

Design & Construction Division

Contractor Performance Evaluation (CPE)

Purpose of Contractor Performance Evaluation

An important part of the mission of Penn State Office of Physical Plant (OPP) is to provide quality and cost effective services. OPP depends on contracted forces to support this mission. In order to meet customer expectations and our commitment to continuous quality improvement, OPP must develop partnerships with construction firms and contractors to improve the overall performance of construction projects. The Contractor Performance Evaluation (CPE) is one tool to facilitate improved performance.

The intent of CPE is to improve the delivery and quality of projects, to promote better working relationships between OPP and contractors, and to remove poor performing firms from Penn State's Pre-qualified Bidders List.

While the official CPE is not completed until the end of the project, interim communication throughout the project about performance is encouraged between OPP stakeholders and the contractor using the CPE as a guide. The CPE form is available on the Process Portal.

CPE Process

1. The Project Leader will schedule a meeting of an Evaluation Committee (EC) consisting of appropriate stakeholders to perform the CPE after the close-out portion of the project. Evaluations are to be performed on all designated pre-qualified trades for a particular project. However, evaluations are recommended on all projects whether pre-qualification is designated or not. Parties participating in the EC shall include, at a minimum, the Project Leader and Construction Services Representative.
2. The Project Leader will forward the completed CPE to the Contractor Liaison (CL) for review. The CL will attach the performance evaluation to the vendor entry in the master database for future reference. The PL will share the evaluation with the contractor to ensure areas for improvement are discussed.
3. Firms receiving an unsatisfactory mark (score below 50) will be considered for removal from the Pre-qualified Bidders List for a period of no less than six months. Prior to removal action, the firm will be given the opportunity to rebut either in writing or by scheduling a meeting through the CL. Along with the PL, the Director, Design & Construction (Director) or Asst. Director, Design & Construction (Director) and Contractor Liaison will attend the rebuttal meeting or review the written rebuttal with the EC.
4. The final removal decision will be made by the Director considering the CPE (which is project specific) and additional factors such as other project experiences, contractual relationships, prior consequence precedence, and other influences and will formulate a recommendation with justification. The Director will forward the recommendation regarding removal with all supporting information to the Associate Vice President for Office of Physical Plant (AVP).
5. After review by the AVP, further discussion (if warranted), and agreement on appropriate consequences, the Director will notify the CL of the final decision. Consequences other than the specified guidelines may be considered. The CL will notify the firm of the result.
6. As the goal of the University is to work with responsible construction firms, **Penn State also reserves the right to remove contractors for unacceptable work/inappropriate conduct, such as, but not limited to, poor quality of work or serious safety issues, regardless of the results of the evaluation.**
7. Contractor Performance Evaluations will be retained indefinitely for reference purposes. They will be available to all through the master vendor listing.

Guidelines for Reviewers

The following definitions are being furnished as a guide for assisting evaluators in determining an appropriate rating for firms.

For each category the EC is to establish a single value between 0 and 100. The EC is not restricted to using the numerical values shown but can establish a rating between the points shown. For example, if you feel the contractor performed somewhere between Average and Very Good you can establish a rating of **60**.

The final score is based on a weighted average established on the summary form. Firms with a score of **49** or less will be considered for removal from the prequalification list in the trade category listed on the review form.

Definitions of Rating Levels:

1. Unacceptable (0) The company's performance indicates very little or no effort extended to satisfy the minimum requirements.
2. Poor (25) The company made an effort but the result was not the desired outcome. The firm did not meet an acceptable level of performance.
3. Average (50) The company's performance was acceptable but did not, in any way, exceed the expectations.
4. Very Good (75) The company's performance exceeded expectations and produced the desired result. The company stands out from other companies in regards to performance.
5. Excellent (100) The company consistently exceeded expectations and always provided an exceptional result.