

Best Value Evaluation of SDP Plan Forms: A Guide for Strategic Sourcing Teams



Background

The **Supplier Diversity Program (SDP)** was established to promote supplier diversity in public contracting. The program encourages the award of Commonwealth contracts for goods and services in a way that strengthens and increases business opportunities for Minority-Owned Business Enterprises (MBEs), Women-Owned Business Enterprises (WBEs), Veteran-Owned Business Enterprises (VBEs), Service-Disabled Veteran-Owned Business Enterprises (SDVOBEs), Disability-Owned Business Enterprises (DOBEs), and Lesbian, Gay, Bisexual, and Transgender-Owned Business Enterprises (LGBTBEs).¹

The SDP has two key requirements for bidders (and later prime contractors) on procurements for goods and services with total spending expected to exceed \$250,000 annually:

1. **At the time of bid, to make a measurable financial commitment** to do business with one or more diverse business (SDP Partner). The commitment is expressed as a percentage of the contractor's sales under the contract for general goods and services contracts, and as a significant financial commitment for Purchase of Service (POS) contracts.²
2. **On an annual basis, demonstrate meeting the financial commitment by filing regular spending reports.** While the compliance requirement is annual, departments are encouraged to collect quarterly spending reports to ensure the prime contractor is on track to meet their contractual obligation.

As a result, the SDP plan evaluation process should reflect a preference for:

1. Bidders whose SDP spending commitments are more significant; and
2. Bidders whose SDP partnerships are more likely to result in meeting the stated commitments.

If a **procurement** contains SDP language and an SDP Plan form, this business-to-business relationship requirement applies to all bidders and contractors, even if:

- The actual spending on the contract does not reach the expected \$250,000 annually;
- Individual bidders or contractors do not sell \$250,000 annually under the contract; and
- The bidders or contractors are diverse businesses themselves.

SDP Plan Form for Goods and Services - Overview

Bidders must complete the **SDP Plan Form** and submit it with their bid responses. The SDP Plan Form is worth at least 25% of the total evaluation points. The form is designed to collect the information needed to evaluate:

What is evaluated	Information collected on the form
Value of the Bidder's SDP spending commitment	<ul style="list-style-type: none">• SDP Spending Commitment
Likelihood of the Bidder meeting the spending commitment stated on the form	<ul style="list-style-type: none">• Proposed SDP Partners• Prior year spending with proposed SDP Partners• Having an individual or unit responsible for SDP partnerships• Having a public SDP spending policy
Bidder's potential other value-added initiatives	<ul style="list-style-type: none">• Additional Supplier Diversity Initiatives

¹ Minority Non-Profit (M/NPO), Women Non-Profit (W/NPO), Minority Woman Non-Profit (M/W/NPO) and Veteran Non-Profit (V/NPO) organizations are also included in the Supplier Diversity Program.

² See the SDO's program policies for Goods and Services Procurements [online](#). Purchase of Service (POS) contracts are discussed later in this document.

Because larger businesses may have more opportunities for ancillary SDP spending as well as potential higher prior-year spending with their SDP partners, the form includes bidder Gross Annual Revenue size in Part I (see below).

Supplier Diversity Program (SDP) Plan Form

Required for All Bidders

This form is required for all Bidders to complete and submit as an Excel attachment with their responses. No contract shall be awarded to a Bidder without an SDP commitment (Part III of the form) that meets RFR requirements. All parts marked as "Required" must be completed. Bidders may be awarded additional evaluation points for providing information marked as "Optional."

Important information is shaded in red	Required fields are shaded in yellow	Optional fields are shaded in green
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Part I Bidder and Contact Information (Required)

Bidder Company Name			
Annual Gross Revenue (3-year average)	\$	-	
	Name	Phone	Email
Main Contact for this Bid			
SDP Reporting Contact (if awarded a contract)			

Part II SDP Spending Commitment (Required)

What percentage of your company's contract sales do you propose to spend with certified diverse businesses (SDP Partners)? After contract award (if any), the Total SDP Commitment will become a contract requirement to be met annually on a Massachusetts fiscal year basis (July 1 – June 30) for the duration of the contract. See the RFR for any additional commitment specifications.

Relationship Type	Proposed Commitment %
Subcontracting	0.00%
Ancillary products and services	0.00%
Total SDP Commitment (calculated)	0.00%

- **Subcontracting** is a partnership in which the SDP partner is involved in the provision of products and/or services to the Commonwealth.
- **Ancillary Products and Services** is a business relationship in which the SDP partner provides products or services that are not directly related to the prime contractor's contract with the Commonwealth but instead are related to the prime contractor's general business operations.
- **The required minimum Total SDP Commitment is 1%.**

Part III Proposed SDP Partners (Required)

Name the certified diverse businesses (SDP Partners) your company proposes to utilize in order to meet its Total SDP Commitment. If your company has previously purchased from these SDP Partners, provide prior year spending information. All partners must be certified in one or more of the eligible certification categories.* After contract award, only spending with SDP Partners that appear in the SDO Directory or in the SBA Veteran Small Business Certification directory will be counted toward a Contractor's compliance with their SDP commitment.** See FORM INSTRUCTIONS for additional information on acceptable proposed SDP Partners.

Proposed SDP Partner Company Name	Relationship Type	Certification Category*	Certifying Organization**	Product and/or Service	(Optional) Prior Year Spending with the Proposed SDP Partner	
(Add lines as needed)	(Subcontracting or Ancillary) (Choose One)**	(If more than one category applies, choose any category that applies)	(Name of the organization that issued the proposed SDP Partner's certification. Self-certification is not acceptable.)	(Describe the product and/or service that will be provided by the proposed SDP Partner)	Prior Calendar Year	Current Calendar Year
Subtotals (Calculated)					\$ -	\$ -
GRAND TOTAL (Calculated)					\$ -	\$ -

Part IV Business Practices (Optional)

Does your company have an individual or a unit responsible for establishing and maintaining supplier diversity relationships?	
If "YES," please provide the contact information for the person or unit.	
Does your company have a written policy for establishing and maintaining supplier diversity relationships?	
If "YES," please provide a link to the policy or attach the policy to the proposal.	

Part V Additional Supplier Diversity Initiatives (Optional)

Please describe any additional initiatives related to engaging, buying from and/or collaborating with diverse businesses.	
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Part VI Certification (Required)

Under the pains and penalties of perjury I certify that the information provided on this form is accurate.

Name	
Title	
Phone	
Date	

Please do not convert to PDF. Attach to your Quote as an Excel file.

Form updated 07/18/2023

***All SDP Partners must be certified in one or more of the following certification categories:**

MBE - Minority Business Enterprise
WBE - Woman Business Enterprise
SDVOBE - Service-Disabled Veteran-Owned Business Enterprise
VBE - Veteran-Owned Business Enterprise
M/NPO - Minority Non-Profit Organization
W/NPO - Women Non-Profit Organization
V/NPO - Veteran Non-Profit Organization
DOBE - Disability-Owned Business Enterprise
LGBTBE - Lesbian, Gay, Bisexual or Transgender Business Enterprise

****Eligible SDP Partners can be found by searching:**

[Supplier Diversity Office Directory of Certified Businesses](#)
[Veteran Small Business Certification \(sba.gov\)](#)

See FORM INSTRUCTIONS for additional information on eligible SDP Partners

Minimum Acceptable Standard for Evaluation

The SDP Plan form contains fields that are required (shaded in yellow) and fields that are optional (shaded in green). To be acceptable for evaluation and contract award, an SDP Plan for goods and services must, at a minimum, include the following requirements:

- A minimum of 1% SDP commitment, and
- At least one eligible SDP partner must be supplied (see [Evaluating Proposed SDP Partners \(Form Part III\)](#) for more information).

In some situations, evaluation teams may encounter SDP commitment percentages that do not appear realistic. This especially applies to SDP plans that do not contain any prior spending with the proposed partners. In those cases, the evaluation team should reach out to the bidder for clarification.

The minimum acceptable standard for the evaluation of SDP Plan Forms for Purchase of Service (POS) procurements can be found in the POS section of this document and in the [Commonwealth of Massachusetts Supplier Diversity Program \(SDP\) Policy for Purchase of Service \(POS\) Procurements and Contracts](#).

Suggested Practices for Best Value Evaluation of SDP Plans for Commodities and Services

While departments will continue to set evaluation criteria for their bids, the following best practices for measuring best value are provided for Departments' consideration. While the total number of evaluation points allocated to the SDP plan must be at least 25% of all evaluation points, departments determine the number of points allocated to each individual component of the SDP plan form. Note that regardless of ultimate scores in SDP criteria, to be awarded a contract a minimum of 1% must be committed by the bidder.

The evaluation point distributions used in examples are for illustrative purposes only. Departments have discretion in developing evaluation criteria for their solicitation within the boundaries set by the SDO Program Policies.

Example: The team documented the overall distribution of evaluation points as follows:³

<i>Form Section</i>	<i>Criterion</i>	<i>Points allocated</i>
<i>Section II</i>	<i>SDP Spending Commitment</i>	<i>15</i>
<i>Section III</i>	<i>Proposed SDP Partners</i>	<i>3</i>
	<i>Prior year spending with proposed SDP Partners</i>	<i>4</i>
<i>Section IV</i>	<i>Having an individual or unit responsible for SDP partnerships</i>	<i>1</i>
	<i>Having a public SDP spending policy</i>	<i>1</i>
<i>Section V</i>	<i>Additional Supplier Diversity Initiatives</i>	<i>1</i>
	<i>SDP Form Score TOTAL</i>	<i>25</i>

³ The criterion and points allocated in this and other examples in this document are for illustrative purposes only and not required for departments to follow. In this example, there are 100 total possible points for the procurement.

Evaluate the bidder's SDP commitment (Form Part II)

At least 15% of the total evaluation score should be dedicated to the bidder's SDP commitment.^{4, 5} Teams may use one of the following **three** methods to allocate points.

Example: The use of each method will be illustrated using the following hypothetical bid submissions:

Bidder Company	Total SDP Commitment Stated on the Form
Bidder A	1%
Bidder B	5.5%
Bidder C	10%
Bidder D	15%

Points awarded based on percentage range

Step 1: Set a maximum number of evaluation points for the evaluation of this section.

Step 2: Assign a number of evaluation points to each range of SDP Commitment percentages. The number of ranges and the number of points assigned to each range is at the discretion of the evaluation team.

Example: The team documented their criteria as follows:

Proposed Total SDP Commitment	Evaluation Points Awarded
<1% ⁶	0
1-2.99%	3
3-4.99%	6
5-6.99%	9
7-8.99%	12
9+%	15 (maximum)

Example evaluation results:

- Bidder A – 3 pts
- Bidder B – 9 pts
- Bidder C – 15 pts
- Bidder D – 15 pts

Points awarded for each percentage point of SDP commitment

Step 1: Set a maximum number of evaluation points for the evaluation of this section.

⁴ The form continues to collect SDP commitment information but enables departments to measure subcontracting and ancillary commitments separately. The separation of subcontracting and ancillary spending percentages does not imply that one is more inherently valuable than the other. The total SDP commitment will be used as a measure of each contractor's compliance with contract terms.

⁵ In addition to at least 15% of the evaluation score being dedicated to Part II of the SDP Form, the remaining 10% or less of the total evaluation score should be dedicated to the evaluation of Parts III, IV and V of the form.

⁶ An SDP plan that does not include an SDP commitment or includes a commitment of less than 1% is unacceptable and should be clarified with the bidder. It is at the SST's discretion whether the bidder's SDP evaluation score should be amended after such a clarification.

Step 2: Assign a number of evaluation points a bidder will earn for each percentage point of SDP Commitment. The number of points is at the discretion of the evaluation team.

$$\text{Bidder's score} = \text{Bidder's SDP commitment} * \text{Points per each 1\% SDP Commitment}$$

Example: The team documented their criteria as follows:

- Maximum number of points = 15
- Points per each 1% SDP Commitment = 2 pts
- **Evaluation formula:** (see the formula above)

Example evaluation results:

- Bidder A – 1% * 2 pts = 2 pts
- Bidder B – 5.5% * 2 pts = 11 pts
- Bidder C – 10% * 2 pts = 20 pts but capped at 15 pts
- Bidder D – 15% * 3 pts = 30 pts but capped at 15 pts

Points awarded based on comparison to the highest SDP commitment⁷

Step 1: Set a maximum number of evaluation points for the evaluation of this section.

Step 2: Find the highest SDP Commitment % offered.

Step 3: Calculate the number of evaluation points a bidder will earn for their proposed commitment.

$$\text{Number of points per 1\% commitment} = \frac{\text{Maximum number of evaluation points}}{\text{Highest SDP Commitment \% offered}}$$

$$\text{Bidder's score} = \text{Bidder's SDP commitment} * \text{Number of points per 1\% commitment}$$

Example: The team documented their criteria as follows:

- Maximum number of points = 15
- Evaluation formulas: (see the formulas above)

Example evaluation results:

- The highest SDP Commitment % offered: 15
- Number of points per 1% commitment = 15 points available / 15% bid = 1 point per 1% commitment
- Bidder A – 1% * 1 pt = 1 pt
- Bidder B – 5.5% * 1 pt = 5.5 pts
- Bidder C – 10% * 1 pt = 10 pts
- Bidder D – 15% * 1 pt = 15 pts

⁷ Note, this methodology can also be utilized with the second highest commitment, especially if it is expected that an outlier bidder with a very high commitment will be amongst the respondents.

Evaluating Proposed SDP Partners (Form Part III)

Section III of the SDP Plan Form combines the list of proposed SDP partners with optional information on the bidder's prior year spending with those partners. The SDO recommends that this section as a whole be given the second-highest number of evaluation points.

Example: The use of evaluation methods for this section will be illustrated using the following hypothetical bid submissions:

<i>Bidder Company</i>	<i># of Partners Proposed⁸</i>	<i>Partner Products/Services Described</i>	<i>Prior Spending with Proposed SDP Partners</i>
<i>Bidder A</i>	<i>1</i>	<i>Yes</i>	<i>\$15,000</i>
<i>Bidder B</i>	<i>2</i>	<i>Yes</i>	<i>\$50,000</i>
<i>Bidder C</i>	<i>5</i>	<i>No</i>	<i>\$100,000</i>
<i>Bidder D</i>	<i>None</i>	<i>No</i>	<i>\$0</i>

Eligible proposed SDP Partners must meet the following requirements to be evaluated:

- Proposed partners must be certified or recognized by the Supplier Diversity Office **OR** another certification organization in an eligible supplier diversity category. Self-certification is not acceptable.
- Bidders must provide the name of the organization that issued the SDP Partner's certification (e.g. the SDO, another city or state certification office, the U.S. Small Business Administration VetCert, the National Minority Supplier Development Council, the Women Business Enterprise National Council, etc.).
- While SDP Partners that are not certified or recognized by the SDO (but are certified by another organization) may be listed, it is the **responsibility of the Bidder** to ensure that their proposed SDP Partners obtain SDO certification or recognition prior to the end of current fiscal year. Spending with partners that are not certified or recognized by the SDO will not contribute to meeting the Contractor's SDP commitment.
- Diverse bidders may not list their own company as an SDP partner.

Example: The team documented their criteria as follows:

<i>Total Prior Year Spending</i>	<i>Evaluation Points Awarded</i>
<i>No partners listed⁹</i>	<i>0</i>
<i>Partners listed + products/services not described</i>	<i>1</i>
<i>Partners listed + products/services described</i>	<i>3</i>

Example evaluation results:

- *Bidder A – 3 pts*
- *Bidder B – 3 pts*
- *Bidder C – 1 pts*
- *Bidder D – 0 pts*

⁸ Although the number of proposed partners may suggest a higher degree of planning, the SDO recommends assigning more weight to bidders' prior history of spending with proposed partners rather than the number of partners itself. As a result, examples used in this document do not take the number of proposed partners into account. The SDO also advises against assigning different point values to different certification types (e.g. MBE, WBE, etc.)

⁹ An SDP Plan without at least one partner is unacceptable and should be clarified with the bidder. It is at the evaluation team's discretion whether the bidder's SDP evaluation score should be amended after such a clarification. Guidance on clarifications is available in OSD's Best Value Procurement Handbook.

Evaluating Prior Year Spending (Form Part III)

Points awarded based on ranges of prior spending

Step 1: Set a maximum number of evaluation points for the evaluation of this section.

Step 2: Assign a set number of evaluation points to each scenario listed below. The number of points assigned to each scenario is at the discretion of the evaluation team.

Example: The team documented their criteria as follows:

Total Prior Year Spending	Evaluation Points Awarded
\$1-\$5,000	1
\$5,001-\$10,000	2
\$10,001-\$50,000	3
>\$50,000	4

Example evaluation results:

- Bidder A – 3 pts
- Bidder B – 3 pts
- Bidder C – 4 pts
- Bidder D – 0 pts

Points awarded based on each dollar of prior year spending¹⁰

Step 1: Set a maximum number of evaluation points for the evaluation of this section.

Step 2: Assign a number of evaluation points a bidder will earn for each \$1,000 of prior year spending. The number of points is at the discretion of the evaluation team.

Example: The team documented their criteria as follows:

- Maximum number of points = 4
- Points per each \$1,000 = 0.25 pts capped at 4 points

Example evaluation results:

- Bidder A – 3.75 pts
- Bidder B – 4.0 pts
- Bidder C – 4.0 pts
- Bidder D – 0 pts

¹⁰ In order to not penalize small and diverse businesses that, because of their size, may not have as much prior year spending with diverse businesses than larger businesses, the procurement team may consider as an alternative to measure for each bidder the percentage that their prior year diversity spending represents of their total revenues.

Points awarded based on comparison to highest prior year spending

Step 1: Set a maximum number of evaluation points for the evaluation of this section.

Step 2: Find the highest total prior year spending amount.

Step 3: Calculate the number of evaluation points a bidder will earn for their proposed commitment.

$$\text{Number of points per \$1 of spending} = \frac{\text{Maximum number of evaluation points}}{\text{Highest prior year spending}}$$

$$\text{Bidder's score} = \text{Bidder's prior year spending} * \text{Number of points per \$1 of spending}$$

Example: The team documented their criteria as follows:

- Maximum number of points = 4

Example evaluation results:

- The highest total prior year spending amount: \$100,000
- Number of points per \$1 of prior spending = 4 points available / \$100,000 = 0.00004 pts
- Bidder A – 0.6 pts
- Bidder B – 2.0 pts
- Bidder C – 4.0 pts
- Bidder D – 0 pts

Assess the bidder's level of integration of supplier diversity into company operations (Form Part IV)

Departments should consider the following information presented in the Business Practices section of the form. The number of points assigned to each of the two questions is at the discretion of the evaluation team.

Example: The team documented their criteria as follows:

Question	Response and Evaluation Points Awarded
Does your company have an individual or a unit responsible for establishing and maintaining supplier diversity relationships?	No – 0 pts Yes, but no specifics provided – 0 pts Yes, and the name or unit specified – 1 pts
Does your company have a written policy for establishing and maintaining supplier diversity relationships?	No – 0 pts Yes, but no specifics provided – 0 pts Yes, and the link to the policy provided – 1 pts

No points awarded for personnel policies.

Assess the bidder's other value-added supplier diversity initiatives (Form Part V)

Departments should consider the following information presented in the Additional Supplier Diversity Initiatives section of the form. The number of points assigned to each of the two questions is at the discretion of the evaluation team.

Additional supplier diversity initiatives may include:

- Mentor-protégé relationships
- Technical and financial assistance provided to diverse businesses
- Joint ventures between nondiverse and diverse businesses
- Voluntary assistance programs by which nondiverse business employees are loaned to diverse businesses or by which diverse business [employees] are taken into viable business ventures to acquire training and experience in managing business affairs

While diversity and inclusion initiatives related to personnel are important, this form focuses on supplier diversity initiatives, so points should not be awarded for initiatives related to hiring, retention, promotion, etc. of personnel.

Example: The team documented their criteria as follows:

Question	Response and Evaluation Points Awarded
Please describe any additional initiatives related to engaging, buying from and/or collaborating with diverse businesses.	No initiatives listed – 0 pts At least one supplier diversity initiative listed – 1 pt

No points will be awarded for personnel policies.

Consideration of bidder performance on prior contracts

For contractors on current and prior contracts, a bidder's history of SDP reporting and meeting SDP commitments on prior contracts may be indicative of their ability to report and perform on a new contract. Criteria may deduct evaluation points based on a bidder's failure to meet their SDP commitment and/or consistently not filing SDP reports on a prior contract. The number of points deducted may be set to vary based on the severity of noncompliance. If the team intends to use this information in their evaluation, it must be included in the evaluation criteria.

Suggested Practices for Best Value Evaluation of SDP Plans for Purchase of Service (POS) Procurements

Similar to the acquisition of general commodities and services, Departments conducting procurements for the acquisition of client health and human services, also referred to as Purchase of Service (POS), will continue to set evaluation criteria for their bids.

POS procurements utilize a different SDP Plan Form compared to general commodities and services. The SDP Plan Form for POS is worth 25% of the total evaluation points. The SDP Plan Form for POS is filed annually as part of a provider's Uniform Financial Statements and Independent Auditor's Report (UFR) for the completed fiscal year. The form contains:

- The provider's SDP spending for the UFR completed/reporting year ("prior year spending") and
- The amount(s) committed by the provider to spending with diverse business partners for the year in progress ("current-year spending")

Minimum Acceptable Standard for Evaluation: In situations where bid submissions are not scored (i.e. bids to establish qualified lists of contractors), SDP Plans still must be evaluated. To be acceptable, an SDP plan must include, at a minimum:

- **For new providers:** at least one eligible SDP Partner and a current-year financial commitment
- **For existing providers:** at least one eligible SDP Partner, prior-year spending information, and a current-year financial commitment

Eligible proposed SDP Partners must meet the following requirements:

- Proposed partners must appear in the [SDO Directory of Certified Businesses](#) or in the [SBA Veterans Small Business Certification \(VetCert\)](#) directory. Self-certification is not acceptable.
- Diverse bidders may not list their own company as an SDP partner.¹¹

If response evaluation involves scoring, Departments are required to create thorough evaluation criteria beyond the minimum requirements above. The evaluation of SDP plans must reward vendors with higher evaluation scores for those bidders with higher SDP commitments and higher likelihood of compliance. Departments determine the maximum number of points available for each evaluation component within the SDP plan evaluation, which must account for a minimum of 25% of the total evaluation score.

The evaluation point distributions used in examples are for illustrative purposes only. Departments have discretion in developing evaluation criteria for their solicitation within the boundaries set by the SDO Program Policies.

Supplier Diversity Program (SDP) Form for Purchase of Service (POS)

Providers must complete this form in its entirety to be qualified to contract with Commonwealth Agencies for POS services.

This form must be filed annually with a provider's UFR Report, and a copy of the completed form must be submitted when responding to POS contract opportunities with an Executive Department.

Submission for Fiscal Year (YYYY)		Please do not convert to PDF. See "How to Submit" for instructions.
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Part I Contractor Contact Information (Required)

Business Name	Contact Name	Contact Email	Contact Phone

Part II Provider Revenue Information for the UFR Reporting Year (Required)

Provider's Revenue from Commonwealth POS Contracts in the UFR Reporting Year (e.g. FY2022)	
Provider's Total Gross Revenue in the UFR Reporting Year (e.g. FY2022)	

Part III SDP Partner Information (Required) (Insert additional lines as needed)

Providers that are currently SDO Certified may not list themselves as a Partner.

Planned and Current SDP Partner Company Name(s) (as it appears in a database of eligible partners)*	Certification Type (Choose One)**	Relationship Type (Subcontracting or Ancillary) (Choose One)	Expended Amount in the UFR Reporting Year (e.g. FY2022)	Committed Amount in Current Fiscal Year (e.g. FY2023)
TOTAL			\$ -	\$ -
PERCENT (%) OF POS SPEND			0%	

Acceptable Partnership Types

- Subcontracting** is a business relationship in which the SDP partner is involved in the provision of services directly to the client or to the Commonwealth.
- Ancillary Products and Services** is a business relationship in which the SDP partner provides products or services that are not directly related to the prime contractor's contract with the Commonwealth but instead are related to their general business operations.

***Eligible SDP Partners can be found by searching:**

[Supplier Diversity Office Directory of Certified Businesses](#)
[Veteran Small Business Certification \(sba.gov\)](#)

How to Submit this Form:

- Complete the form electronically. No signature is required.
- "Save as" an Excel 97-2003 Workbook (*.xls)
- Important: Do not use the current Excel Workbook (*.xlsx) format.**
- Submit with your UFR filing. Enter "SDP Form" under Document Category.

****All SDP Partners must possess one or more of the following certification types:**

MBE - Minority Business Enterprise
WBE - Woman Business Enterprise
SDVOBE - Service-Disabled Veteran-Owned Business Enterprise
VBE - Veteran-Owned Business Enterprise
M/NPO - Minority Non-Profit Organization
W/NPO - Women Non-Profit Organization
V/NPO - Veteran Non-Profit Organization
DOBE - Disability-Owned Business Enterprise
LGBTBE - Lesbian, Gay, Bisexual or Transgender Business Enterprise

Form updated 07/18/2023

¹¹ Note that the SDP Plan Form for POS contracts is the same form used to report through the UFR, so POS bidders are instructed to use SDO certified and recognized partners whenever they complete this form.

Evaluate the bidder's current-year commitment (Form Part III)

At least 15% should be dedicated to the bidder's Total Committed for the Current Fiscal Year. Teams may use one of the following **three** methods of allocating points:

Example: The use of each method will be illustrated using the following hypothetical bid submissions:

Provider/Bidder	Total Committed for the Current Fiscal Year
Provider A	\$0 (no partners listed)
Provider B	\$0 (partners listed, but no committed amount)
Provider C	\$50,000
Provider D	\$100,000

Points awarded based on ranges of commitment amounts

Step 1: Set a maximum number of evaluation points for this section.

Step 2: Assign a number of evaluation points to each range of commitment amounts. The number of ranges and the number of points assigned to each range is at the discretion of the evaluation team.

Example: The team documented their criteria as follows:

Total Committed for the Current Fiscal Year	Evaluation Points Awarded
No partners listed and/or no current-year commitment	0
Partners listed + current-year commitment of:	
\$1-\$1,000	1
\$1,001-\$5,000	3
\$5,001-\$10,000	6
\$10,001-\$50,000	9
\$50,001-\$100,000	12
>\$100,000	15

Example evaluation results:

- Bidder A – 0 pts
- Bidder B – 0 pts
- Bidder C – 9 pts
- Bidder D – 12 pts

Points awarded with each dollar of committed current year spending

Step 1: Set a maximum number of evaluation points for the evaluation of this section.

Step 2: Assign a number of evaluation points a bidder will earn for each \$1,000 committed spending. The number of points is at the discretion of the evaluation team.

Example: The team documented their criteria as follows:

- Maximum number of points = 15
- Points per each \$1,000 = 0.5 pts

- *Evaluation point allocation:*

<i>Total Committed for the Current Fiscal Year</i>	<i>Evaluation Points Awarded</i>
<i>No partners listed¹²</i>	<i>0</i>
<i>Partners listed + no current-year commitment⁷</i>	<i>0</i>
<i>Partners listed + current year commitment</i>	<i>0.5 pts for each \$1,000 up to 15 pts</i>

Example evaluation results:

- *Bidder A – 0 pts*
- *Bidder B – 0 pts*
- *Bidder C – \$50,000 * 0.5 pts = 25 pts but capped at 15 pts*
- *Bidder D – \$100,000 * 0.5 pts = 50 pts but capped at 15 pts*

Bidders earn evaluation points based on comparison to the highest committed amount¹³

Step 1: Set a maximum number of evaluation points for the evaluation of this section.

Step 2: Find the highest total current year commitment.

Step 3: Calculate the number of evaluation points a bidder will earn for their proposed commitment.

$$\text{Number of points per \$1 of commitment} = \frac{\text{Maximum number of evaluation points}}{\text{Highest commitment amount}}$$

$$\text{Bidder's score} = \text{Bidder's total commitment} * \text{Number of points per \$1 of commitment}$$

Example: *The team documented their criteria as follows:*

- *Maximum number of points = 15*
- *Evaluation point allocation:*

<i>Total Committed for the Current Fiscal Year</i>	<i>Evaluation Points Awarded</i>
<i>No partners listed¹⁴</i>	<i>0</i>
<i>Partners listed + no current year commitment</i>	<i>0</i>
<i>Partners listed + current year commitment</i>	<i>(see the formulas above)</i>

Example evaluation results:

- *The highest SDP Commitment % offered: \$100,000*
- *Number of points per 1% commitment = 15 points available / \$100,000 = 0.00015 pts*
- *Bidder A – 0 pts*
- *Bidder B – 0 pts*
- *Bidder C – 7.5 pts*
- *Bidder D – 15 pts*

¹² An SDP Plan without at least one partner and a valid current-year spending commitment is unacceptable and should be clarified with the bidder. It is at the evaluation team's discretion whether the bidder's SDP evaluation score should be amended after such a clarification.

¹³ Note, this methodology can also be utilized with the second highest commitment, especially if it is expected that an outlier bidder with a very high commitment will be amongst the respondents.

¹⁴ An SDP Plan without at least one partner and a valid current-year spending commitment is unacceptable and should be clarified with the bidder. It is at the evaluation team's discretion whether the bidder's SDP evaluation score should be amended after such a clarification.

Evaluate the bidder's prior year spending (Form Part III)

The SDO recommends this section of the SDP Plan be given the second-highest number of evaluation points. The methods used for this evaluation are the same as those used for evaluating the current-year commitment (see above).

Additional equity and inclusion criteria relevant to health and human services

Departments may incorporate additional equity and inclusion criteria relevant to health and human services, including, but not limited to, those addressing racial disparities and health equity, as well as cultural and linguistic accessibility and proficiency, into the SDP evaluation. The total score allocation for such additional criteria may not exceed 10% of the total evaluation score.

Consideration of provider performance in prior years

For providers with current or past POS contracts, the providers' history of non-compliance with SDP reporting and spending may be included in bid evaluation criteria. Criteria may deduct evaluation points based on a provider's failure to meet program requirements and/or consistently not filing SDP reports over a specific period. The number of deducted points may vary based on the severity of noncompliance.

Addressing bidder size disparities in the evaluation of SDP Plans

In situations where a department expects a significant disparity in the sizes of bidder companies, the evaluation criteria may consider the impact of the bidder's company size (indicated as the average gross annual revenue on the SDP Plan Form), the bidder's potential ancillary spending, and total historical SDP spending. Considering company size in the evaluation may help a department ensure that smaller businesses do not face barriers in the procurement and are not treated unfairly when compared to larger businesses.

Approaches available for such evaluation include but are not limited to:

- A. Scoring SDP commitments and historical spending of bidders qualified through the Massachusetts Small Business Purchasing Program (SBPP) separately from bidders that are not qualified through the SBPP.¹⁵ This approach will work well with scoring method 1.3 available for both general goods and services and POS. The method assigns scores based on how each bidder compares to the highest committed percentage or amount, which may be expected to be different for SBPP participants and larger companies.
- B. Scoring SDP commitments and historical spending of smaller bidders (e.g. less than \$15 million dollars in annual average revenue, regardless of the primary place of business or number of employees) separately from larger bidders. This option is similar to Option A but extends the benefit of size consideration to all smaller businesses. This approach will work well with scoring method 1.3 available for both general goods and services and POS.
- C. Using a factor proportional to the bidders' average annual revenue stated on the SDP form to adjust ancillary spending and historical SDP spending totals used for evaluation.

¹⁵ While departments may evaluate bidders in groups by size, we strongly discourage the establishment of separate contract categories for small and large contractors, especially in cases where those require duplicative price solicitation for the same product or service or create the perception that products/services offered by a diverse or small business do not meet the same specifications.

SDP Plan Best and Final Offer (BAFO) and Negotiation

[801 CMR 21.07\(1\)](#) and the [Best Value Procurement Handbook](#) address the inclusion of bidders' SDP commitments into BAFO and contract negotiation. The [Best Value Procurement Handbook](#) suggests using BAFO in situations when SDP plans are inadequate. In addition, the Supplier Diversity Plan (SDP) Negotiations section of the handbook states: "Prior to signing a contract, agencies may negotiate the SDP Plan for spending with SDP Partners certified or recognized by the SDO for the duration of the contract, but only to increase what was committed to in the original response. Negotiated changes must be included in the procurement file."

Questions about SDP Plan Form evaluation

Questions regarding the evaluation of SDP Plan Forms should be directed to sdp@mass.gov