

Are Your Pricing Schedules Throwing You a Curveball?

Presented by:

Jan Giffin, CPPO, CPPB, VCO



FORUM2014

Pricing Schedules

What is a pricing schedule?

Is the pricing schedule clear?

Does the pricing schedule cover all possibilities?



Pricing Schedules

Are pricing schedules the same?

- Sometimes they can be “cookie cutter”
- Sometimes very different

Pricing Schedules

Does a good pricing schedule make the evaluation process easier?

Does a good pricing schedule help you administer a contract more effectively?

Pricing Schedules

Is the pricing schedule clear?

Tree Removal Services for assorted tree sizes:

6 inches to 12 inches

12 inches to 18 inches

18 inches to 24 inches

24 inches to 30 inches

30 inches to 36 inches

36 inches to 42 inches



Pricing Schedules

Tree Removal Services for assorted tree sizes:

Award Pricing:

6 inches to 12 inches	\$200
12 inches to 18 inches	\$275
18 inches to 24 inches	\$350
24 inches to 30 inches	\$425
30 inches to 36 inches	\$500
36 inches to 42 inches	\$650

What is the price for a 12 inch tree? A 24 inch tree?



Pricing Schedules

Tree Removal Services for assorted tree sizes:

	Award Pricing:
> 6 inches & ≤ 12 inches	\$200
> 12 inches & ≤ 18 inches	\$275
> 18 inches & ≤ 24 inches	\$350
> 24 inches & ≤ 30 inches	\$425
> 30 inches & ≤ 36 inches	\$500
> 36 inches & ≤ 42 inches	\$650

What is the price for a 12 inch tree? \$200

What is the price for a 24 inch tree? \$350



Pricing Schedules

What should a pricing schedule consider?

- Fixed costs
 - Equipment
 - Repetitive monthly costs
 - Maintenance
- Variable costs
 - Parts
 - Supplies
 - Training
 - Unknowns

Pricing Schedules

Should a pricing schedule be in writing?



Pricing Schedules

Simple pricing schedules

- Single Quote
- Fax Back
- QQ

Pricing Schedules





In Process

ID	Title	Created	Publish Date	Due Date	Status	
EVA001_QQ011568	Copy of Spring Flowers	03/28/2011		04/20/2011 04:00:00 PM	composing	Actions
EVA001_QQ011562	Spring Flowers	03/28/2011		04/20/2011 04:00:00 PM	composing	Actions
EVA001_QQ011499	Copy of Widgets #2	12/06/2010		12/06/2011 01:00:00 PM	composing	Actions

[▲ Top](#)

Issued

ID	Title	Publish Date	Due Date	Count	Status	
No requests to display.						

[▲ Top](#)

Closed-Evaluating

ID	Title	Publish Date	Due Date	Bid Valid	Count	Status	
No requests to display.							

[▲ Top](#)

Past

ID	Title	Created	Publish Date	Due Date	Bid Valid	Count	Status	
EVA001_QQ012438	Business Mtg 2 Supplies	10/28/2012	10/28/2012 10:52 PM	06/04/2013 09:00:00 AM	60 Days	1	contact buyer	Actions
EVA001_QQ011498	Widgets #2	12/06/2010	12/06/2010 11:37 AM	12/06/2010 01:00:00 PM	30 Days	0	contact buyer	Actions
EVA001_QQ011497	widgets	12/06/2010	12/06/2010 11:36 AM	12/06/2010 01:00:00 PM	30 Days	0	contact buyer	Actions
EVA001_QQ011425	Business Mtg Supplies	06/03/2010	06/03/2010 02:47 PM	06/04/2010 09:00:00 AM	60 Days	3	awarded	Actions

[▲ Top](#)

Pricing Schedules



ID: EVA001_QQ013486 - **composing**

[Next](#) [Save/Close](#)

P005TF - PCR AE Agency 1 | Jan Giffin | 804-225-2377 | jan.giffin@dgs.virginia.gov

Set-Aside?:

* Request Title:

Business Mtg Supplies

* Category:

Supplies - Non-Technology

* Close Date:

11/25/2014

* Close Time:

09:00

AM

Future Publish Date:

Bid Valid (Days):

60

Service Area:

98

[View Service Area Map](#) [View Service Area Table](#)

Award Method:

Line

Comments:

Brand Name or Equal

Special Terms and Conditions:

See Attachment for Special Terms & Conditions

Attachments:

Attached Files

Proprietary and Confidential

eVA Std Terms and Conditions.htm

No

[Manage Attachments](#)

Request Items

Item 1, 3-ring D Slant Binders, 5" capacity

Pricing Schedules



ID: EVA001_QQ013486 - **composing**

[Previous](#) [Next](#) [Save/Close](#)

Item Management

[Add New Item](#) [Copy](#) [Delete](#) [Select All](#) [Clear Selection](#)



Select	Lot ID	Item ID	NIGP Code	Description	Unit of Measure	Quantity	Need By Date	Edit
<input type="checkbox"/>		1	66005	3-ring D Slant Binders, 5" capacity	ea	12	01/05/2015	Edit
<input type="checkbox"/>		2	66005	8-tab Index dividers	ea	25	01/05/2015	Edit
<input type="checkbox"/>		3	66005	Sheet Protectors	ea	50	01/05/2015	Edit

Add NIGP Codes

Commodity

61500 OFFICE SUPPLIES, GENERAL

[Delete](#)

61511 Binder Sheets: Accounting, Columnar, Index, Journal, Ledger, etc.

[Delete](#)

Search Here (Code or Description)

[Add Codes](#)



[▲ Top](#)

[Previous](#) [Next](#) [Save/Close](#)

Pricing Schedules

Previous Next Cancel

Line Item Evaluation

Add Comment No Award All



ITEM 1 Qty = 12, UOM = ea, Desc = 3-ring D Slant Binders, 5" capacity											
Select	Vendor	Registration Type	SWAM	Qty	UOM	Unit Price	Total ▲	Attachments	QQ Ver	Response ID	Paper Response
<input type="radio"/>	Pabst Blue Ribbon Beer	Self-Registered		12	ea	\$11.25	\$135.00	No	1	EVA001_QQ011425_RESP_1	
<input type="radio"/>	Rolling Rock	Self-Registered		12	ea	\$14.75	\$177.00	No	1	EVA001_QQ011425_RESP_1	
<input type="radio"/>	ATLANTIC OFFICE SUPPLY, INC	Self-Registered		12	ea	\$24.97	\$299.64	No	1	EVA001_QQ011425_RESP_1	P
<input type="radio"/>	No Award This Line										

ITEM 2 Qty = 25, UOM = ea, Desc = 8-tab Index dividers											
Select	Vendor	Registration Type	SWAM	Qty	UOM	Unit Price	Total ▲	Attachments	QQ Ver	Response ID	Paper Response
<input type="radio"/>	Rolling Rock	Self-Registered		25	ea	\$4.95	\$123.75	No	1	EVA001_QQ011425_RESP_1	
<input type="radio"/>	Pabst Blue Ribbon Beer	Self-Registered		25	ea	\$12.50	\$312.50	No	1	EVA001_QQ011425_RESP_1	
<input type="radio"/>	ATLANTIC OFFICE SUPPLY, INC	Self-Registered		25	ea	\$16.49	\$412.25	No	1	EVA001_QQ011425_RESP_1	P
<input type="radio"/>	No Award This Line										

ITEM 3 Qty = 50, UOM = ea, Desc = Sheet Protectors											
Select	Vendor	Registration Type	SWAM	Qty	UOM	Unit Price	Total ▲	Attachments	QQ Ver	Response ID	Paper Response
<input type="radio"/>	Pabst Blue Ribbon Beer	Self-Registered		50	ea	\$10.79	\$539.50	No	1	EVA001_QQ011425_RESP_1	
<input type="radio"/>	Rolling Rock	Self-Registered		50	ea	\$12.50	\$625.00	No	1	EVA001_QQ011425_RESP_1	
<input type="radio"/>	ATLANTIC OFFICE SUPPLY, INC	Self-Registered		50	ea	\$17.50	\$875.00	No	1	EVA001_QQ011425_RESP_1	P
<input type="radio"/>	No Award This Line										

Download Responses

▲ Top

Previous Next Cancel

Pricing Schedules



[Next](#) [Cancel](#)

Evaluate Request

Request Header

Buyer Agency:	P005TF - PCR AE Agency 1	
Buyer Name:	Jan Giffin	
Buyer Phone #:	804-225-2377	
Buyer Email:	jan.giffin@dgs.virginia.gov	
Request ID:	EVA001_QQ011425	
Request Title:	Business Mtg Supplies	
Set Aside:	SET-ASIDE FOR SMALL BUSINESSES	
Category:	none	
Status:	awarded	
Response Due Date:	06/04/2010 09:00 AM	
Service Area:	98	
Award Method:	Line	
Comments:	Brand Name or Equal	
Special Terms and Conditions:	See Attachment for Special Terms & Conditions	
Attachments:	Attached Files	Proprietary and Confidential
	All picktickets.pdf	No
	eVA Std Terms and Conditions.htm	No

[Add Comment](#)

[No Award All](#)

Publish Bid Tabulation

Set status to Awarded
Time expired to change status

Evaluation History

[EVA001_AWD_785](#)

Award Method:

Pricing Schedules

Evaluate Request

- The Evaluate Request page shows the Request Header with the award method set to the value you selected when you created the request
- You can award by *Line Item, Lot, or Grand Total*. You can change the award method using the drop-down list. You can use only one award method for all items on a request. You cannot split the award method (that is, use the Lot method for some lines and award the rest of the lines by the Line Item method).



Pricing Schedules



ID: EVA001_QQ013486 - **composing**

[Next](#) [Save/Close](#)

P005TF - PCR AE Agency 1 | Jan Giffin | 804-225-2377 | jan.giffin@dgs.virginia.gov



Set-Aside?:

* Request Title: Business Mtg Supplies

* Category: Supplies - Non-Technology

* Close Date: 11/25/2014

* Close Time: 09:00 AM

Future Publish Date:

Bid Valid (Days): 60

Service Area: 98 [View Service Area Map](#) [View Service Area Table](#)

Award Method: Line

Comments: Line
Lot
Grand Total

Special Terms and Conditions: See Attachment for Special Terms & Conditions

Attachments: **Attached Files** **Proprietary and Confidential**
eVA Std Terms and Conditions.htm No

[Manage Attachments](#)

Request Items
Item 1, 3-ring D Slant Binders, 5" capacity

Pricing Schedules

Are you adding an “AWARD” clause to your Quick Quote?

What does an award clause do for a Quick Quote?

Pricing Schedules

AWARD:

- The Commonwealth will make the award(s) on _____ basis to the lowest responsive and responsible bidder.
- The purchasing office reserves the right to conduct any test it may deem advisable and to make all evaluations.

Pricing Schedules

AWARD:

- The Commonwealth also reserves the right to reject any or all bids, in whole or in part, to waive informalities and to delete items prior to making the award, whenever it is deemed in the sole opinion of the procuring public body to be in its best interest.



Pricing Schedules

2.L. AWARD:

Award of the contract shall be made to the lowest responsive and responsible bidder that is a DSBSD-certified micro business if such a bid is received, provided that the bid is less than \$10,000 and the agency in its sole discretion determines that the bid price is fair and reasonable. Otherwise, award of the contract shall be made to the lowest responsive and responsible bidder that is a DSBSD-certified small business if such a bid is received, provided that the bid is not more than \$100,000 and the agency in its sole discretion determines that the bid price is fair and reasonable. If, in the agency's opinion, the criteria in the previous two sentences are not present, then



Pricing Schedules

2.L. AWARD (continued):

award shall be made to the lowest responsive and responsible bidder of any size, provided the agency in its sole discretion determines that the price is fair and reasonable. If applicable, unit prices, extensions and grand total must be shown. In case of arithmetic errors, the unit price will govern. If cash discount for prompt payment is offered, it must be clearly shown in the space provided. Discounts for early prompt payment will not be considered in making awards. The State reserves the right to reject any and all bids in whole or in part, to waive any informality, and to delete items prior to making an award.

*** When Used: This award clause may be used in invitations for bids for goods or services where the procurements is set-asides in accordance with the Small Business Enhancement Award Priority.**



Pricing Schedules

Complex Pricing Schedules (IFB or RFP)

- Complex Requirements
- Hourly Rates
- Time & Materials
- Fixed & Variable Costs
- Maintenance
- Training
- Life Cycle Costs

Pricing Schedules

RFP for a Safety Training Program

- Pricing Proposal:
 - Provide a detailed fee proposal to provide all goods/services under your program
 - What is included?
 - Will something be omitted?

Pricing Schedules

Be more specific

- Plan and coordinate instructor training classes
- Maintain student database
- Travel costs for trainers
- Develop testing plan

Pricing Schedules

Consider Life Cycle Cost

- Determine all cost factors
 - Equipment
 - Supplies
 - Maintenance

EQUIPMENT BID FORMS
36 MONTH RENTAL - CONNECTED
NAME: 0

Bench mark	Monthly Copies Volume Range	Zones Bid	Copies Per Minute	Copier Make and Model and Accessories required to meet Benchmark Specification	CPC - Cost Per Copy (includes maintenance and supplies for benchmark) Volume Break Bands			Minimum for Monthly Maintenance	Price Escalation	
					CPC	Volume Band	Copies			
12A	1,000 to 5,000	97						1000 Copies	For Year 2	%
		98							For Year 3	%
		99						\$0.00	For Year 4	%
		100								
		101								
		102								
		103								
104										
		105								
		106								

Life Cycle Cost/Cost Per Copy Analysis

Extended Totals

1. Cost to Run Benchmark Per Month Based on CPC/Volume Bands Bid **Quote = 5,000**

CPC		Band Total	Total
0.0000	X	0	\$ -
0.0000	X	0	\$ -
0.0000	X	0	\$ -
0.0000	X	0	\$ -
0.0000	X	5000	\$ -

Total to run benchmark per month **\$ -**

2. Four Year Evaluation

Year	Escalation %	
1		\$ -
2	1.0000	\$ -
3	1.0000	\$ -
4	1.0000	\$ -

3. Life Cycle Cost

Total **\$ -**

ACCESSORY PRICING

47 Bidders may bid prices on options which are available for the specific copier model. Features which are mandatory for the benchmark specification shall not be included in the pricing bid below.

48

49	Option	Monthly Rental	Option	Monthly Rental
50				
51				
52				
53				
54				
55				
56				
57				
58				

59 EQUITY QUOTATION SHEET

60	EQUITY QUOTATION SHEET	
61	Name:	0
62	Acquisition Plan:	36 MONTH RENTAL - CONNECTED
63	Benchmark:	12A
64	Copier Make and Model:	0

65

67	36 Month Rental	
69	End of Month	Purchase Price
70	12	
71	15	
72	18	
73	21	
74	24	
75	27	
76	30	
77	33	
78	36	



Pricing Schedules

Consider Evaluation Scenarios

- Vendors may try to play with pricing for single unit evaluations

Pricing Schedules

Tree Removal Services for assorted tree sizes:

	Pricing:	
> 6 inches & ≤ 12 inches	\$ 200	\$ 350
> 12 inches & ≤ 18 inches	\$ 275	\$ 375
> 18 inches & ≤ 24 inches	\$ 350	\$ 325
> 24 inches & ≤ 30 inches	\$ 425	\$ 425
> 30 inches & ≤ 36 inches	\$ 500	\$ 350
> 36 inches & ≤ 42 inches	<u>\$ 650</u>	<u>\$ 500</u>
	\$2400	\$2325

Pricing Schedules

Tree Removal Services for assorted tree sizes:

	<u>QTY</u>	<u>Pricing:</u>
> 6 inches & ≤ 12 inches	75	\$ 200
> 12 inches & ≤ 18 inches	75	\$ 275
> 18 inches & ≤ 24 inches	60	\$ 350
> 24 inches & ≤ 30 inches	50	\$ 425
> 30 inches & ≤ 36 inches	30	\$ 500
> 36 inches & ≤ 42 inches	20	\$ 650
		\$2400
		\$2325
		\$105,875
		\$115,625



Pricing Schedules

Success Stories

Not – so - Successful Stories



QUESTIONS??

