Past Performance Questionnaire Cost Calculation

In fiscal year 2014, there were approximately 296,491 competed professional services procurement actions.[1] Assume that on 50% of these actions, 3 past performance questionnaires were required and an average of 3 offers were received and evaluated. This means that there were a total of approximately 1,334,210 instances where a past performance questionnaire was specified, responded to and evaluated.

The computation of costs associated with this activity and potential annual savings achievable by using a Standard PPQ Form are shown in the following table.

Item	Description	Calculation	Result
A	FY 2014 total number of competed procurements	Analysis of FPDS data via USASpending.gov	296,491
B	Average number of PPQs in each solicitation	estimate	3
C	Average number of offerors per solicitation	estimate	3
D	Total number of PPQs prepared by industry & government	A*B*C*.5	1,334,210
E	Amount of time spent by acquisition personnel to prepare a unique PPQ instruction/format	estimate	2 hours
F	Amount of time spent by industry to respond to a unique PPQ solicitation instruction/format	estimate	12 hours
G	Amount of time spent by government to respond to a unique PPQ solicitation instruction/format	estimate	3 hours
H	Amount of time spent by government personnel to evaluate a unique PP solicitation instruction/format	estimate	3 hours
I	Cost of E	E*(GS-12 hourly cost ($47))	$ 94
J	Cost of F	F*(Proposal Team blended rate hourly cost ($90))	$ 1,080
K	Cost of G	G*(GS-12 hourly cost ($47))	$ 141
L	Cost of H	H*(GS-12 hourly cost ($47))	$ 141
M	Amount of time to use standard PPQ form in solicitation for government	estimate	1 hour
N	Amount of time to respond to standard PPQ form for industry	estimate	6 hours
O	Amount of time to respond to standard PPQ form for government	estimate	2 hours
P	Amount of time to evaluate standard PPI form for government	estimate	2 hours
Q	Cost of M	M*(GS-12 hourly cost ($47))	$ 47
R	Cost of N	N*(Proposal Team blended rate hourly cost ($90))	$ 540
S	Cost of O	O*(GS-12 hourly cost ($47))	$ 94
T	Cost of P	P*(GS-12 hourly cost ($47))	$ 94
U	Total cost associated with the way PPQ solicitation instructions and responses are accomplished now	(A*.5*I)+ (D*J)+(D*K)+(D*I)	$ 1,768,420,570
V	Total cost associated with using standard PPQ form in solicitation instructions and responses	(A*.5*Q)+(D*R)+(D*S)+(D*T)	$ 978,272,055
W	**Savings by implementing standard PPQ form**	U-V	**$ 790,148,515**

[1] Estimate based on FEDMINE.us analysis of Federal Procurement Data System (FPDS) data accessed via USASpending.gov and additional sources.