criteria. This appears to constitute a Win-Win for the Government and contractors alike. Please contact us to discuss how these bills may affect your future bids.

**In the end, you will be glad you made the call; by the way, it’s a FREE CALL.**

***EXCELL CONSULTING: “HERE TODAY FOR YOUR TOMORROW.”***

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