

# Assigning Points Based on Percentage of Cost for Local Product Proposed: Example G

In this example, the school needs to procure prime vendor to supply the school with a variety of locally produced/grown products. The school decided to use “*geographic preference*,” which is allowable for unprocessed locally grown and locally raised agricultural products. When developing the solicitation document the decision to use geographic preference was based on the following concerns and considerations;

- Due to large out of state producers putting competitive pressure on local producers to sell at or below cost, the school decided it could afford to pay a little extra if needed for locally grown apples.
- Also, local school board was concerned about the carbon footprint for shipping the apples hundreds of miles for such a small purchase.
- Although it was not mandatory, teachers and nutritional staff from the school’s food service department wanted to work together to educate students on how apples are grown and it would be nice if a producer would be able to do a presentation.

Base on the above concerns and considerations, the school developed the following Request for Proposal (RFP) evaluation matrix for procuring apples:

Criteria	Maximum Score	Producer A	Producer B	Producer C
RFP Checklist and Submittal Page	<i>Mandatory</i>	<i>Passed</i>	<i>Passed</i>	<i>Passed</i>
Qualifications and Company History	<i>Mandatory</i>	<i>Passed</i>	<i>Passed</i>	<i>Passed</i>
Qualified Product	<i>Mandatory</i>	<i>Passed</i>	<i>Passed</i>	<i>Passed</i>
Delivery Conditions	10 points	10 points	10 points	10 points
Product Specifications and Availability	10 Points	8 points	7 points	7 points
Ordering Procedure	5 Points	4 points	3 points	4 points
Invoice/Payment Method	5 points	5 points	4 points	5 points
Availability of producer for a presentation at school	5 points	0 points	5 points	5 points
Geographic Preference (all products)	<i>5 points</i>	5 points	5 points	1.2 points
Calculation of Points (Based on Proposed Cost)		$\$6,935.00/\$6,935.00 = 1$ or 100%	$\$6,915.00/\$6,915.00 = 1$ or 100%	$\$1,500.00/\$6,675.00 =$ 0.23 or 23%
		1 x 5 points = 5 points	1 x 5 points = 5 points	0.23 x 5 points = 1.2 points

Equation for assuming point to geographic preference based on costs:

(Cost of local products proposed/Evaluated Cost) X (number of points possible) = assigned points

Cost of local products used:

Producer C was able to provide local pears, however apples and cherries were not local. Only costs for pears could be used for geographic preference with Producer C. (\$1,500 was the proposed cost of pears in Producer C’s proposal).

<b>Points for Technical Score</b>	<b>40 points</b>	<b>32 points</b>	<b>34 points</b>	<b>32.2 points</b>
<b>Points for Costs</b>	<b>60 points</b>	<b>57.8 points</b>	<b>57.9 points</b>	<b>60 points</b>
Proposed Costs		\$6,935.00	\$6,935.00	\$1,500.00
Calculation of Points		$\$6,675.00/\$6,935.00$	$\$6,675.00/\$6,915.00$	$\$6,675.00/\$6,975.00$

Criteria	Maximum Score	Producer A	Producer B	Producer C
(Based on Proposed Cost)		= 0.96 or 96%	= 0.97 or 97%	= 1 or 100%
		0.96 x 60 points =	0.97 x 60 points =	1 x 60 points =
		57.8 points	57 points	60 points
Equation for assigning points to cost:				
(Lowest Cost/Evaluated Cost) X (number of points possible) = assigned points				
<b>TOTAL SCORE</b>	<b>100 points</b>	<b>89.8</b>	<b>92.9</b>	<b>92.2</b>
<b>(Points for Technical Score + Points for Costs)</b>				
<b>Awarded Contract To:</b>			<b>X</b>	

Notes: All producers were responsive and responsible producers.

- Producer C was not able to provide local apples and cherries but was able to provide local pears (even without geographic preference for apples and cherries producer C had a very competitive proposal)
- Producer B was awarded the contract for purchasing apples, cherries, pears based on highest number of points after geographic preference was applied.
- Producer B will be paid based on the proposed pricing in its proposal.
- All producers were notified of the outcome of the procurement.