SERVICE CONTRACTING

A DESK GUIDE TO BEST PRACTICES

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FOREWORD

For decades, panels and commissions have noted the need for acquisition reform. Even Tony Bretano, the fictional Secretary of Defense in Tom Clancy's "Executive Orders" recognized the problem in stating: "I am especially concerned with the procurement system. It takes too long and costs too much. The problem isn't so much corruption as an attempt to impose a standard of fairness so exacting that - well, as a pedestrian example, if you bought food the way DOD is forced to buy weapons, you'd starve to death in the supermarket while trying to decide between Libby and Del Monte pears."

With the advent of acquisition reform offices, real downsizing and substantial budget reductions in recent years, acquisition reform is becoming a reality, a mandate. To date, most of our efforts have been focused on hardware and systemic change, such as the elimination of military specifications and standards. Sufficient attention has not been given to improving service contracting, on which the Federal Government spends over $100 Billion per year. In FY-97, the Navy spent over $19 Billion, 57% of its total contractual obligations, for services.

Top administration officials have recognized the lack of focus on the improvement of contracting for services. On 1 April 1998, SECDEF sent Congress a plan for streamlining DOD acquisition, which calls for establishing training in service contracting under his broader initiative of increasing acquisition workforce education and training. It is clear that service contracting will become an even greater area of concern as outsourcing continues to increase and the size of the acquisition workforce continues to decrease.

The purpose of this service contracting guide is to provide a forum for the exchange of ideas, lessons learned, concerns and best practices. It is suitable for use as a desk guide and for training purposes at all levels. To be of optimal value, it must be continuously improved and updated. To this end, all users are invited and encouraged to provide their inputs for use in future editions.

Change is not easy; in fact, it is usually avoided. It takes more time and effort to be innovative, foster reform, and move forward. Some managers only tend to support the status quo, thus avoiding any risks. Without change, we can not expect to improve our service contracting and give the Fleet the level of support it requires. The following sections address some of the current topics and issues in service contracting and provide examples of how they can be addressed. For follow on procurements, there will be local lessons learned to supplement this information. For unprecedented procurements, this guide will be invaluable.

TABLE OF CONTENTS

The information in this service contracting guide is applicable to the full range of services contracts, from non-technical to professional services. This guide is presented in the following sections:

SAMPLES

statements of work, contract provisions, labor category descriptions, proposal preparation instructions, source selection

INTRODUCTION

This service contracting guide was prepared from a practical, hands-on, perspective with multiple samples, representing real world cases as opposed to the theoretical or academic. Acquisition reform is an ongoing and evolutionary process. For this reason, it is essential that user inputs be submitted for use in future editions. Acquisition professionals are doing good work and should not hesitate to share their success stories.

As mentioned in the foreword, change is not easy; however, it is necessary. Without change, we would be using an abacus instead of a computer to crunch numbers. The invitation to be an agent of change and therefore foster acquisition reform must be accepted with the application of sound business judgment. Change involves a degree of risk, which makes it extremely unpalatable to some. Risks can not be avoided in life, and we take risks every time we cross the street. In addition to utilizing due care, we buy insurance to help us manage the risks associated with our health, life, automobile and home. In acquisition reform we manage our risks by applying sound business judgment. This sound business judgment is based on our education, training, experiences, and the lessons learned shared by our peers and other acquisition professionals.

No introduction to service contracting would be complete without a summary of regulations and public policy. In general, contracts for services should be placed competitively using fixed price type contracts. A brief discussion of personal services, inherently governmental functions and the Service Contract Act follow.

Personal services contracts are prohibited without specific authorization in statute. Professional athletes play under personal services contracts. - That individual person, and no one else, can perform the contract. - The athlete becomes an employee of the team through such a contractual arrangement. The Government hires its employees through competitive appointment under civil service laws and Office of Personnel Management regulations; therefore, personal services contracts are inappropriate with the Government. Government services contracts must be nonpersonal in nature. The Federal Acquisition Regulation (FAR) states that, "Nonpersonal services contract means a contract under which the personnel rendering the services are not subject, either by the contract's terms or by the manner of its administration, to the supervision and control usually prevailing in relationships between the Government and its employees". This makes it clear that we must pay close attention to both the form and substance of our services contracts. This topic is summarized in a Contracting Officer Representative training course with a slide that indicates: The Government can: prioritize work, clarify requirements, identify deficiencies, and interrupt improper work. The Government can not: direct people, assign personnel, direct how to do tasks, or do the supervisor's job in training personnel.

The Defense Federal Acquisition Regulation Supplement (DFARS) and Navy Acquisition Procedures Supplement (NAPS) place additional restrictions on service contracting. The references at the end of this

section should be consulted periodically by acquisition professionals working in the field of service contracting.

Inherently governmental functions may not be contracted out. This is a matter of accountability, as only bona fide Government employees can interpret and execute the laws of the United States. As a general rule, if decision making is involved, the function is inherently governmental. OFPP uses the command of combat troops as an example of an inherently governmental function, which can not be contracted out. Additional information regarding inherently governmental functions may be found in FAR Subpart 7.5, "Inherently Governmental Functions". Both the Federal Acquisition Regulations and OFPP Policy Letters stress the need for management oversight of service contracting. They declare that "contracting officials" should ensure the use of best practices in contracting for services. This makes it the responsibility of all acquisition professionals - even the most junior contract specialist - to work diligently to improve the Navy's service contracting.

The Service Contract Act of 1965, generally referred to as the Service Contract Act, governs wages, fringe benefits and the pricing of service contracts for other than professional services. The Department of Labor participates in the wage determinations and annual contract price adjustments for these generally non-technical or "blue collar" contracts. Generally, any maintenance contract will fall under the Service Contract Act - lawn mowing to aircraft maintenance, and everything in between. Services to be provided by bona fide executive, administrative and professional personnel are not covered by the Service Contract Act. There is some confusion in the acquisition community as to which contracts fall under the Service Contract Act and which do not. Secretarial support is considered to be other than a professional service, and; therefore, a contract for secretarial services would be subject to the Service Contract Act. If the secretarial services were merely incidental to the performance of the contract, it would not make the contract subject to the Service Contract Act. One must look to the predominant intent of entering into the contract. To further illustrate this point, consider the following hypothetical example: NAVSEA enters into a contract for a feasibility study involving the use of nuclear propulsion on additional ship classes. At the end of this feasibility study, a secretary will type the final report. The purpose of this contract is to obtain a professional service - a feasibility study - and the typing is merely incidental. This service contract is not subject to the Service Contract Act. OFPP Policy Letter 93-1 (reissued) provides a good summary of policy in service contracting:

When contracting for services, it is the policy of the Federal Government that:

a. Program officials are responsible for accurately describing the need to be filled or problem to be resolved through service contracting to assure full understanding and responsive performance by contractors, and should obtain assistance from contracting officials, as needed.

b. Services are to be obtained and used in ways that ensure that the Government retains inherently governmental decision-making authority.

c. Services are to be obtained in the most cost effective manner, without barriers to full and open

competition, and free of any potential conflicts of interest.

d. Sufficient trained and experienced officials are available within the agency to manage and oversee the contract administration function.

e. Effective management practices are used to implement the guiding principles contained herein to prevent waste, fraud, and abuse in services contracting.

REFERENCES:

Defense Federal Acquisition Regulation Supplement (DFARS), Part 237 Service Contracting

Federal Acquisition Regulation (FAR), Part 37 - Service Contracting

Federal Acquisition Regulation (FAR), Subpart 7.5 - Inherently Governmental Functions

Navy Acquisition Procedures Supplement (NAPS), Part 5237 - Service Contracting

OFPP Policy Letter 78-2, Preventing "Wage Busting" for Professionals: Procedures for Evaluating Contractor Proposals for Service Contracts, 29 March 1978

OFPP Policy Letter 92-1, Inherently Governmental Functions, 23 September 1992

OFPP Policy Letter 93-1 (reissued), Management Oversight of Service Contracting, 18 May 1994

PLANNING & CONTRACT PLACEMENT

The need to place a services contract should never come as a surprise to the program manager or contracting officer. This type of requirement can be anticipated and properly planned with minimal expenditure of time and effort. Unfortunately, many acquisition professionals focus on the hardware side of the program, almost to the exclusion of the services, which are also critical. The prudent program manager will review service contracting status as part of the monthly or quarterly program review with the program team.

The contracting office and each Procuring Contracting Officer (PCO) should keep an inventory of open service contracts by customer for ready reference and as an aid in the initiation of planning for follow-on contracts. A graphic inventory of activities looking out for at least two years is most appropriate where many contracts are involved. This is the only practical way to ensure that planning will commence in sufficient time to allow for overlapping coverage. Sufficient time must be allowed for the delays and resolution of problems which may be encountered in contract placement, and a two month phase-in, phase-out period should be built into the schedule to enable a smooth transition in the event of a change in contractors. While there is no fixed format for a graphic inventory, the following approach has proved to be an extremely valuable tool for a contracting office with dozens of services contracts to track and manage:

Build an electronic matrix array in landscape format. The first 4 columns are labeled: customer, contract number, company name, and expiration date. The next 36 columns are cells representing each month in this year, next year, and the following year. The columns are filled in with letter codes to indicate: expiration date (X), option due (O), target award (A), option not exercised (N), planned early option exercise (P), etc. The following is a highly truncated example of this contract management tool:

customer	contract	company	expires	1998 J F M A M J J A S O N D
PM-300	93d0110	great	1jun98	X
PM-300	98d0110	new	1apr03	A
PM-301	94d0111	notable	1jan99	O
PM-301	99d0111	new	1nov03	A
PM-302	97d0112	notbad	1oct02	O
PM-303	95d0113	super	1jan00	O P

Periodic reviews of such a graphic inventory will enable workload planning and scheduling, along with

timely option exercises and initiation of follow-on contracts. A PCO with a dozen or more active services contracts can not provide quality support to customers without such a tool. DFARS Part 207 requires a written acquisition plan for the acquisition of services estimated at $30 million or more for all years or $15 million or more for any one year. The content of written acquisition plans is specified in FAR 7.105 and DFARS 207.105. It should be noted that FAR 7.105 requires acquisition plans for services, "describe the strategies for implementing performance-based contracting methods or shall provide rationale for not using those methods." In preparing the written acquisition plan, some items delineated in the regulations will be not applicable to services. Such items should simply be designated as "not applicable". This will allow the acquisition team to focus on the items in the acquisition plan that are very important, such as: acquisition streamlining, competition, source selection procedures, inherently governmental functions, and milestones for the acquisition cycle.

Most service contracts will be below the threshold for a written acquisition plan. Being below the threshold only relieves the acquisition team of preparing a written plan that will be signed and approved - it does not relieve them of the planning function. Planning for a follow-on services contract should be underway a year before the present contract expires. Use extreme care here: If the utilization has been heavier than anticipated, resulting in the early exercise of options or the early expenditure of ceiling, the contract will expire earlier than anticipated - plan accordingly. In planning for the follow-on contract, the acquisition team should review customer satisfaction with the current contract and the emerging program requirements:

Is a different strategy appropriate?

Is the current contract performance-based?

Are the requirements somewhat different than they were when the current contract was written?

Are there best practices or lessons learned to be incorporated?

Was the current contract sized correctly?

Are there contingencies that should be built into the follow-on contract?

Was real competition obtained on the current contract or did something in the solicitation inhibit real competition?

In short, the acquisition team should take a critical look backward before moving forward. Another reason for the critical look backward is that the acquisition team will most likely be different people than were on board when the current contract was planned and awarded. While upward mobility and promotions are great for the individuals, they wreak havoc with the corporate memory in many organizations. It will seldom be appropriate for the follow-on contract to look exactly like the current

contract. The follow-on contract should be better than the current contract as a result of lessons learned and acquisition streamlining. Mr. Douglass briefly addressed this issue in a memorandum for distribution of 27 January 1998:

> "As a former contracting officer, I know how easy it is to just mimic prior RFPs. It takes time and work to sift through all the issues and eliminate old and unnecessary RFP clauses and requirements. In fact, just as Dr. Gansler, I have noted a tendency for us to allow RFPs to grow in size and complexity. We can and must see that this does not happen."

The acquisition team planning for a new services requirement will face different challenges, lacking a current contract to improve upon or baseline for correct contract sizing and strategy. In this situation it is a good idea to use the activity's most recently awarded services contract as a departure point, consult with other programs of similar size and complexity regarding contract sizing and labor mix, and take full advantage of the samples, lessons learned and sage wisdom of experience which is available.

The magnitude and skill mix of the service contracting requirement must be defined early on. A high degree of realism, judgment and conservatism is required at this point of the acquisition planning. There is some strange fascination with dramatic overstatement of requirements on the extremely popular indefinite quantity contracts: The contract is written for many times a reasonable expectation of the requirement, with a miniscule minimum guarantee. Working with an average fully burdened rate of $35 per hour, the scenario plays out as follows: The real requirement is 100,000 hours, but the contract maximum is written as 1,000,000 hours with a 30,000 hour minimum guarantee. The budget of $3.5 Million supports the real requirement. The budget will cover more than three times the minimum guarantee, but is an order of magnitude short of the contract ceiling. What has been accomplished in this scenario? The Program Manager will boast of having a million-hour contract (and put it on his resume). The Contractor's CFO will boast of having a million-hour contract (and assign it to the bank to secure a huge line of credit). The taxpayer is a big loser in this scenario, because the proposal preparation costs, which will be recovered under General and Administrative expenses, and the proposal evaluation time and costs will be radically increased by the overstated requirement. If the contract is cost reimbursement type, the contractor may staff up in anticipation of a larger requirement and pass these costs on to the Government. This overstatement of requirements may also become the basis of a future claim. In one such case, a prudent contractor staffed up to the contractually stated estimate of the requirement, hiring and moving dozens of employees coast to coast at a cost of millions of dollars to the Navy. When it became obvious that the contractually stated estimate was exaggerated by a factor of five, the staff was reduced and relocated. Upon establishing the true magnitude of the requirement, a meaningful minimum guarantee must be established. It is important to strike a delicate balance between the competing interests of affordability and economy. A higher minimum guarantee will increase industry interest in participating in the competition; the turnover of personnel will be lower due to the anticipation of stable contract utilization; and the quality of contract performance will be enhanced. One contracting office routinely writes contracts with a 50% minimum guarantee after thoroughly wringing out the requirements with the Program Manager and Business Financial Manager. These contracts experience routine utilization of 80% - 100%, providing an environment of stability and predictability in which outstanding quality services are provided to the Navy. This stability and predictability enhances the

industry's ability to plan, manage, and make a profit.

Bundling is an important issue that must be addressed early in the planning cycle. Bundling relates to the consolidation or combination of requirements into one contract. Conversely, unbundling - breaking a requirement into several pieces - may be a strategy worthy of exploration. Bundling has the potential to run contrary to public policy, thus inviting congressional assistance and additional legislation. Public Law 102-366 was enacted 4 September 1992 with the intent of prohibiting bundling which would have negative impact on the small business community, and the FY-1998 Defense Authorization Act requires congressional notification of any decision to bundle depot work. While the GAO has been fairly receptive to acquisition reform initiatives, there is indication that the GAO considers bundling to be an anti-competitive initiative. The GAO ruled against the General Services Administration in one bundling protest, B-265751.2. By the end of this fiscal year, the GAO will rule on a bundling protest against the U.S. Air Force: B-280194. A decision to sustain this latter protest will clearly put acquisition professionals on notice to be more judicious in avoiding bundling.

In addition to small business and anti-competitive concerns, preservation of the business base may be a significant consideration in avoiding bundling. In one case, a Navy contracting office combined the requirements from a dozen different contracts into one. This strategy was touted as an initiative in efficiency and economy; however, the impact on the local contractor base was devastating, especially to the small business community.

The Naval Surface Warfare Center (NSWC) reported successful bundling of food service and desk clerk support at Wallops Island. This procurement was set aside for Small Disadvantaged Businesses, generated additional competitive interest, was awarded on a greatest value basis, yielded considerable cost savings, and has resulted in superior contractor performance. The Naval Air Warfare Center Training Systems Division (NAWCTSD) Engineering Support Services Contract Team reported the successful combination of two requirements into a best value small business set aside, which resulted in the award of three contracts under multiple award procedures. The Aegis support services competition team reported successful unbundling of requirements. Their acquisition strategy was to break the existing omnibus support services contract into two components to both increase competition and structure a higher technical contract necessary to support emerging technologies and weapon system concepts.

Small business has some role in every Navy services acquisition. An important element in the acquisition strategy for each service contract is determination of what role small business will play. (While this guide uses the term "Small Business", the comments and strategies discussed also encompass Small Disadvantaged and Woman-Owned Small Businesses, and Historically Black Colleges, Universities and Minority Institutions.) A review of the size standard threshold by Standard Industrial Classification (SIC) is in order to determine how large a firm can be and still be considered a "small business" for your acquisition. (The SIC for many professional services will be found in Major Group 87, "Engineering, Accounting, Research, Management and Related Services".) For some codes, the threshold is $20 Million per year in sales, which can represent a firm of about 200 employees.

In addition to being politically correct, setting aside service contracting work for small business is an extremely efficient and effective way to fulfill the requirements.

Small business strategies include total set asides, partial set asides, and required subcontracting. For a relatively small requirement (consuming no more than half the SIC annual threshold) that does not require a wide variety of technical disciplines, the preference would be a total set aside. To illustrate the converse: If the size standard is $20 Million per year in sales and the acquisition being planned is budgeted at $15 Million per year, the relative size should discourage a small business set aside.

One strategy for a partial set aside is depicted by SAMPLE 10 in the section of this guide entitled, "Source Selection". In this sample multiple awards are anticipated: one unrestricted, one to small business, and one to a section 8(a) firm. Strategies for requiring small business subcontracting in performance of the contract are provided in "Proposal Preparation Instructions" SAMPLE 7 and "Source Selection" SAMPLE 12.

Consider the historic record for the requirement: If we are planning a follow on to a contract awarded four years ago as a set aside - and only one technically acceptable proposal was received - the best strategy is most likely a full and open competition. If the contract was awarded to a small business four years ago as a result of a full and open competition, the best strategy is most likely a set aside. If the incumbent contractor has graduated from the small business or 8(a) program and has provided quality services to the Navy, consider conducting the follow on competition in such a manner that the incumbent contractor can participate.

Contract type is an appropriate topic for discussion in developing the strategy and planning for award of a service contract. Contract type should be viewed as a wide spectrum, a continuum, rather than a binary issue. While types may be viewed as fixed price or cost reimbursement, there are many variations between the extremes that provide sound business approaches to service contracting. FAR Part 16, Types of Contracts, or a contracting textbook should be consulted as a reference if the practitioner is not highly experienced in this area. The preferred type is firm fixed price, but it may be impracticable to draft a statement of work that precisely describes and defines the parameters for performance over the entire contract term. A close variation would be the fixed price menu, which establishes firm fixed prices for each small segment of the statement of work, with the contractor being paid for the number of segments performed. As an example, one aircraft maintenance contract contains a fixed price menu for engine overhaul, propeller overhaul, aircraft inspection, aircraft repainting, aircraft preservation/depreservation, oil analysis and landing gear overhaul. This is an extremely appropriate way to address payment for performance based statements of work that will not be compensated based on the hours worked. The old phrase "piece work" is somewhat descriptive of this approach, with the "piece" being a job, a day, a month, a class, an aircraft, etc.

Other variations on the fixed price theme include time and materials contracts with fixed fully burdened labor rates and fixed burden rates for cost reimbursable line items; time and materials contracts with fixed fully burdened labor rates which include the travel and other direct costs; time and materials

contracts with fixed fully burdened labor rates and cost reimbursable travel, other direct costs, and their burdens; and fixed price level of effort contracts. Cost reimbursable contracts, especially Cost Plus Fixed Fee level of effort, should be avoided as they provide a strong disincentive for cost control, efficiency, and professional management. If 90% of the requirement can be precisely described and defined, make that majority of the contract fixed price, and include a cost reimbursable line item to catch the small portion which is not susceptible to fixed pricing. Segregate the unavoidable portion of the contract that has to be cost type.

Competitive acquisition should be the only way to place our Navy service contracts, and the best value approach is the only way to conduct these competitions. Best value will not be addressed in detail in this desk guide, because it is being done fairly well and numerous solid references are available. Policy is provided in ASN (RD&A) memo of 22 March 1991, "Best Value Contracting Policy", and helpful hints are available on the Navy Acquisition Reform Office Home Page at www.acq-ref.navy.mil/turbo/13.htm. Best Value involves making the source selection decision based on factors in addition to cost. In contracting for professional services, such factors will most likely include the quality of the key personnel being proposed. This quality is readily measured in terms of education and experience against benchmark labor category descriptions. Under the theory of best value, we are willing to pay a price premium for a proposal that exceeds the benchmark. In service contracting this means key personnel who have additional education and/or experience, for which they earn premium compensation. These key personnel are the cadre that will make contract performance highly successful or cause it to be mediocre. Key personnel will represent less than 20% of the direct labor hours. In excess of 20%, virtually everyone is called "key", the contract is not performance based, and the contract is at risk of violating personal services prohibitions.

It is not uncommon to pay a substantial price premium to obtain quality services in best value competitive source selections. In one case, a Navy contracting office paid a premium in excess of 40% to select the best value offeror, and successfully defended vigorous GAO protests by lower priced offerors. Stability of personnel is essential to quality performance of service contracts; however, if we paid a price premium to obtain higher qualified key personnel, it is critically important that higher qualified personnel work on our contract. SAMPLE 7, SAMPLE 8, and SAMPLE 9 in the section of this guide entitled "Contract Provisions" provide examples of language to guard against trading down from what was competitively proposed in terms of key personnel qualifications. The language in these samples effectively raises the bar on qualifications from those stated in the labor category descriptions:

> "Proposed substitutions of key personnel shall meet or exceed the qualifications of personnel for whom they are proposed to replace."
>
> "All proposed substitutes shall have qualifications equal to or higher than the qualifications of the person being replaced."
>
> "Any proposed substitute must have qualifications equal to or superior to the qualifications of the incumbent."

The theme is consistent: high quality is important to the customer at source selection and in every day of performance throughout the contract term.

The strong preference for multiple awards of larger and longer-term service contracts was included in FAR Part 16 as a result of the Federal Acquisition Streamlining Act (FASA):

> "If an indefinite-quantity contract for advisory and assistance services exceeds three years and $10,000,000, including all options, multiple awards shall be made unless-(A) The contracting officer or other official designated by the head of the agency determines in writing, prior to issuance of the solicitation, that the services required under the task order contract are so unique or highly specialized that it is not practicable to award more than one contract. This determination may also be appropriate when the tasks likely to be issued are so integrally related that only a single contractor can reasonably perform the work; (B) The contracting officer or other official designated by the head of the agency determines in writing, after the evaluation of offers, that only one offeror is capable of providing the services required at the level of quality required; or (C) Only one offer is received."

Realizing that this strategy represented a new way of doing business, The OFPP issued "Best Practices for Multiple Award Task and Delivery Order Contracting" in July 1997 to assist acquisition professionals with this acquisition reform initiative. Advantages of multiple award contracts were cited by the OFPP as follows:

> "In order for agencies to take continuous advantage of the benefits of competition after contract award, FASA provides that agencies may make multiple awards of task and delivery order contracts for the same or similar supplies or services (and from the same solicitation) to two or more sources. The use of multiple award contracts allows agencies to take continuous advantage of the competitive forces of the commercial marketplace which will result in lower prices, better quality, reduced time from requirements identification to award, and improved contractor performance in satisfying customer requirements."

In the few years this strategy has been available, there have been more horror stories than success stories. This strategy, touted as an acquisition streamlining initiative, has actually resulted in the expenditure of additional time and significant additional costs in many cases. There is also evidence of abuse of this tool by some Government employees. In some cases, formal source selections are being conducted for each order placement. This is unconscionably expensive and time consuming to both the Government and industry participants. A collateral issue for the "unsuccessful offerors" is how they should recover their bid and proposal costs - their multiple award contract requires them to participate in the order placement competitions, but most such arrangements only compensate the costs of the "successful offeror." Should these contractors (they are holders of multiple award contracts, making them Government contractors) submit claims to recover the cost of each unsuccessful competition for an order? One law firm has issued

a client alert regarding costly and rigorous competitions for orders.

The Naval Air System Command's Computer Based Training Integrated Product Team reported successful use of multiple awards for training of personnel who will perform maintenance on 15 types of aircraft. A Statement of Objectives was utilized in the competitive process to provide the maximum flexibility to offerors. In another application of this strategy, the tactical computers and displays division of the Naval Sea Systems Command reported dissatisfaction with the use of multiple award indefinite delivery indefinite quantity contracts.

The following guidance is provided for acquisition professionals desiring to pursue a multiple award strategy:

a. Award no more than three contracts. The stated intent of this strategy is continuing competition. This objective is facilitated in an effective and efficient manner without awarding contracts to every offeror who participates in the original competition.

b. Use lower ceilings and higher minimum guarantees. Consider an extension of the earlier example in this section regarding correct contract sizing. In the earlier example, the real requirement was 100,000 hours, but the contract maximum was written as 1,000,000 hours. If three contracts were then awarded under a multiple award strategy, Government contracts would be executed for 3,000,000 hours (thirty times the known requirement and budget).

c. Include a provision to directly reimburse contractors for their bid and proposal costs on orders, and/or include a provision to allow contractors to no bid individual orders.

d. Make the order placement process as simple and streamlined as possible for both the Government and the contractors. Oral proposals and streamlined procedures are in order. Having conducted a best value competition in the award of multiple contracts, a simple firm fixed price quote for the order is most appropriate.

e. Include a simple and straightforward approach to order placement, consulting SAMPLE 12, SAMPLE 13, and SAMPLE 14 in the section of this guide entitled "Contract Provisions".

f. Be mindful that the FAR 16.505 statement, "each awardee shall be provided a fair opportunity to be considered for each order" means that customers may not designate a preferred source.

The General Services Administration (GSA) has established several Federal Supply Schedules (FSS) for services, which should be considered in developing the acquisition strategy for a services contract. GSA's Information Technology (IT) Professional Services and GSA's Management, Organizational and Business Improvement Services (MOBIS) schedules may be reviewed at: pub.fss.gov/ services. MOBIS includes consulting, facilitation, surveys, training, and support products. The best application of these schedules is to acquire services to address a specific problem through the assistance of a "consultant,"

obtain fixed term or interim services; or to obtain services quickly when no other vehicle is available. The order placement time in using a FSS should be similar to the time it takes to place a delivery order under an IDIQ contract.

The GSA has synopsized, competed, considered set asides (large, small, and 8(a) businesses are on the FSS), and determined reasonableness in listing vendors on the FSS. The ordering office is responsible for preparing a performance based statement of work or a statement of objectives (SOO), justifying the selection of the vendor based on best value (three quotes should be requested), evaluating the level of effort and labor mix, and determining that the resulting price is fair and reasonable.

The General Services Administration lists the following advantages of Federal Supply Schedules, most of which are equally true of IDIQ contract vehicles:

- Establish BPAs and negotiate even better pricing
- Commercially Available Services
- Volume Discount Pricing
- Selection of Vendors
- Multiple Award for varying requirements
- Contractor / Customer direct relationship
- All applicable laws and regulations have been applied
- CBD synopsis is not required
- Competition requirements have been met
- Prices have been determined fair and reasonable
- In some instances, the Government credit card can be utilized
- New services are continually made available
- Maximum order limitations have been removed
- Ease of Ordering

No discussion of service contracting strategy would be complete without a discussion of commercial contracting. FAR Part 12, "Acquisition of Commercial Items", states that agencies shall acquire commercial items when they are available to meet the needs of the agency, and the FAR directly addresses the potential for services to be commercial items.

Commercial items are used for non-governmental purposes, have evolved from items used for non-governmental purposes, are modifications of items available commercially, or are a combination of items customarily sold to the public. Installation, maintenance, repair, training, and other services in support of commercial items and services sold in the commercial marketplace should be acquired through the streamlined commercial practices of FAR Part 12. Some Contracting Officers are avoiding commercial contracting because they are uncomfortable with the fixed pricing of services. The commercial world does service contracting on a fixed price basis, and Government Contracting Officers should follow the lead of the private sector. This typifies the resistance to change noted in the foreword and introduction of this guide. The author believes that significantly more service contracting should be done as commercial

contracting and urges the application of sound business acumen in an initiative to do so.

Numerous sample statements of work in the following section of this guide were acquired successfully using commercial contracting practices. Contracting Officers fixed priced these SOWs by the job, by the day, by the month, by the class, etc. The following are examples of commercial contracting: SAMPLE 1 PBSC SOW for installation of furniture. SAMPLE 2 PBSC SOW for ship husbanding - laundry service and trash removal. SAMPLE 3 PBSC SOW for maintenance during lease to own. SAMPLE 5 PBSC SOW for stevedoring - ship loading / unloading. SAMPLE 8 PBSC SOW for computer network maintenance. SAMPLE 9 PBSC SOW for developing and teaching course. SAMPLE 12 PBSC SOW for medical care. Other Navy / Marine Corps examples of commercial contracting, which were reviewed but not used as SOW samples in this guide include: maintenance of water cooling systems, laundry services, meals and lodging, and cargo transportation (trucking).

Commercial contracting practices utilize a highly streamlined solicitation, which is generally only one quarter the size of a standard Government services solicitation. The standard time frames can be compressed, proposals and evaluations are highly streamlined, and commercial pricing is obtained. The utilization of these practices must become more widespread in support of acquisition reform. Increased usage of statements of objectives instead of statements of work should be part of this initiative.

This section on Planning & Contract Placement concludes with some thoughts on a service contracting acquisition strategy being implemented by the United States Marine Corps. While this strategy is not related to commercial contracting, it has significant value as acquisition reform initiatives. The USMC Direct Reporting Program Manager, Advanced Amphibious Assault (DRPM AAA) recently completed a large competitive services acquisition. The author noted three key points in this metrics-based acquisition which are unique and should be considered - together or separately - by acquisition professionals who are procuring professional services for major programs.

1. The DRPM AAA applied a high level of professionalism, sophistication and rigor in defining the requirements and planning their contract for professional services. The planning effort commenced very early with active program office participation. Priorities, emerging requirements, historical requirements, and industry capabilities were researched, evaluated and balanced. This was clearly not a "cookie cutter" approach or a copy of the last DRPM AAA services contract. There was clear recognition that the program was advancing toward production - building prototypes and working the engineering and manufacturing development - during the term of this contract, and that different skill mixes would be required in the future than had been utilized in the past. They were successfully anticipating the requirement - five years out!

2. This is an Indefinite Delivery Indefinite Quantity contract, utilizing firm fixed price, time and materials, and cost plus fixed fee task orders. The sustaining support, consisting of 37 people in 15 different labor categories, will be ordered for each year under a firm fixed price delivery order. Sustaining support provides day to day accomplishment of common and recurring requirements in the various functional areas. Discrete support, consisting of as much as 50,000 hours can be ordered under

firm fixed price, time and materials or cost plus fixed fee delivery orders. The program has not been satisfied with the support provided under their last CPFF services contract and will likely avoid the use of CPFF orders on this contract. Discrete support provides as required, critical or unique program needs, which can not be defined in advance. The contract also contains a labor hours surge option of as much as 100,000 hours as a contingency. Other direct costs, travel and per diem are established as separate cost reimbursement line items. The contract provision for issuance of task orders for this contract is illustrated in SAMPLE 15 of the section of this guide entitled "Contract Provisions."

3. The new DRPM AAA services contract is structured for one year of performance with four option years, which is the optimum strategy for service contracts. Five-year contracts should be avoided, as they lack flexibility and put the Government at severe risk in the event of program redirection or termination. (As an example, a professional services contract supporting a major weapon system was not at risk when the program was terminated, because the services contract was structured as one year with four option years.) The unique aspect of the DRPM AAA approach is a definitive plan to revisit the requirements, and adjusted the contract by mutual agreement if necessary, before the exercise of each option year. Envision this as an ECP on a service contract. The majority of acquisition professionals view a services contract option exercise as binary - you either exercise it or you live without support. Keep in mind there is an opportunity to exercise the changes clause by mutual agreement prior to exercise of each option. This approach to sequential adaptation will serve the AAA program well as it moves toward production.

The AAA Program Office shares the following thoughts on Metrics-Based Acquisition in the Reform Culture:

Transitioning from the Program Definition Risk Reduction (PDRR) to Engineering and Manufacturing Development (EMD) phase, the DRPM AAA approached the acquisition of engineering and analytical support services using a metrics-based requirements definition strategy that would easily translate complex requirements into a performance-oriented solicitation. Essential to the effectiveness of the planning was the logical identification of transitional program priorities; essentially, these represented requirements that offered marginal latitude for compromise without incurring significant risk exacerbation. On the other side of the spectrum was the identification of baseline performance parameters; represented by successful, recurring performance on the incumbent contract, as well as with similar engineering-intensive contracts awarded across the Government marketplace during the past two years. These elements of the acquisition strategy provided a set of measurable performance factors, effectively bracketing the "emerging requirements" range, while establishing a baseline of historical cost/performance criteria.

Emerging requirements were identified as those factors without specific risk or performance impact associations. Critical path milestone events, technology challenges, cost/schedule elements, and similar activities likely to create a need for specific support services were identified across the functional program areas within the DRPM AAA. By analyzing performance rates, extracting quality measures, and considering market dynamics, a resulting set of working assumptions was aligned with the planning inputs. The working time for this process was approximately three weeks, resulting in the definition of an

acquisition strategy that could be presented to industry with the objective of validating the base assumptions, while concurrently advertising the contract opportunity.

The DRPM AAA has enjoyed a long-standing reputation for open communications with industry, illustrated most effectively by its outstanding Internet site. At the conclusion of the user requirements identification phase, this web site opened a section devoted to pending acquisition. In addition to advertising specific goals of the procurement action, relevant information from the recent Interim Systems Review (ISR-1), encompassing the entire scope of technical and business requirements, was posted for downloading. The sources sought advertisement in the Commerce Business Daily (CBD) included hot links to this web site, in addition to a dedicated e-mail for industry firms to correspond with DRPM AAA contracts and technical sponsors. The CBD notice invited firms to provide a capabilities statement, along with their marketing materials, addressing program support requirements. Further, a follow-on period for face-to-face meetings with respondents was identified.

Guidance provided in the recently revised Federal Acquisition Regulation (FAR) parts 10 and 15, emphasize the necessity for effective market research. The DRPM AAA developed a script that outlined key performance areas, categorized under three principal topics (e.g., corporate/ business, management, and technical). Approximately one hundred sixteen responses were received, representing all aspects of industry. Material was reviewed by the working group and qualified respondents, representing a sixteen percent sample range, were randomly selected for face-to-face meetings.

Important to the meetings was the use of the script, which provided a range of quantifiable performance/risk elements, that could be plotted accordingly. This approach continued to build upon the use of metrics and provided a quantifiable basis for establishing the final acquisition strategy. This approach further supported the validation of assumptions that formed the basis for the planning framework, providing corroboration of rates/performance, market dynamics impacting risk, and associated support capabilities within each industry segment. Validation of assumptions provided the input for establishing benchmarks, correlated with DRPM AAA mission/technical drivers, while concurrently establishing the threshold for performance. This threshold, effectively, translates into the "standards" for effective performance, while the benchmarks represent logical discriminators of that performance.

Again, the timeframe to accomplish this was approximately three weeks, although DRPM AAA planning parties agree that the time saved using the process would probably represent several times that duration using conventional methods. In effect, a commitment of nine working weeks had quantified program requirements, provided a basis for the Independent Government Cost Estimate, established inputs for solicitation evaluation criteria, and accomplished conclusive market research through effective industry communications.

The DRPM AAA metrics-based approach allows the relationship between its requirements and industry capabilities to be defined in both quantitative and qualitative terms. In addition to developing logical predictors of future performance costs and risk, this application allowed for redefinition of labor category

qualifications to reflect market dynamics. Qualifying years of experience, areas of specialization, and overall descriptions for engineering and analytical skills were completely revised, resulting in significant improvements to while further achieving an overall reduction in pricing. As a result, the number of labor categories was reduced, allowing industry to develop its pricing models with greater accuracy. Using a performance work statement, revamped labor categories, and reduced evaluation criteria, the DRPM AAA was able to provide industry with draft solicitation materials within twelve weeks of beginning its planning. Requirements were defined under a firm fixed price (FFP) sustaining base, equating to a number of guaranteed labor hours, as well as by undefined time and material (T&M) labor hours to be acquired on an as-needed basis.

A three-week comment period was provided, culminating in a presolicitation conference that attracted one hundred thirty interested parties. At the conference, DRPM AAA directors provided overviews of their requirements, focusing on the total hours of support required, emerging priorities and key technologies, and critical path events. This planning framework supported the continuing use of performance statements to define requirements, while encouraging potential industry offerors to use broad latitude in developing their solutions.

An additional two-week comment period followed the conference, resulting minor revisions and clarifications to solicitation sections. . . . . The DRPM AAA is confident that their planning actions will result in three significant accomplishments: Robust industry competition, effective teaming by offerors, and effective pricing of critical technical skills.

REFERENCES:

ASN (RD&A) Memo, Best Value Contracting Policy, 22 March 1991

Defense Federal Acquisition Regulation Supplement (DFARS), Part 207 Acquisition Planning

Federal Acquisition Practitioner, "Mini Source Selections" Under Multiple Award Task Order Contracts, October 1997

Federal Acquisition Regulation (FAR), Part 6 - Competition Requirements

Federal Acquisition Regulation (FAR), Part 7 - Acquisition Planning

Federal Acquisition Regulation (FAR), Part 12 - Acquisition of Commercial Items

Federal Acquisition Regulation (FAR), Part 16 - Types of Contracts

Federal Acquisition Regulation (FAR), Subpart 8.4 - Federal Supply Schedules

General Services Administration (GSA), Management, Organizational and Business Improvement Services Schedule, Multiple Award 10/1/97 through 9/30/02

Navy Acquisition Procedures Supplement, Part 5205 - Acquisition Planning

Navy Acquisition Reform Office, Best Value, www.acq-ref.navy.mil/turbo

OFPP, Best Practices for Multiple Award Task and Delivery Order Contracting, July 1997

OFPP Memorandum, Proposed changes to FAR Subpart 16.5 Relating to Competition Under Multiple Award Task and Delivery Order Contracts, 21 April 1998

OMB Memorandum, Competition Under Multiple Award Task and Delivery Order Contracts, 21 April 1998

Paul, Hastings, Janofsky & Walker LLP, Client Alert, Government Contracts: Do the rewards justify the risks?, June 1998

U.S. Marine Corps, DRPM AAA, Metrics-Based Acquisition in the Reform Culture, 20 March 1998

SOURCE SELECTION

SAMPLE 1 - COMMERCIAL:
LOW COST TECHNICALLY ACCEPTABLE

Award will be made to that responsible offeror proposing the lowest price for services meeting the requirements of this solicitation.

SAMPLE 2 - COMMERCIAL:
PRICE = (TECHNICAL + PAST PERFORMANCE)

The Government will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the Government, price and other factors considered. The following factors shall be used to evaluate offers:

1. Price
2. Past Performance
3. Technical Capability

Technical Capability and Past Performance, when combined, are equal to price.

SAMPLE 3 - COMMERCIAL:
PAST PERFORMANCE = PRICE

The Government will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be the most advantageous to the Government, price and other factors considered. The following factors shall be used to evaluate offers:

Evaluation of Past Performance - The Government will evaluate the quality and content of the Offeror's past performance. The Government reserves the right to obtain information for use in the evaluation of past performance from any and all sources.

This Government evaluation of the quality and content of the Offeror's past performance is separate and distinct from the Contracting Officer's responsibility determination. Evaluation will be based on the extent to which the Offeror has demonstrated, through recent past performance under contracts of a similar nature, it's ability to successfully meet the requirements of the Request for Proposal (RFP). The evaluation will consider the Offeror's history of relevant experience, reasonable and cooperative behavior, adherence to contract schedule, and commitment to providing quality services similar to that described in

the Statement of Work.

Companies lacking relevant past performance history will be evaluated on past performance information regarding predecessor companies, key personnel who have relevant experience, or subcontractors that will perform major or critical aspects of the requirement when such information is relevant to the instant acquisition.

The contract resulting from this solicitation will be awarded to the Offeror whose proposal is in the best interest of the Government in regards to past performance and price. Past performance is approximately equal to price.

FAR 52.217-5, "Evaluation of Options" is hereby incorporated by reference.

SAMPLE 4 - COMMERCIAL:

CAPABILITY (includes past performance) >> PRICE

The Government will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the Government, price and other factors considered. The following factors shall be used to evaluate offers:

(1) Merits of the Offer. The Government will determine the merits of each offer on the basis of (1) its acceptability and (2) its price reasonableness.

(2) Acceptability. The Government will determine the acceptability of each offer on a pass or fail basis. An offer is acceptable when it manifests the offeror's assent, without exception, to the terms and conditions of the solicitation.

(3) Price. The Government will evaluate the reasonableness of the price of each acceptable offer in relation to the offeror's relative capability (See Source Selection Decision, below.)

(4) Relative Capability of the Offeror. The Government will determine the relative capability of each offeror on the basis of (1) its relative organizational past performance, (2) its relative organizational experience, (3) its relative understanding of the Government's requirements, and (4) its demonstrated ability to comply with instructions.

(5) Organizational Past Performance. Past performance is a measure of the degree to which an offeror satisfied its customers in the past and complied with country and local laws and regulations. The Government will contact some of each offeror's customers to ask whether or not they believe: (1) that the offeror was capable, efficient, and effective; (2) that the offerors performance conformed to the terms and conditions of its contract; (3) that the offeror was reasonable and co-operative during performance; (4) that the offeror was committed to customer satisfaction. In evaluating past performance the Government

will contact some of the references provided by the offeror and other sources of information, including but not limited to country and local government agencies, better business bureau, published media, and electronic data bases. The Government may evaluate the organizational past performance of the offeror's proposed key subcontractors.

(6) Organizational Experience. Experience is the opportunity to learn by doing. The Government will evaluate each offeror's organizational experience on the basis of its breadth, its depth, and its relevance to the work that will be required under the prospective contract. The Government will not evaluate an offeror's organizational experience on the basis of the personal experience of the offeror's key personnel. However, the Government will consider the extent to which the offeror's key personnel have worked together in the past. The Government will evaluate the organizational experience of the offeror's proposed key subcontractors.

(7) Understanding of the Government's Requirements. The Government will evaluate each offeror's relative understanding of the Government's requirements on the basis of its oral presentation.

(8) Compliance with Instructions. In evaluating offeror's capability, the Government will consider how well the offeror complied with the instructions in this solicitation. The Government will consider any non-compliance or attempt to take advantage of loopholes in the instructions in the solicitation to be indicative of what can be expected from the offeror during contract performance.

(9) Relative Importance of the Evaluation Factors. An offer must be acceptable in order for the offeror to be eligible for award. The Government will not award a contract on the basis of an unacceptable offer. Thus, acceptability of the offer is the most important evaluation factor. The capabilities evaluation factors are listed in descending order of importance as follows: (1) past performance, (2) corporate experience, (3) understanding of the Government's requirement and (4) demonstrated ability to comply with instructions. The evaluation will consider capabilities significantly more important than price. The Government reserves the right to award the contract to other than the lowest priced offeror. However, the Government will not select an offeror for award on the basis of a relatively superior capability without concern for the amount of its price. The relative impact that capability and price will have on the source selection decision will depend, on the marginal differences among the competing offerors.

(10) Source Selection Decision. In order to select the winning offeror, the Government will rank the offerors from best to worst by making a series of paired comparisons among them, trading off the marginal differences in capability and price between the members of each pair. If one member of a pair has both the better capability and lower price, then that member will be the better value. If one member has the better capability and the higher price, then the source selection authority will decide whether the marginal difference in capability is worth the marginal difference in price. If the source selection authority considers the better capability to be worth the higher price, then the more capable, higher-priced offeror will be the better value. If not, then the less capable, lower-priced offeror will be the better value. The source selection authority will continue to make paired comparisons until he or she has decided which offeror represents the best value.

Capabilities, including past performance, are significantly more important than price.

SAMPLE 5 - GOVERNMENT:

PRICE > PAST PERFORMANCE

EVALUATION FACTORS FOR AWARD: The Government will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the Government, price and other factors considered. The following factors shall be used to evaluate offers:

EVALUATION FACTORS (in descending order of importance)

(i) Price: The offered prices for each CLIN/SLIN and total amount including those for option years, will be evaluated.

(ii) Past Performance: During the source selection process, the Government will assess the offeror's ability to perform, including the offeror's likelihood of achieving success in meeting the solicitation's requirements. Past performance is assessed and is assigned a narrative rating in the evaluation. The Government will evaluate each Offeror's past performance based on the information submitted by the Offeror, as well as information that the Government collects by itself. Proposals will be given credit for good past performance, lose credit for poor past performance, and neither receive nor lose credit for no past performance. In addition, past performance will be evaluated by relative importance of the information sources: U.S. Government agencies, Foreign Government agencies including local governments, and the private sector, in order. The Government may call or visit the Offeror's references reported hereunder to examine their assessment of the Offeror's performance.

FAR 52.217-5, "Evaluation of Options (JUL 1990)" is hereby incorporated by reference.

SINGLE AWARD FOR ALL ITEMS

Due to the interrelationship of supplies and/or services to be provided hereunder, the Government reserves the right to make a single award to the offeror whose offer is considered in the best interest of the Government, price and other factors considered. Therefore, offerors proposing less than the entire effort specified herein may be determined to be unacceptable.

SAMPLE 6 - GOVERNMENT:

CAPABILITY >> COST

GENERAL INFORMATION

The contract resulting from this solicitation will be awarded to that responsible offeror whose offer, conforming to the solicitation, is determined to be most advantageous to the Government, cost and other factors considered. The Government will determine best value on the basis of the factors described below.

EVALUATION FACTORS

The Offeror's Capability is substantially more important than Cost. Although cost is substantially less important than all of the technical factors combined, it will not be ignored. The degree of its importance will increase with the degree of equality of proposals in relation to the other factors on which selection is to be based, or when the cost is so significantly high as to diminish the value of the technical superiority to the Government.

OFFEROR CAPABILITY

The Government will evaluate the capability of the offerors that submitted acceptable proposals. The Government will evaluate their capability through the utilization of both oral presentations and other written information on the basis of the following subfactors, which are listed in descending order of importance: (1) technical understanding, (2) key personnel, (3) relevant corporate experience, (4) past performance, and (5) compliance with RFP instructions.

Technical Understanding. The Government will evaluate each offeror's understanding of the work on the basis of its written proposal and oral presentation. In making this evaluation, the Government will consider an offeror's knowledge of the work statement in terms of the concept, purpose, importance, salient operational procedures, inherent problems and ideas for solutions. The evaluation will also include an appraisal of the contractor's knowledge of the statement of work's relationship to other significant logistics, maintenance programs and databases, management approach, including approach to QA and task staffing and other information considered necessary to present an understanding and contractor's ability to accomplish these services.

Key Personnel. The Government will assess the quality and extent of the qualifications of the offeror's proposed key personnel based on a review of the resumes submitted against the portions of the Statement of Work pertaining to the minimum requirements for personnel in the following labor categories.

(1) Program Manager
(2) Project Engineer
(3) Marine Mechanical Engineer
(4) Shipboard Field Engineer (Mechanical)
(5) Shipboard Field Engineer (Electrical)

Relevant Corporate Experience. The Government will appraise each offeror's work records to determine whether, during the past eight years, the offeror has had the opportunity to learn about relevant work processes and procedures and about the nature, difficulties, uncertainties and risks associated with performing the work that will be required under the prospective contract. The Government will not attribute to an offeror the individual experience of the offeror's current or prospective employees nor the experience of subcontractors representing a small portion of the proposed work.

Past Performance. Past performance is a measure of the degree to which an offeror, as an organization, has satisfied its customers and complied with federal, state, and local laws and regulations. The

Government will inquire about the following elements, which are of equal importance in relation to each other, (1) the quality and timeliness of the offeror's work; (2) the reasonableness of its prices, costs, and claims; (3) the reasonableness of its business behavior including its willingness to cooperate and helpfulness in solving problems; (4) its concern for the interests of customers; and (5) its integrity. In the evaluation of past performance the Government will contact former customers and Government agencies, and other private and public sources of information. An offeror with good past performance will enhance the evaluation value. An offeror with poor past performance will potentially decrease the offer's value to the Government, which will be reflected in it's relative standing among offerors. An offeror with no past performance history will receive a neutral rating.

Compliance with RFP instructions. The Government will assess the extent to which each offeror complied with the instructions in this RFP. The Government will consider any failure to comply with these instructions to be indicative of the kind of behavior that it could expect during contract performance and of a lack of capability to perform satisfactorily.

COST

Cost is an evaluation factor, but is not assigned a specific weight in the manner of the Offeror Capability factor. The offeror's proposed cost will be evaluated on the basis of cost realism and the proposed fee for reasonableness. This evaluation may include, but is not limited to, consideration of actual rates being paid for similar services under other Government contracts, historical data, trend analysis, or DCAA rate check or audit information. Unrealistic rates will be considered in the cost realism analysis, and may be considered in the technical analysis which could effect reductions to the technical score.

Travel/Per Diem and Material/Equipment costs will be evaluated using the amounts shown in Section L plus applicable indirect costs.

DETERMINING BEST VALUE

In order to determine which offeror represents the best value, the Source Selection Authority (SSA) will make a series of paired comparisons among those offerors that submitted acceptable proposals. If, in any paired comparison, the offeror with the higher expected value also has the lower price, then the SSA will consider that offeror to represent the better value. If the offeror with the higher expected value has the higher price, then the SSA will decide whether the difference in expected value is worth the difference in price. If the SSA decides that it is, then he or she will consider the offeror with the higher expected value and the higher price to represent the better value. If not, then the SSA will consider the offeror with the lower expected value and the lower price to represent the better value. The SSA will continue to make paired comparisons in this way until he or she has identified the offeror representing the best value.

SAMPLE 7 - GOVERNMENT:

TECHNICAL > PAST PERFORMANCE = PRICE

EVALUATES COST BURDENS ON TRAVEL & MATERIAL

1. EVALUATION FACTORS

The evaluation factors are Technical, Past Performance and Price. The Technical factor is considerably more important than any of the other two factors. The Past Performance and Price factors are of equal importance.

The Government will evaluate and assign a qualitative rating to the Technical factor and subfactors for each offeror's proposal. In addition, the Government will evaluate the risks associated with the offeror's technical proposal and assign a proposal risk rating. Also, the Government will evaluate the offeror's past performance and systemic improvement record and assign a performance risk rating.

2. TECHNICAL The technical evaluation subfactors, in descending order of importance, are Key Personnel, Sample Tasks, and Staffing and Retention Plan

a. Key Personnel. The qualifications of key personnel will be evaluated based upon the extent to which the education and experience meet the minimum qualification requirements of the labor category (Pass/Fail) and then upon the extent to which the education and experience are relevant to the proposed tasks. Other sources may be contacted to verify the accuracy of resume contents.

b. Sample Tasks. The responses to sample tasks set forth in Section L will be evaluated to determine the extent of the offeror's understanding of the Government's requirements and ability to perform the task. The clarity and completeness of responses in addressing the special issues and problems associated with the performance of each sample task will be evaluated.

c. Staffing and Retention Plan. The staffing and retention plan, including the compensation package for professional employees, will be evaluated to determine the offeror's ability to provide and retain qualified personnel in sufficient numbers to perform the work under the contract. An unrealistic compensation package will be deemed to show a lack of understanding of the work to be performed.

3. PAST PERFORMANCE
Past performance and systemic improvement efforts will be evaluated by reviewing data presented by the offeror, data in existing Government data bases, data from cognizant procuring and contract administration offices, data from on-site surveys, and data from other customers of the offeror. Problems found in this data, which have not been addressed by the offeror, will be assumed still to be in existence.

Evaluation will be based on the extent, depth and quality of recent corporate experience in performing the same or similar work as this solicitation and the offeror's use of systemic improvement. Particular emphasis will be placed on the degree to which the offeror's management can demonstrate a concise relationship between its past performance data and its systemic improvement efforts as well as presenting the systemic improvement management approach to be used during execution of the proposed contract.

An offeror's past performance is not presumed to be perfect. Successful offerors will be able to demonstrate their application of systemic improvement management practices by presenting the root cause corrective actions taken to resolve performance problems.

4. PRICE
Price will be evaluated by adding the maximum hour extended price totals of the base year and all option years and adding the General and Administrative and Material Handling price totals for material and travel of the base year and all option years.

SAMPLE 8 - GOVERNMENT:

TECHNICAL = MANAGEMENT = COST
ONE CONTRACT AWARD
EVALUATES COST BURDENS ON TRAVEL AND ODCs

The Government intends to evaluate proposals and award a contract without discussions with offerors. Therefore, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint. However, the Government reserves the right to conduct discussions if later determined by the Contracting Officer to be necessary. The failure of an offeror's proposal to meet any given requirement of the RFP may result in the entire proposal being found to be unacceptable and thus eliminated from the competition. One Contractor will be selected for award on the basis of their proposal being the most advantageous to the Government, price and other factors considered. The three evaluation factors are Technical, Management and Cost, which are of equal importance.

Prospective offerors are forewarned that a proposal meeting solicitation requirements with the lowest price may not be selected if award to a higher priced proposal is determined to be most advantageous to the Government.

TECHNICAL
The technical evaluation subfactors are listed below in descending order of importance:

a. Personnel. Evaluation will be based on the extent to which personnel resumes submitted by the offeror reflect the education and experience required by the labor category descriptions on a labor category and total labor hour basis. Other sources may be contacted to verify the resume contents. Education will be rated as either satisfactory or unsatisfactory. Experience may be rated higher than satisfactory if experience exceeds the minimum required in accordance with the labor category descriptions.

Annual salary will be evaluated to verify the offeror's clear understanding of the work to be performed and their capability to obtain and keep suitably qualified personnel to meet mission objectives. Unrealistic annual salaries and/or unrealistic fully burdened hourly rates will result in a reduced technical rating.

b. Sample Tasks. The responses to sample tasks set forth in Section L will be evaluated to determine the extent of the offeror's understanding of the Government's requirements. The clarity and completeness of responses addressing the special issues and problems associated with the performance of each sample task will be evaluated.

MANAGEMENT

The following management evaluation subfactors are equal in importance:

a. Management Plan/Manpower Utilization Matrix. Evaluation of the management plan will be based on a demonstration of sound business practices in response to the requirements of Section L.

The adequacy of all personnel proposed and their planned utilization will be evaluated based on the offeror's manpower utilization matrix. Any conflict between what is presented in the manpower utilization matrix and other parts of the offeror's proposal may result in a reduced evaluation rating.

A poorly defined management approach regarding the proposed subcontractors, or a large number of subcontractors, or a poorly structured partnership/joint venture, or a high proportion of contingency hires will result in the assessment of increased risk and/or a reduced evaluation rating.

b. Past Performance. Evaluation will be based on the extent, depth and quality of recent corporate experience in performing the same or similar work.

The Offerors, (including subcontractors) past performance and systemic improvement will be evaluated. Particular emphasis will be placed on the degree to which the offeror's management can demonstrate a concise relationship between their past performance data and their systemic improvements. Evaluation of the factual evidence will verify that the offeror has adopted and applied the principles and techniques of continuous systemic improvement in managing its total business to improve upon past performance.

The evaluation may include contacting other customers of the offeror to obtain feedback regarding past performance. The risk associated with the offeror's ability to perform on the proposed contract, i.e. to meet technical requirements, deliver quality products and meet cost and schedule, will be assessed.

COST

Offerors must propose one fully burdened hourly rate per labor category by completing Section B of the RFP. The cost evaluation subfactors listed below are equal in importance.

a. Price. The price will be evaluated on the Maximum Contract Labor Cost proposed for the base year and all option years.

The maximum hours listed in Section B for each labor category will be multiplied by the fully burdened hourly rate in Section B to calculate the extended dollars for that labor category. The Maximum Contract Labor Cost for each year is calculated by adding the extended dollars for all labor categories for that year. An additional amount will be added to the proposed price for each year to evaluate travel and other direct costs using a government estimate for travel and other direct costs and the burden rate submitted by the Offeror under G-3, "Additional Instructions for Submission of Invoices".

b. Cost Realism. The cost proposals will be evaluated for cost realism. This evaluation may include

consideration of actual salaries being paid for similar work under other contracts, salaries being paid for comparable civil service employees, excessive amounts of competitive time, DCAA audit information, and evaluation of compensation for professional employees. A cost proposal, which is determined to be unrealistic, will be assessed as having high performance risk.

SAMPLE 9 - GOVERNMENT:
TECHNICAL > PAST PERFORMANCE > COST
ENABLES MULTIPLE AWARDS

The following solicitation provisions are hereby incorporated by reference:
FAR 52.217-5 Evaluation of Options JUL 1990
FAR 52.216-27 Single or Multiple Awards OCT 1995

The contract(s) resulting from this solicitation will be awarded to that responsible offeror(s) whose proposal, conforming to the solicitation, is determined to offer the greatest value to the Government, cost and other factors considered.

Selection of an offeror for award will be based on an evaluation of three factors, listed in descending order of importance: Technical, Past Performance and Cost. Although Cost is less important than Technical and Past Performance, it is an important factor and should not be ignored. The importance of Cost as an evaluation factor will increase when cost is so significantly high as to diminish the value of the technical superiority of the offer to the Government.

Proposals which are unrealistic in terms of technical or schedule commitments, or unrealistically high or low in terms of cost, may be deemed to be reflective of an inherent lack of technical competence, or indicative of a failure to comprehend the complexity and risks of the proposed work and may be grounds for rejection of the proposal. The quality of organization and writing reflected in the proposal will be considered to be an indication of the quality of organization and writing which will be prevalent in the deliverable data.

The Government may award a contract based on initial offers received, without discussion of such offers. Accordingly, each initial offer should be submitted on the most favorable terms from a cost and technical standpoint. However, if considered necessary by the Contracting Officer, discussions will be conducted with those offerors with the most highly rated proposals.

The Government reserves the right to make an award to other than the lowest priced offeror or to other than the offeror with the highest technical score if the Contracting Officer determines that to do so would result in the greatest value to the Government.

1. TECHNICAL Oral Presentation is more important than Resumes.

a. ORAL PRESENTATION The Oral Presentation evaluation subfactors are listed below. Understanding Of Sample Task is significantly more important than Technical Approach:

Section I - Technical Approach
Section II - Understanding of Sample Tasks

When evaluating the offeror's understanding and capability, the Government will consider only the information on the overhead transparencies and slides actually projected during the allotted time for the oral presentation.

SECTION I - TECHNICAL APPROACH:
The technical approach will be evaluated to determine the extent of the Offeror's understanding of and feasibility/ability to successfully perform the Government's requirements as set forth in Section L herein.

SECTION II - UNDERSTANDING OF SAMPLE TASKS
The response to sample tasks will be evaluated to determine the Offeror's understanding, approach, allocation of resources, and overall resolution of the particular situation based on the information required by Section L herein.

b. RESUMES The resume evaluation will be based on the extent to which key personnel resumes meet or exceed the education and experience required by the labor qualifications in Section C. Key personnel shall have letters of commitment in the proposal. Resumes that do not meet the minimum qualification requirements will be evaluated as unacceptable.

2. PAST PERFORMANCE

The Government will evaluate the quality of the offeror's past performance as well as that of its proposed subcontractors, as it relates to the probability of successful accomplishment of the required effort.

a. The following subfactors are equal in importance:

1. timely delivery of services
2. technical quality
3. record of containing and forecasting costs
4. business-like concern for the interests of the customer
5. ability to attract and retain key personnel
6. applicability of the work to the Navy

b. Each performance risk assessment of the subfactors listed above will consider the number and severity of problems, the effectiveness of corrective actions taken and the overall work record. The assessment of performance risk is not intended to be the product of a mechanical or mathematical analysis of an offeror's performance on a list of contracts, but rather the product of subjective judgment of the

Government after it considers all available, relevant and recent information.

3. COST

For purposes of evaluation, proposed costs may be adjusted for cost realism. Cost realism may also be considered in the evaluation of technical subfactors. Cost realism pertains to the offeror's ability to project costs which are realistic and reasonable and which indicates that the offeror understands the nature and scope of the work to be performed.

The Service Contract Act is applicable to this solicitation. Offerors are advised that the Wage Determination represents base labor rates, exclusive of fringe benefits.

For evaluation purposes, proposals which include G&A and / or overhead expenses shall be evaluated by applying such expenses and overheads to the cost areas and adding these costs to the total price proposed.

For example:

Travel	$10,000.
G&A at 10%	1,000.
Evaluated	$11,000.

SAMPLE 10 - GOVERNMENT:
TECHNICAL > COST
ANTICIPATES MULTIPLE AWARDS
EVALUATES COST BURDENS ON TRAVEL & MATERIAL

The following provision is hereby incorporated into section M by reference:

FAR 52.217-5, Evaluation of Options (Jul 1990)

EVALUATION CRITERIA AND THE BASIS FOR AWARD
(1) The Government desires to make three awards under this solicitation with the evaluation process to be conducted as follows: an evaluation conducted on an unrestricted basis to determine the offeror whose proposal is most advantageous; an evaluation made only among certified small business concerns to determine the small business offeror whose offer is most advantageous; and an evaluation made only among certified 8(a) concerns to determine the 8(a) firm whose offer is most advantageous. The Contracting Officer reserves the right to make less than three awards if the Contracting officer determines that such multiple awards are not in the best interest of the Government. Offerors are advised that only one proposal needs to be submitted, regardless of size certification.

(2) The Government intends to make award by lot. For each lot, the Government intends to make award to the eligible, responsible offeror whose offer, conforming to the solicitation, is determined most advantageous to the Government, cost/price and other factors considered. The offeror's proposal shall be in the form prescribed by, and shall contain a response to each of the areas identified in the Section L solicitation provision entitled "Submission of Proposals." The evaluation of proposals will consider the offeror's technical proposal more important than the offeror's cost / price proposal. The Government reserves the right to award the contract to other than the lowest priced offeror.

(3) The technical evaluation factors are listed below in descending order of importance with Past Performance and Corporate Experience being of equal importance:

Technical Approach
Past Performance
Corporate Experience
Management Plan
Personnel Resources

The Government reserves the right to obtain information for use in the evaluation of past performance from any and all sources. Offerors lacking relevant past performance history will receive a neutral rating for past performance. The offeror must provide the information requested above for past performance evaluation or affirmatively state that it possesses no relevant directly related or similar past performance. The Government will consider the quality of offeror's past performance. The assessment of the offeror's past performance will be used as a means of evaluating the relative capability of the offeror and other competitors to successfully meet the requirements of the RFP. In determining the rating for the past performance evaluation factor, the Government will give greater consideration to the contracts which are most relevant to the RFP.

If the offeror's proposal is determined unacceptable in any of the technical evaluation factors, the proposal may not be considered for award.

(4) Costs will be evaluated on the basis of cost realism. Cost realism pertains to the offeror's ability to project costs which are realistic and reasonable and which indicate that the offeror understands the nature and scope of work to be performed.

Any proposal containing uncompensated overtime or any other methodology that serves to reduce the direct Labor rate by combining paid labor hours and unpaid labor hours will be evaluated by the contracting officer for cost realism purposes by pricing the uncompensated hours at the straight time direct labor rate or adjusting the labor rate to remove the impact of the nonpriced hours.

Evaluation of personnel compensation will be part of the cost realism evaluation. Unrealistic rates, as determined by the Contracting Officer, may also be considered in risk assessment and the offeror's overall proposal may be downgraded.

The Government has estimated travel and material costs as specified below:

	Travel	Material
Lot I	$80,000	$20,000
Lot II	80,000	20,000
Lot III	80,000	20,000
Lot IV	80,000	20,000
Lot V	80,000	20,000

The Government's estimated travel and material costs (plus applicable burden) shall be used for the purpose of evaluating the cost/price proposal. Therefore, offerors shall use these estimates in preparing their cost/price proposal.

SAMPLE 11 - A-76 STUDY:
EVALUATION OF PRIVATE SECTOR OFFERS

SINGLE AWARD FOR ALL ITEMS

Due to the interrelationship of the services to be provided hereunder, the Government reserves the right to make a single award to the offeror whose offer is considered in the best interest of the Government, price and other factors considered. Therefore, offerors proposing less than the entire effort specified herein may be determined to be unacceptable.

EVALUATION OF PRIVATE SECTOR OFFERS:

If a contract is awarded as a result of this A-76 Study, it will be awarded to that responsible offeror whose offer, conforming to the solicitation, is determined most advantageous to the Government, cost / price and other factors considered. The evaluation factors for the private sector proposals are listed below in descending order of importance:

Price
Management Plan
Past Performance

A finding of unacceptable in one technical factor may result in the entire technical proposal being determined to be unacceptable.

The Government intends to award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint. However, if considered necessary by the Contracting Officer, discussions will be conducted with those Offerors determined to be in the competitive range.

The Government will evaluate offers for award purposes by adding the total price for all options to the total price for the basic requirement. The Government may determine that an offer is unacceptable if the option prices are significantly unbalanced. Failure to propose on the option years will make an offeror ineligible for award. Evaluation of options shall not obligate the Government to exercise the option(s).

SAMPLE 12 - GOVERNMENT:

TWO EXAMPLES OF SMALL BUSINESS SUBFACTORS

I. SMALL BUSINESS SUBCONTRACTING PLAN

The offeror's support of the policy of the United States regarding the utilization of Small and Small Disadvantaged Business Concerns will be evaluated. Since this procurement is unrestricted, offerors shall propose a Small Business subcontracting goal of at least 30 percent of the total contract value including a Small Disadvantaged Business subcontracting goal of at least 10 percent of the total contract value. (For example: a goal of 30 percent for small business and a goal of 10 percent for small disadvantaged business are separate goals, but the total goal for small business and small disadvantaged business would be 30 percent.)

II. SMALL BUSINESS PARTICIPATION

A Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan is required from each large business offeror. In order to guarantee that Small, Small Disadvantaged and Women-Owned Small Business participation is fully and appropriately addressed, the offeror is required to subcontract at least 25 percent of the total direct labor hours to small business. These Small Business subcontractor personnel are required to be placed in high, medium and low tech positions as defined by the education and experience requirements of the labor category descriptions.

Compliance with Small Business goals will be verified by reviewing the Offeror's reported subcontracting performance as reported on the SF294 and SF295 Small Business Subcontracting reports.

PROPOSAL PREPARATION INSTRUCTIONS

SAMPLE 1 - INSTRUCTIONS TO OFFERORS - COMMERCIAL

1. Submission of offers. Each offeror must submit a price offer and submit written information that pertains to its capability and past performance. Offerors who do not provide any additional past performance information will be evaluated on the data already in the Government's files.

Offers consist of and must include the following:

> Standard Form 1449, "Solicitation/Contract/Order for Commercial Items," with blocks 12, 17, and 30 completed by the offeror. RFP Section B entitled "Supplies/Services," with the offeror's proposed contract line item prices. RFP Section K entitled "Offeror Representations and Certifications- Commercial Items" (FAR 52.212-3) and (DFARS 252.212-7000), completed by the offeror.

2. Past Performance. The Government will consider how well the offeror has satisfied previous contract requirements in making the contract award decision.

3. Period for acceptance of offers. The offeror agrees to hold the prices in its offer firm for 60 calendar days from the date specified for receipt of offers, unless another time period is specified in an addendum to the solicitation.

4. Late offers. Offers or modifications of offers received at the address specified for the receipt of offers after the exact time specified for receipt of offers will not be considered.

5. Contract award. The Government intends to evaluate offers and award a contract without discussions with offerors. Therefore, the offeror's initial offer should contain the offeror's best terms from a price and technical standpoint. However, the Government reserves the right to conduct discussions if later determined by the Contracting Officer to be necessary. The Government may reject any or all offers if such action is in the public interest; accept other than the lowest offer; and waive informalities and minor irregularities in offers received.

6. Multiple awards. The Government may accept any item or group of items of an offer under each lot, provided in the Schedule. Offers may not be submitted for quantities less than those specified. The Government reserves the right to make an award on any item for a quantity less than the quantity offered, at the unit prices offered, unless the offeror specifies otherwise in the offer.

SAMPLE 2 - INSTRUCTIONS TO OFFERORS - COMMERCIAL ITEMS

Each offeror must submit an offer (original and one copy), submit written information that pertains to its capability (three copies), and make an oral presentation to demonstrate its understanding of the Government's requirements. The Government will consider an offeror's non-compliance with these instructions to be indicative of the type of conduct that it may expect from the offeror during contract performance.

(a) OFFERS. Offers consist of and must include the following:

Standard Form 1449, "Solicitation/Contract/Order for Commercial Items", with blocks 12, 17, 30a, 30b and 30c completed by the offeror.

Solicitation Section B, "Schedule of Services and Prices/Costs", with the offeror's proposed contract line item prices inserted in the appropriate spaces.

Solicitation Clauses CI.9 & CI.10, "Offeror Representations and Certifications - Commercial Items", completed by the offeror.

The completion and submission of the above items will constitute an offer and will indicate the offeror's unconditional assent to the terms and conditions in this solicitation and in any attachments hereto. An objection to any of the terms and conditions of this solicitation will constitute a deficiency, which will make the offer unacceptable. The Government intends to award a contract without discussions; however, the Government reserves the right to conduct discussions if determined necessary by the Contracting Officer.

(b) WRITTEN CAPABILITY INFORMATION.

(1) Past Performance. The offeror shall describe its past performance on directly related or similar contracts it has held within the last five years which are of similar scope, magnitude and complexity to that which is detailed in the SOW. Offerors that describe similar contracts shall provide a detailed explanation demonstrating the similarity of the contracts to the requirements of the SOW. In determining the rating for the past performance evaluation factor, the Government will give greater consideration to the contracts which are most relevant to the SOW.

The Government may consider some or all of the following items to reflect the overall quality of the offeror's past performance: Termination for Default, delinquencies, failure to comply with specification and/or SOW requirements, amount of rework and any other information. The offeror shall provide the following information regarding its past performance:

A. Contract Number(s).

B. Name of company, reference point of contact, phone number, fax number and e-mail address at the

Local Government or Commercial entity for which the contract was performed.

C. Dollar, or local currency, value of the Contract.

D. Detailed description of the work performed.

E. Name(s) of subcontractor(s) used, if any, and a description of the extent of work performed by the subcontractor(s).

F. The number, type and severity of any quality, delivery or cost problems in performing the contract, the corrective action taken and effectiveness of the corrective action.

The Government reserves the right to obtain information for use in the evaluation of past performance from any and all sources. An offeror failing to provide past performance information or asserting that it has no relevant directly related or similar past performance will be considered ineligible for award.

(2) Organizational Experience. The offeror shall address their similar or directly related work experience within the last five years of similar scope, magnitude and complexity to that detailed in the SOW. The company shall address the following, as well as any other relevant information to the SOW:

A. Company's history, organization, qualifications and work experience relating to stevedoring and husbanding services.

B. Projects similar in magnitude and complexity to the work anticipated under this SOW.

C. Experience gained in skills related to the SOW.

(3) Key Personnel. A resume of the qualification and experience of the contract manager and two alternates shall be submitted with the written capability information. The contract manager shall have, as minimum, five years demonstrated experience in directing and managing porthandling operations.

(4) Equipment List. Provide a comprehensive Equipment List of the company's equipment, both owned and subcontracted, and other pertinent assets sufficient to accommodate services set forth in the SOW. The equipment list should provide information concerning the condition, age, make, model and ownership of the equipment (owned by the company, subcontract, port, etc.).

(c) ORAL PRESENTATION.

After the submission of offers, each offeror will be scheduled to attend a three-hour session with the Government. During this session the offeror will make an oral presentation (not to exceed 1 1/2 hours) and participate in a question and answer (Q & A) session to address the following topics:

(1) Management Plan: The offeror shall address their Pre-Arrival and Vessel On-Load/Off-Load Plan for accomplishing services in accordance with the Statement of Work (SOW). This plan shall describe the details for arranging, managing and ensuring timely and satisfactory performance of each line item.

(2) Resource Allocation: The offeror shall address facilities, resources and capabilities the offeror will utilize in order to accomplish SOW requirements. The offeror shall possess or be able to subcontract for all facilities and resources necessary to perform the requirements set forth in the SOW. The offeror shall also possess, or have the capability of obtaining, required equipment to accomplish services set forth in the SOW (e.g., cranes, forklifts, trailers, etc.). The offeror shall address Material Handling Equipment and Manpower Assets in great detail.

The offeror's oral presentation must be made by one or more of the persons whom the offeror will actually employ under the prospective contract as a manager or supervisor. All of the persons that the offeror will employ to perform managerial and supervisory functions must attend the Q & A session and must answer questions directed to them. In addition, the offeror may send two non-participating representatives to observe.

SAMPLE 3 - ORAL PRESENTATIONS

After the submission of offers, each offeror must make a one hour oral presentation to the Government. The overhead transparencies to be used by the offeror in making its oral presentation must be submitted with the offeror's proposal. After its oral presentation, each offeror must answer questions. The sole purpose of the oral presentation is to test the offeror's knowledge of the requirements of the prospective contract. The oral presentation and the question and answer session will not constitute a part of the offer and the information communicated thereby will not become a part of any contract resulting from this RFP. Neither the oral presentation nor the question and answer session will constitute discussions as defined in FAR 15.601 and 15.610, nor will they obligate the Government to conduct discussions or to solicit or entertain any revisions to the offer or a best and final offer. The contracting officer will schedule the oral presentations and will notify each offeror of the date, time, and location of its oral presentation after the Government receives the offers in response to this RFP. The contracting officer may schedule the first oral presentation to take place within approximately two to three weeks after the receipt of the offers. During the oral presentation the offeror must address the following topics:

I. UNDERSTANDING, APPROACH AND MANAGEMENT The offeror shall present its broad understanding of the requirement and its broad approach to managing the vast scope of this requirement. Include an explanation of your organizational flowchart, specifically describing proposed lines of authority and means of communications between the main office, your own personnel & fleet of trucks, and subcontractors. Describe how you will oversee the subcontractors to assure that timely and quality services are performed and invoiced in accordance with the contract. Specifically describe proposed lines of authority and means of communications between the main office and the U.S. Navy.

II. PARTNERING PLAN Describe your approach for partnering with the U.S. Navy. This shall

include what approaches you intend to use to improve the movement of U.S. Navy material in the most cost effective, efficient manner. This can be new initiatives or effective approaches already in practice for other customers for similar services. Describe successes with existing or previous customers (in terms of improvement in being cost effective and efficient). Describe what you expect from the U.S. Navy towards improving the transportation process.

III. ELECTRONIC ORDERING AND REPORTING The offeror must address how it plans to optimize the use of electronic commerce (Internet access) and computer software in partnering with the U.S. Navy. This must address (1) software used by the contractor in compiling reports and Internet access (including e-mail); (2) what kind of reports are available (provide examples) or will be created for the U.S. Navy, which as a minimum shall include delivery order status, usage statistics, invoice status; and (3) ability for the U.S. Navy to access reports on line (via Internet).

The offeror may not address its offer (SF1449, Pricing section), or any exception/deviation from the solicitation provisions, terms and conditions). However it may address other topics, within the one hour time limit, such as organizational experience or past performance, but the contracting officer will strictly enforce the one hour time limit. Only that portion of the presentation which has been completed, including the slides which have been briefed (presented and narrated), shall be considered in the evaluation. An offeror's oral presentation must be made by one or more of the persons whom the offeror will actually employ to manage the prospective contract. The offeror should have in attendance whomever the offeror believes is necessary to best respond in a manner that reflects that the offeror clearly understands the U.S. Navy's requirement. In addition, the offeror may send two non-participating representatives to observe. Each offeror must use overhead transparencies to document key points of its presentation. The Government will provide one overhead projector, one flip chart pad, and marker pens for the offeror's use during the oral presentation. The offeror may not use or submit any other media or documents. The offeror must submit its set of overhead transparencies and six (6) paper copies to the Government in a sealed package with its offer. Only those transparencies/slides submitted with the proposal may be used by the offeror in making the presentation.

SAMPLE 4 - MULTIPLE PHASE INSTRUCTIONS

Offerors' proposals will be completed in two phases:

PHASE I Under Phase I, Offerors' resumes, past performance and price will be evaluated to determine which offerors will proceed on to Phase II Ð Written Material and Oral Presentation.

Part I - Resumes. Offerors are highly encouraged to submit their resumes by the date requested for evaluation. If resumes are not received by the date requested for evaluation, they are due by the closing date of the RFP.

Offerors are required to submit resumes in the format provided as Attachment 1, Resume Format, which will be used to assess the offeror's capability to perform the tasks described in the Attachment 2,

Statement of Work.

Part II - Past Performance. Offerors are highly encouraged to submit their Past Performance information by the date requested for evaluation. If Past Performance information is not received by the date requested for evaluation, it is due by the closing date of the RFP.

(a) The Government will conduct a past performance evaluation based upon the past performance of the offeror and any subcontractors as it relates to the probability of successful accomplishment of the work required by the Statement of Work. The offeror shall complete Part I of the Attachment entitled, "Performance Risk Assessment Questionnaire", for each of its previous contracts received, or in performance, during the past three years (to include both prime and major subcontracts) which are in any way relevant to the effort required by this solicitation.

The description shall include the following information:

(1) Contract Number(s).

(2) Name and phone number of a point of contact at the Federal, State, Local Government or Commercial entity for which the contract was performed.

(3) Dollar value of the Contract.

(4) Detailed description of the work performed.

(5) Names of subcontract(s) used, if any, and a description of the extent of work performed by the subcontract(s).

(6) The number, type and severity of any quality, delivery or cost problems in performing the contract, the corrective action taken and the effectiveness of the correction action.

(b) The Government shall assess risks associated with offeror's past performance in the following areas:

(1) Timely delivery of services.

(2) Technical quality.

(3) Business like concern for the interests of the customer.

(4) Specificity of the work to the Navy.

(c) Each performance risk assessment of the areas listed above will consider the number and severity of

problems, the effectiveness of corrective actions taken and the overall work record. The assessment of performance risk is not intended to be the product of a mechanical or mathematical analysis of an offeror's performance on a list of contracts, but rather the product of subjective judgment of the evaluators after it considers all available, relevant and recent information.

(d) The Government will obtain whatever information it deems most relevant to the required effort by written and/or telephonic inquiry. The Government intends to forward the Attachment entitled, "Performance Risk Assessment Questionnaire", to those Government and commercial activities provided by the offerors in their proposal.

Part III - Price Proposal. Price Proposal will be due on the closing date of subject RFP. Offerors are required to complete the SF 1449 and schedule of services.

SAMPLE 5 - SUBMISSION OF PROPOSALS - GOVERNMENT

I. GENERAL
Offerors are required to submit their proposals in two separate volumes as follows:

VOLUME I

(1) Written Component
Past performance/Corporate Experience and Personnel Resource proposal original and 2 copies to include all data and information required for past performance/ experience and personnel evaluation, and exclude any reference to the pricing aspects of the offer. Each page of each copy should contain the following legend:

Source Selection Information
See FAR 3.104

(2) Oral Presentation The remaining portion of the technical proposal will be presented to the Government by means of an oral presentation. The oral presentation is required to be specific, and is limited to the areas of Technical Approach and Management Plan relative to the evaluation criteria set forth in Section M. The presentation will not encompass price or cost and fee. Presentations will be scheduled with offerors as soon as possible after the closing for receipt of proposals. The order in which offerors will make their presentations will be determined by random selection.

(i) Form of Presentation - Offerors shall make their oral presentation in person. Submission of videotapes or other forms of video contained in the presentation for evaluation, in lieu of the oral presentation, will not be authorized and such proposals will be rejected.

(ii) Offeror's Presentation Team - Only members of the offeror's and proposed subcontractor's in-house staff shall participate in the presentation. The only exception is that an individual who is proposed as Key

Personnel to perform on the contract but who is not currently employed by the offeror/subcontractor may participate in the presentation. For any portion of the work to be subcontracted, members of the proposed subcontractor's staff shall make that portion of the presentation relative to the work its firm will be performing. Offerors are encouraged to have individuals proposed as "key personnel" participate in the presentation.

(iii) The oral presentation shall not constitute discussions as defined in FAR 15.601 and 15.610. Furthermore, after completion of the oral presentation, the Government may request clarification of any points addressed which are unclear and may ask for an elaboration by the offeror on any point which was not adequately supported. Any such interchange between the offeror and the Government will be for clarification only, and also will not constitute discussions.

(iv) Documentation - At the presentation, the offeror shall provide a listing of names, firms, and position of all presenters and two copies of any slides or viewgraphs which are used in the presentation. The Government will not accept for evaluation any other type of documentation.

(v) Time allowed for presentations. Each offeror will have a maximum of one hour in which to make its presentation. The time required for clarification will not be counted against the offeror's time limit.

(vi) An overhead projector and screen will be provided. No other visual aids will be permitted.

VOLUME II

Price Proposal - Original and three copies to include the completed solicitation documents and a complete and detailed cost breakdown with all supporting information. Each page of each copy should contain the following legend:

Source Selection Information
See FAR 3.104

II. REQUIREMENTS FOR PROPOSAL CONTENT

(1) Volume I - Technical

(a) Technical Approach
Offerors shall demonstrate in sufficient detail a technical approach that will successfully accomplish the SOW. Offerors should describe the risks associated with the SOW and any risks associated with the Offeror's proposed technical approach; describe any techniques, methods, and actions that will be used by the offeror to mitigate the risk(s) identified in the SOW and in the offeror's proposed technical approach and provide an explanation of whether the techniques and methods identified for risk mitigation have been successfully used by the offeror.

(b) Past Performance/Corporate Experience
The offeror shall describe its past performance on similar contracts it has held within the last five years which are of similar scope, magnitude and complexity to that which is detailed in the RFP or affirmatively state that it possesses no relevant directly related or similar past performance. Provide a detailed explanation demonstrating the relevance of the contracts to the requirements of the RFP. The offeror should provide the following information regarding its past performance/corporate experience:

1. Contract number(s),

2. Name and phone number of a point of contact at the federal, state, local government or commercial entity for which the contract was performed,

3. Dollar value of the contract,

4. Detailed description of the work performed,

5. Names of subcontractors used, if any and a description of the extent of work performed by the subcontractors,

6. The number, type and severity of any quality, delivery or cost problems in performing the contract, the corrective action taken and the effectiveness of the corrective action.

(c) Management Approach
Offerors shall demonstrate in sufficient detail a management approach that will successfully accomplish the SOW. Offerors should address the risk associated with implementation of the offeror's management plan as well as the steps to mitigate this risk and an explanation of whether the techniques and methods identified for risk mitigation have been successfully used by the offeror.

(d) Personnel Resources
The offeror shall provide the required number of resumes for each labor category. The offeror shall provide sufficient information within the resumes to detail the personnel education, experience and required security clearance expressed in the solicitation clause "Personnel Qualifications" The offeror shall submit resumes for the key personnel listed. The required numbers of resumes per labor category are shown in brackets. Project Manager (1), Group Leader (3)

Each offeror shall provide the following certification: "I certify that each individual proposed as key personnel was contacted after the issue date of the solicitation and that each individual has confirmed that they are available for contract performance."

If the offeror proposes more than the number of personnel required in an individual category, the offeror should identify the percentage of effort that each person will be committed to in performance of that position under the contract and a resume shall be provided for each person proposed.

(2) Volume II - Cost

Volume II shall provide a detailed cost breakdown. The offeror's cost proposal shall support the offeror's technical proposal. If the cost proposal does not support the technical proposal, the offeror's overall proposal rating may be downgraded. The cost proposal shall include all elements of cost and such other cost information as is necessary to support your proposal. The cost and pricing information shall be completed in accordance with the following:

(a) Separate cost and pricing information shall be submitted for each year of the services specified in Section B of the solicitation.

(b) Supporting data including labor rates and hours, burdened rates, material lists and costs, travel charges, and "other direct costs" used in developing the cost breakdown shall be furnished and properly referenced with this data. The supporting data for "other direct costs" shall include an itemization of those costs and a justification and explanation for each cost so itemized.

(c) For key personnel, the proposed rates should be arrived at by utilizing the actual labor rates for personnel for whom resumes are submitted.

(d) For proposal purposes, assume that 65% of the work in all categories will be performed on-site (Contractor) and 35% will be performed off-site (Government).

(e) The following amounts (plus applicable G&A and Material Handling) shall be utilized for evaluation purposes in determining the total cost for the contract.

(i) Travel estimated at $2,400,000 is for travel and subsistence associated with performance under this contract which will be reimbursed in accordance with the clause entitled "Reimbursement of Travel Costs."

(ii) Material estimated at $600,000 is for incidental material and special materials as defined in the statement of work and the section C clause entitled "Allowability of Material and General Business Expenses."

(iii) Any offeror having an accounting system which includes, within overhead or G&A, the cost elements set forth above shall specifically state this fact within the cost proposal to preclude these costs from being unduly considered twice. (f) All subcontracts set forth in the technical proposal shall be priced in the cost proposal. Subcontracts regardless of dollar value shall be adequately documented to facilitate a determination of cost reasonableness/realism.

SAMPLE 6 - CONTENT OF PROPOSALS (SERVICES)

(a) GENERAL
Offerors shall submit one paper original, one paper copy, two additional paper copies of resumes called for by c(l)(ii), and two copies on electronic media (5.25" or 3.5" disk in IBM-compatible format) of the proposal. Proposals will be evaluated using Microsoft Word for Windows (version 6.0) and Microsoft Excel for Windows (version 5.0). Submitted electronic proposals must be readable in these specified formats. Offerors may submit proposals in alternate formats (such as Adobe Acrobat), provided that an appropriate DOS/Windows viewer is provided to the Government. Each diskette shall be marked with the offeror's name, the solicitation number, submission, volume number(s), software used, and the names and description of all files included on that diskette.
(1) A proposal submitted in response to this solicitation shall consist of three separate volumes: Technical, Management, and Cost.
(2) Any data previously submitted in response to another solicitation will be assumed unavailable, and this data must not be incorporated into the technical proposal by reference.
(3) Clarity and completeness of the proposal are of the utmost importance. The proposal must be written in a practical, clear and concise manner. It must use quantitative terms whenever possible and must avoid qualitative adjectives to the maximum extent possible. Proposal volumes must be internally consistent or the proposal will be considered unrealistic and may be considered unacceptable.

(b) FORMAT
(1) Format requirements are as follows: Proposals must be legible and prepared on standard 8 1/2 x 11 inch paper, double spaced. (Resumes may be single spaced.) The offeror shall use a type size no smaller than 12 point.
(2) Each proposal section shall be governed by the word quantity limitations specified herein except as noted in c(l)(ii) below. Word quantity for each section will be determined using the word count utility in Word for Windows 6.0.
(3) The format for graphics is as follows: Graphics are not desired, except for organization charts needed for d(l)(i) below. Any graphics shall comply with (b)(1) above and will be governed by the limitations set forth in (b)(2) above.
(4) If proposal sections exceed the word quantity limitations set forth herein, excess text will be removed from the back of that section and NOT evaluated. The word quantity limitation includes but is not limited to executive summaries, forewords, foldouts, attachments, figures, graphs, etc. as well as text. Resumes failing to comply with the format requirements of (b)(1) above, or exceeding two pages, will not be evaluated.
(5) Technical, Management, and Cost volumes must be submitted within a sealed package and be clearly marked with the solicitation number. Proposals submitted in response to this solicitation must contain the information as outlined below.

(c) TECHNICAL (VOLUME I) No cost or price information may be included in the technical volume. The technical volume may not be classified. The following sections are to be included in the order indicated:
(1) SECTION I - PERSONNEL
Section I must contain resumes reflecting the qualifications and experience of all personnel being proposed for the following key labor categories:

Senior Systems Engineer
Senior Engineer

(i) Additional categories identified in this solicitation will not be used for evaluation purposes and offerors are not to submit resumes for those categories. However, the Offeror must include all labor categories in the manpower utilization matrix and must demonstrate an ability and present intention to provide personnel to commence work at the time of contract award.

(ii) Personnel resumes submitted by the Offeror must reflect the necessary qualification and experience as described in the labor category descriptions and represent the Offeror's capability to perform the tasks contained in Section C. Resume entries shall detail specific skills and include separate entries for each position in which those skills were performed. Resumes shall be provided in strict accordance with the resume format at the Attachment. A person cannot be proposed for more than one labor category. Section I is limited to a total of two pages per resume.

(2) SECTION II - SAMPLE TASKS
This section of the technical volume provides the offeror's response to the sample tasks set forth in L-12. For each sample task, the offeror will provide (1) a description of possible areas to be investigated in researching each task, (2) a detailed description of the technical approach including a detailed step-by-step procedure and methodology which would be used in accomplishing each task, and (3) identification of the additional information that would be required to perform each task, (4) a detailed work plan for implementation, (5) a product outline describing what would be the expected deliverable(s) and/or result(s) of this task, and (6) manhours by labor category but not cost. The offeror should not propose studies in response to the sample tasks but rather provide a technical report addressing methodologies/recommendations that meet sample task requirements. The response to sample tasks is limited to 1,500 words per task.

(d) MANAGEMENT (VOLUME II)
No cost or price information may be included in the Management Plan/Manpower Utilization Matrix and Past Performance sections of this volume. The management volume may not be classified. The following sections are to be included in the order indicated:

(1) SECTION I - MANAGEMENT PLAN/MANPOWER UTILIZATION MATRIX
(i) Part 1 - Management Plan - The Offeror must provide a detailed management plan that will be followed during contract execution. The Offeror's management plan must include the proposed lines of responsibility, authority, and communication through which the tasks will be managed, and the procedures to be taken to insure quality control and cost control. The management plan will also discuss the methods by which source documentation will be protected and controlled. The Offeror must define the proposed organizational structure (including responsibilities and reporting structure) for the project, how personnel will be assigned from task to task throughout the contractual period, and how the proposed project team will interface with both the offeror's corporate structure and the Government. The Offeror must identify the policies and procedures in place for verifying education and experience to

ensure that resumes submitted for key personnel are current, complete, and accurate and the safeguards in place to ensure that personnel assigned to non-key labor categories meet the requirements of those labor categories. The Offeror must propose policies and procedures for managing and directing the effort for standardization, productivity, quality, cost control and cost management. Also, describe the plan for early identification and resolution of problems. Part 1 is limited to a total of 4,000 words.

(ii) Part 2 - Manpower Utilization Matrix Ð The Offeror must provide a manpower utilization matrix in labor category sequence for all personnel proposed for all labor categories for the base year only in the format of Table II. The Offeror shall not propose less than 900 hours per year for any person listed in the Manpower Utilization Matrix. The Offeror should subtotal the labor hours identified in the manpower utilization matrix for labor categories of both the prime and subcontractor. If an individual is proposed as a contingency hire, it must be so noted. New hires may not be proposed. A contingency hire is defined as an individual who has signed a commitment to work in the event that the contract is awarded to the Offeror. A new hire is defined as an unspecified person to fill an empty billet who is not identified as a current employee of the Offeror or as a contingency hire. The Manpower utilization matrix does not have a word quantity limitation.

iii) Part 3 - Background Information on Composition of Joint Venture / Partnership - The Government prefers to contract with a company or corporation as opposed to a partnership or joint venture in the fulfillment of these requirements. If the offeror is a partnership or joint venture, documentation must be provided which clearly explains the relationship of the parties. This documentation must include, but is not limited to: the structure of the Offeror's organization, responsibilities, liabilities, financial responsibility, managerial responsibility and accountability, and applicable legal documents. Part 3 does not have a word quantity limitation.

(2) SECTION II - PAST PERFORMANCE
The offeror must provide the information required by provision L-7, "Proposal Information Requirements for Past Performance on the Proposed Contract" and Table I. This section is limited to a total of 3,250 words.

(e) COST (VOLUME III)
(1) The Offeror must propose one fully burdened hourly rate per labor category by completing Section B of the RFP. Cost proposals shall not differentiate between on-site and off-site rates. Composite rates are required for any labor category for which more than one company's personnel are proposed. The proposal shall clearly demonstrate the individual cost elements from which the composite rate is developed. Proposals must be submitted for the total maximum hours, by labor category, shown in Section B.
(2) The cost proposal must contain specific rates provided in the format of Table III for the initial year and each option year for the Offeror and all subcontractors. Each subcontractor shall provide a complete Table III. The fully burdened hourly rate of each subcontractor employee shall be used with their respective hours when constructing the prime's Table III.
(3) In accordance with the provision entitled, "Identification of Uncompensated Overtime", the Offeror must provide information for all personnel proposed for all categories in the format of Table IV. (4)

Tables III and IV must be consistent and demonstrate a clear understanding as to how both prime and subcontractor hours and rates were derived. Inconsistencies in the proposal between prime and subcontractor hours and rates will be considered a high performance risk to the Government.
(5) All proposed costs must be adequately supported. The proposal must include sufficient background to show derivation. If the cost proposal cannot be understood, it may result in the entire proposal being found to be unacceptable and thus eliminated from the competition.
(6) The offeror must provide the information required by the provision entitled, "Evaluation of Compensation for Professional Employees."

(f) SUBMISSION OF REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS

The Representations, Certifications and Other Statements of Offerors/Quoters (Section K) shall be submitted only for those Offerors proposing as potential prime contractors. Representations and Certifications from potential subcontractors are not required or desired.

SAMPLE 7 - GENERAL INSTRUCTIONS FOR PROPOSALS

Proposal Identification/Mailing - Offerors should assign their own identifying number to their proposal. The proposal should be packaged for delivery so as to assure safe and timely arrival at destination. The proposal package should be mailed or delivered to the address shown in Block 7 of Standard Form 33 and clearly marked:
RFP No. _____.

VOLUME I TECHNICAL AND MANAGEMENT PROPOSAL

1. Technical and management information shall be placed in Volume I and be completely separate from the cost proposal (Volume II).

2. Proposal Format and Length - The proposal should be written and organized so as to be compatible with the RFP, the Statement of Work, company's organization and accounting structure, and proposed cost estimate. The proposal length shall not exceed 50 pages including illustrations, charts, drawings, and diagrams, but excluding resumes.

3. Required Copies: six

VOLUME II COST PROPOSAL

1. All cost information shall be placed in Volume II. Volume II shall include costs for the base period and the four options in Schedule B. The cost proposal shall include a summary for each year and a five-year summary.

2. The Offeror's proposed labor costing schedule, based on the Statement of Work described in Section

C, should be in Volume II and be completely separate from the technical proposal (Volume I). v 3. The Offeror's cost proposal shall include a breakdown of unloaded labor rates for each labor category, fringe benefits, escalation, overhead, G&A, fee and any other direct or indirect costs and rates for each labor category. Any anticipated costs for travel-related expenses and employee per diem should be justified and included in the cost proposal.

4. Required Copies: three

INSTRUCTIONS FOR TECHNICAL PROPOSALS

Please read the evaluation criteria closely prior to preparation of your technical proposal. The emphasis you place on elements of your technical proposal should be materially affected by the criteria which will be used to evaluate your offer.

The Technical Proposal will contain the following elements:

A. PERSONNEL QUALIFICATIONS

1. Provide a resume for each of the key personnel proposed to perform the work described in Section C. The resumes must include educational qualifications, previous work experience, and the percentage of time the proposed key person will be dedicated to the contract. If the proposed person is not currently employed by the Offeror, a signed letter of intent must be included. Show that the individuals offered have the skills and working knowledge of methods and techniques appropriate to the tasks of this project.

B. MANAGEMENT

1. Clearly describe and fully identify critical schedule and cost events correlated with the technical requirements of the research tasks required in the Statement of Work. Recognizing that the details of a particular task management plan depend upon the nature of the research task issued, the Offeror should as specifically as possible describe the planned application of essential resources to the execution of research effort requirements. Include an explanation of how the Offeror will meet contract requirements if an option to extend contract performance is exercised. The Offeror must identify how management plans to handle surge requirements necessitating additional personnel as well as the replacement of personnel. Because the application of resources and timely direction of complex research efforts are critical to the success of projects in the proposed research areas, the Offeror's management "know how" should be fully presented.

C. PAST PERFORMANCE

1. The Government will evaluate past performance using the information provided, reports from the points of contact contacted, and other sources.

2. Provide the following information on all contracts with the same or similar performance requirements performed in the last three years:

a. Contract number and awarding company/agency
b. Total value
c. Period of performance
d. Technical and contracting points of contact with awarding company/agency
e. Telephone numbers for points of contact

3. Provide a narrative for each contract cited in the above format to include a brief technical description or scope of work, complexity, objectives achieved and an explanation of any problems or delays encountered and corrective action taken.

4. The Offeror may submit relevant past performance information about key personnel who were employed by other firms in the recent past.

5. Each offeror, other than Small Business concerns, shall include as part of its past performance a narrative of its compliance with requirements of FAR 52.219-8, "Utilization of Small, Small Disadvantaged and Women-Owned Small Business Concerns", FAR 52.219-9, "Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan," and predecessor provisions.

D. COMMITMENT TO SMALL BUSINESS

1. The Government strongly encourages the use of Small, Small Disadvantaged and Women-Owned Small Businesses and Historically Black Colleges and Universities or minority institutions (HBCU/MIs). Each Offeror should submit as part of its proposal its written commitment to provide for meaningful work to Small, Small Disadvantaged and Women-Owned Small Businesses and HBCU/MIs in the performance of this contract. The commitment may be in the form of a joint venture, teaming arrangement or subcontract with one or more qualifying entities. The Offeror's commitment will be evaluated against the following criteria:

a. The extent which such firms are specifically identified in proposals;

b. The extent of commitment to use such firms;

c. The complexity and variety of the work small firms are to perform;

d. The realism of the proposal; and

e. The extent of participation of such firms in terms of the value of the total acquisition.

2. Each Offeror, other than small business concerns, shall submit as part of its proposal a written

subcontracting plan in accordance with the clause entitled "SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED SMALL BUSINESS SUBCONTRACTING PLAN" (FAR 52.219-9).

SAMPLE 8 - PREPARATION OF PROPOSALS

Proposals shall be prepared using "Arial" or "Times New Roman" font style in point size 11 or greater on 8_ x 11 inch white paper. Foldouts are not allowed. Margins shall be 1 inch on all sides. All material submitted may be single-spaced. Offerors should ensure that each page provides identification of the submitting Offeror in the margin (header or footer).

To support their business proposal, Offerors should submit their pricing and RFP Section B in electronic format (e.g., MS Excel) on 3.5" diskette in addition to the written submissions in the Business Volume. Should conflicts arise between the material presented in the Business Volume and on the diskette, the written material in the Business Volume shall take precedence.

Each Offeror must submit their proposal materials in three-ring, loose-leaf binders, with each section of information under a separate tab divider. Business and Technical Volumes shall be submitted in separate binders. An original and two copies of the Business Volume, consisting of Parts 1 through 3; and an original and six copies of the Technical Volume, consisting of Parts 4 through 6, shall be provided. The following instructions are provided:

PART I. Model Contract. There is no page limit for this part. The Offeror shall agree to the terms and conditions of the model contract of this solicitation which consists of RFP sections A - K, including all documents, exhibits, and attachments. The submission of these items in accordance with the instructions will, upon acceptance by the Government, contractually bind the Government and the Contractor to the terms and conditions of the model contract.

PART II. Business Proposal. There is no page limit for this part. Any information submitted must support the Offeror's price proposed. Include sufficient detail to clearly establish the relationship of the information provided to the price proposed. Support any information provided by explanations or rationale to establish a basis for evaluation. A breakdown of the components of the Offeror's business proposal include completion of Section B. Offerors are advised that uncompensated overtime (e.g., in excess of a standard 40-hr. week) is highly discouraged. Offerors shall identify the amount of fee and general and administrative expense (G&A) that will be applied to other direct cost elements.

The offeror shall, at a minimum, provide supporting data that addresses the following areas in detail sufficient to provide the Government with the basis to accomplish its evaluation: organization, fiscal period, contracts, direct rates, productive hours, indirect rates, escalation, contingencies, audits, compensation plan, salary certifications, basis for profit, and other direct costs.

PART III. Subcontracting Plan. There is no page limit for this part. Each large business Offeror shall submit a Subcontracting Plan as part of their proposal submission. Offeror's are advised that the small

business subcontracting requirements for this contract are 25 percent, distributed across Small Business, Small Disadvantaged Business (SDB), and Woman-Owned Businesses. The SDB business goal shall be at least 5 percent.

PART IV. Understanding and Approach. This part is limited to 30 pages. This part shall concisely describe the Offeror's understanding of the technical support requirements described in the Statement of Work. Offeror's should include, at a minimum, their approach to quality performance, ensuring technical excellence, proposed skills mix, use of subcontractors, use of facilities, and overall corporate capabilities to accomplish the requirements and to provide best value services.

Concisely describe your plans for effective management and oversight of the resultant contract. Ensure that, at a minimum, the following areas are addressed:

Ability to accomplish the full scope of technical requirements anticipated;

Benefits of your management experience and approach;

Approach to effective technical performance, including subcontracting;

Ability to ensure consistent quality and availability of professional staff; and

Roles and responsibilities of the Program and Project Managers.

PART V. Past Performance. This section is limited to 10 pages. Provide a Past Performance Reference Matrix illustrating relevant work of similar size, scope, and complexity, accomplished during the past three years. Ensure that accurate and concise information is provided for each reference, whether the data is for the prime, or subcontractor, including:

Title of Contract, Contract Number, and Sponsoring Organization;

Name and Telephone for the Technical POC and Contracting Officer;

Type of Contract, Contract Value, Award and Completion Dates; and

Brief description of the services performed, problems identified and corrective action taken, awards/recognition received.

In addition to the Past Performance Matrix, the Offeror shall provide six detailed summaries of similar work accomplished during the past three years. These summaries shall not exceed one page each. Subcontractor work may be included at the discretion of the prime contractor. Detailed summaries shall address the following:

Technical relevance to work anticipated under the resultant contract;

Previous roles of Key Personnel being proposed for the resultant contract; and

Specific, quantifiable accomplishments or deliverables.

A Past Performance Questionnaire will be provided to selected references cited in the Past Performance Matrix. The Government may use information from sources other than those identified in the proposal to evaluate the Offeror's past performance and experience.

PART VI. Personnel. This section is limited to two pages per resume. Provide resumes for the proposed Program Manager, Project Manager-Engineering, Project Manager-Logistics, and Project Manager-Operations.

Ensure the following information, at a minimum, is included for each resume submitted: Education and relevant training; technical skills and/or professional certifications; positions held (dates); relevant work experience for the position; and any verifiable awards/accomplishments.

SAMPLE 9 - PROPOSAL PAGE LIMITATION

Volume I shall be limited to no more than 100 pages (exclusive of resumes). Each "page" is defined as one sheet, 8 1/2" x 11", with at least one inch margins on all sides, using PICA size type (point size of 12 with 10 characters per inch) or larger. Lines shall, at a minimum, be single-spaced. Pages shall be consecutively numbered. Multiple pages or foldouts will count as an equivalent number of 8 1/2" x 11" pages. The cover sheet, table of contents (not to exceed one page), tabs, and dividers will not count toward the page limit.

The price proposal (Volume II) is not page limited. However, the price proposal shall be strictly limited to cost and price information.

Pages submitted in excess of the page limit will NOT be evaluated but will be returned to the offeror. The offeror may include the legend, "Source Selection Information - See FAR 3.104" in the one-inch page margins (top, bottom or either side).

SAMPLE 10 - ELECTRONIC PROPOSAL SUBMISSION

(a) By submission of a proposal on electronic media, the offeror certifies that the submission is readable on the machine and operating system format specified and has been verified as free of viruses. Prior to any evaluation, the Government will check all diskettes for viruses and ensure that all diskettes are readable. In the event that the diskettes are defective (unreadable), the Government will only evaluate the readable electronic files and the written proposal. The offeror also certifies that the electronic and paper

copies of its proposal submitted in response to the solicitation are identical.

(b) The Offeror certifies that:
(1) The electronic and (if applicable) paper copies of its proposal submitted in response to the solicitation are identical;

(2) The magnetic media on which electronic proposals are submitted have been verified as readable on the machine and operating system format specified elsewhere in the solicitation; and,

(3) The magnetic media on which electronic proposals are submitted have been verified as free of viruses using the following software:

_____
(name, manufacturer and version of anti-virus software used)

(c) A proposal that fails to conform to the requirements of paragraphs (a) and (b) above will be treated as a late proposal in accordance with the provision of this solicitation entitled Late Submissions, Modifications, and Withdrawals of Proposals and returned without further action to the Offeror.

_____
Signature, Name and Title of Contractor's Certifying Official

SAMPLE 11 - CONTRACTOR PERFORMANCE DATA SHEET

THE INFORMATION PROVIDED IN THIS DATA SHEET MAY BE USED TO EVALUATE THE OFFEROR'S PAST PERFORMANCE IN MEETING COSTS/PRICE, TECHNICAL, AND DELIVERY OBJECTIVES. THE RESULTS MAY BE USED IN THE OVERALL COMPARATIVE EVALUATION OF THE OFFEROR(S) IN ACCORDANCE WITH SECTION M OF THE REQUEST FOR PROPOSALS (RFP).

Contractor Name:	RFP#:
Address:	POC:

Division:

List Performance Data on your five most recently complete federal Government contracts (not to exceed three years since completion) for like or similar items under this RFP. (If you do not have five federal Government contracts, then list state, local, or commercial contracts, in that order, to complete this report).

CONTRACT INFORMATION

CONTRACT NUMBER: DATE COMPLETED:

CONTRACT TYPE: FIXED PRICE COST REIMBURSEMENT OTHER

ITEM DESCRIPTION:

CONTRACT QUANTITY/LENGTH OF SERVICE:

CUSTOMER NAME: CUSTOMER POINT OF CONTACT:

ADDRESS: TELEPHONE:

FAX:

QUALITY:

Was consideration or a monetary withhold for non-conforming supplies/services or late deliveries assessed against this contract?

YES_____NO_____

EXPLANATION

Was/is any part of this contract terminated for default and/or in litigation?

YES_____NO_____

EXPLANATION

Was any warranty work completed on delivered items?

YES_____NO_____

EXPLANATION

Did you receive any quality awards in the past three years?

YES_____NO_____

List Awards:

TIMELINESS

Were all items (including products, services, reports, etc.) delivered within the original contract schedule?

YES_____NO_____

EXPLANATION

COST

EXPLANATION

For Cost Type Contracts

Was the original contract estimated cost met?

YES_____NO_____

EXPLANATION

If the estimated cost was not met, what was the positive/negative percentage of change?YES_____NO_____

EXPLANATION

OTHER PERTINENT INFORMATION

DESCRIBE ANY CORRECTIVE ACTION(S) INITIATED TO SOLVE ANY OF THE ABOVE-DESCRIBED PROBLEMS/DEFICIENCIES ON THIS CONTRACT. DISCUSS THE SUCCESS OF THE CORRECTIVE ACTION(S) TAKEN.

SAMPLE 12 PERFORMANCE RISK ASSESSMENT QUESTIONNAIRE

OFFEROR'S NAME: _____

THE COMPLETION OF PART II OF THIS QUESTIONNAIRE IS REQUESTED FROM YOUR AGENCY/COMPANY IN ORDER THAT WE MAY EVALUATE THE AFOREMENTIONED OFFEROR'S PAST PERFORMANCE ON PREVIOUS CONTRACTS AS IT RELATES TO THE PROBABILITY OF SUCCESSFUL ACCOMPLISHMENT OF THE WORK REQUIRED RELATIVE TO THE AWARD OF THE CONTRACT RESULTING FROM THE SOLICITATION.

Please provide concise comments regarding your overall assessment of the contractor's performance on the contract identified below. Please respond to each question in a narrative format. Please mail or fax your response directly to (Fill in organization, address, contracting officer's name, phone number, fax number here.) Request the questionnaire be submitted to the Government no later than (Fill in the date here.). If mailing, please allow sufficient time to ensure receipt at the above address no later than the date specified.

THIS COMPLETED QUESTIONNAIRE SHALL NOT BE RETURNED TO THE OFFEROR WHO ORIGINATED THIS REQUEST.

PART I

TO BE COMPLETED BY THE OFFEROR

Contract Information:

Contractor/Division/Subcontractor:_____

Contract Number:_____

Contract Period of Performance:_____

Contract Type: _____

Dollar Value of the Contract: _____

Detailed description of work performed:_____
_____
_____

Subcontractor Names and description of work performed the subcontract(s):
_____
_____
_____

Number, type and severity of any quality, delivery or cost problems in performing the contract, the corrective action taken and the effectiveness of the correction action:
_____
_____
_____

PART II

TO BE COMPLETED BY THE RESPONDENT

POC:_____ Position:_____

Phone: (DSN):_____ (Commercial):_____

Business Address: _____
_____
_____

Is above Contract information correct?_____If Not, please describe discrepancies:
_____
_____
_____

1. Please specify contract requirements purpose, and technology.

2. Was the contractor's management effective in controlling cost, schedule and performance requirements?
Please explain:

3. Was the contractor successful in retaining key personnel? When necessary, was the contractor successful in attracting fully qualified replacements for key personnel?

4. Did the contractor successfully manage its subcontractors?
Please explain:

5. Was logistics support satisfactory in meeting contract requirements?
Please explain:

6. Rate the contractor's overall technical performance: Outstanding ( ) Good ( ) Fair ( ) Poor ( )
Please explain:

7. With respect to design, engineering capability, and overall technical performance, would you recommend this contractor for similar Government contracts?
Please explain:

8. At completion of the contract, was the contractor committed to customer satisfaction?
Please explain:

9. During technical meetings, was the contractor cooperative and receptive to Government concerns affecting performance requirements?

Please explain:

10. Do you know of anyone else who might have relevant information concerning this contractor's past performance?
Please explain:

11. Please make any additional comments you wish here:

CONTRACT PROVISIONS

SAMPLE 1 - PERFORMANCE BASED CONTRACT

In performing the requirements of this contract, the contractor will utilize the technical and management approaches proposed in response to the solicitation. The contractor is allowed flexibility in performance of this contract to the extent that performance outcomes specified in Section C of the contract and offered in the proposal are not degraded. Both parties recognize the contractor's proposal in response to the solicitation as the baseline for performance.

SAMPLE 2 - CONTRACTOR RESPONSIBILITY

a. Work to be performed and required deliverables shall be described in task orders to be placed against the contract by the Ordering Officer and shall be within the parameters of one or more of the general tasks listed below.

b. As may be required to perform the level of effort described in the task order, the Contractor shall furnish all labor and facilities; fabricate, assemble, receive, inventory, verify, package, store, and ship material and equipment necessary for the performance of these efforts. The Contractor shall acquire or procure those incidental material items necessary to complete tasking.

c. The Contractor is solely responsible for the technique, which will be used to fulfill the terms of this Statement of Work (SOW). Further, the Contractor remains solely responsible for control and supervision of employees while performing under this contract.

d. The Contractor is solely responsible for the safety of employees while working on-board ships, when working in tanks and confined spaces. The contractor shall comply with all regulations relating to shipboard industrial safety, equipment tag out, and environmental control and shall perform atmospheric safety certification when work is required in tanks and unventilated spaces.

e. The contractor shall ensure that all contractor personnel performing electrical and/or electronic work are CPR certified.

f. The contractor shall provide certification for welders and shall ensure that these and any other contractor personnel requiring certification carry a copy of their certification at all times while performing under this contract.

g. The contractor shall be responsible for obtaining any passports and visas that may be required by his personnel to support tasks performed under this contract.

SAMPLE 3 - PBSC POSITIVE MATERIAL MANAGEMENT INCENTIVE

The contractor is encouraged to use innovative material management procedures, and timely, cost effective repair procedures to minimize the cost to the Government for the reimbursable materials needed to support flight hour, aircraft inventory and readiness objectives. The Government's estimated material costs, as contained in Section B reimbursable CLINs OX24, OX31, OX55 and OX62, are based upon actual material costs. The Government estimated option year costs contained in Section B for the reimbursable material CLINs are stated in constant fiscal year-1994 dollars. These estimates will be adjusted to reflect actual Bureau of Labor Statistics price escalations (+ -) from the third quarter of calendar year 1994 to the fourth quarter of each option year, as combined and published in the DRI/McGraw-Hill, Long-Range Focus, Table Q9, Aircraft Producer Price Index, PPI3721NS, before calculating incentive payment amounts. The Government will provide incentive payments to the contractor for achieving actual material costs that are lower than the Government's estimated costs for the above cited material CLINs for Option Year I through Option Year V in accordance with the following formulas:

T-34 Material Incentive

T-34 Estimated A/C / T-34 Actual A/C = T-34 A/C %, Delta

T-34 DRI Adjusted Estimate / T-34 A/C %- Delta = T-34 Adjusted Estimated Cost

T-34 Adjusted Estimated Cost - T-34 Actual Cost = T-34 Total cost Avoidance

T-34 Total Cost Avoidance X 15% = T-34 Incentive Payment

Where; T-34 Estimated A/C = arithmetic average number of T-34 aircraft estimated under Section B CLINs OXO1 and the arithmetic average number of aircraft supported at the satellite sites for the option period.

And; T-34 Actual A/C = arithmetic average number of T-34 aircraft ordered under CLINs OXO1 and the arithmetic average number of aircraft supported at the satellite sites for the option period.

And; T-34 DRI Adjusted Estimate = total government estimated Section B costs for CLINs OX24 + OX31 X (DRI factor for Option period / DRI factor for 3rd Qtr Calendar Year 1994).

And; T-34 Actual Cost = total actual Option period Costs for CLINs OX24 + OX31.

In all cases, the T-34 Material Incentive Payments will be greater than or equal to $0.00 for each option period. A single T-34 incentive payment will be calculated at the end of each option period based upon the above formula and the data as existing at the end of the option period.

T-44 Material Incentive

T-44 Estimated A/C / T-44 Actual A/C = T-44 A/C % Delta

T-44 DRI Adjusted Estimate / T-44 A/C %- Delta = T-44 Adjusted Estimated Cost

T-44 Adjusted Estimated Cost - T-44 Actual Cost = T-44 Total cost Avoidance

T-44 Total Cost Avoidance X 15% = T-44 Incentive Payment

Where; T-44 Estimated A/C = arithmetic average number of T-44 aircraft estimated under Section B CLINs OX33 and the arithmetic average number of aircraft supported at the satellite sites for the option period.

And; T-44 Actual A/C = arithmetic average number of T-44 aircraft ordered under CLINs OX33 and the arithmetic average number of aircraft supported at the satellite sites for the option period.

And; T-44 DRI Adjusted Estimate = total government estimated Section B costs for CLINs OX55 + OX62 X (DRI factor for Option period / DRI factor for 3rd Qtr Calendar Year 1994).

And; T-44 Actual Cost = total actual Option period costs for CLINs OX55 + OX62.

In all cases, the T-44 Material Incentive Payments will be greater than or equal to $0.00 for each option period. A single T-44 incentive payment will be calculated at the end of each option period based upon the above formula and the data as existing at the end of the option period.

SAMPLE 4 - NEGATIVE INCENTIVE ON LATE PERFORMANCE

DELAYS (a) The contractor is required to make every effort to complete each service without delay or detention. Costs due to any type of delay not caused by the Government shall be at the contractor's expense. The Contractor shall receive a deduction of 50,000 Italian Lire for each hour of delay that is not adequately evidenced in writing as indicated in the clause entitled "Reduction in Price for Late Performance of Services". (b) In the event of delays that are not the fault of the contractor, the contractor shall notify the ordering officer immediately. For such delays the contractor is responsible for providing evidence that its truck was delayed due to reasons beyond its control.

REDUCTION IN PRICE FOR LATE PERFORMANCE OF SERVICES (a) If the Contractor fails to furnish any truck within the time specified in an order issued hereunder, the Contracting Officer or Ordering Officer may deduct from the contractor's invoice 50,000 Italian Lire per hour, or fraction thereof. (b) No reduction shall be made unless the truck is more than one hour late. However, the one-hour grace period shall not be taken into consideration in calculating price reductions for periods of tardiness in excess of one hour. (c) This reductions also applies for any delays or late performance that occur during Sunday or holiday times.

SAMPLE 5 - INCENTIVE TO PROPERLY MAINTAIN EQUIPMENT AND MAKE TIMELY REPAIRS

The contractor shall maintain the machine to assure maximum down time of three days (72 hours). When the down time exceeds 72 hours, the Contractor shall deliver and install a back-up machine (same brand and model) to use during the down time.

SAMPLE 6 - PBSC NEGATIVE AIRCRAFT AVAILABILITY INCENTIVE

Minimum Performance Standards The Contractor shall perform the following minimum performance standards. The Mission Capable (MC) performance standard and the ground abort performance standard apply to all aircraft operating sites (Chief, Naval Aviation Training (CNATRA) and Satellite Sites). The Daily Aircraft Availability performance standard applies to the CNATRA sites only.

Minimum Mission Capable (MC) Standard Ð The contractor shall maintain the T-34C and T-44A aircraft at the Training Command Sites (COMTRAWING FOUR, COMTRAWING FIVE, and COMTRAWING SIX) and the T-34C aircraft at the satellite sites to meet a minimum MC rate of 80%, per site, per month. MC is determined in accordance with the Mission Essential Subsystems Matrix (MESM), per the enclosure. The Contractor shall ensure not more than 5% of the Mission Capable (MC) aircraft assigned for specific flight events, for any single month, shall be cancelled due to ground aborts. A ground abort is defined as an MC aircraft which fails to meet its specific event/mission due to equipment failure, system failure, or maintenance or material deficiency.

Minimum Daily Aircraft Availability Standard (CNATRA SITES ONLY) - At each CNATRA operating site, the Contractor shall provide each day for which a flight schedule is published (during hours of scheduled operations), not less than 75% (daily average) of the available daily aircraft hours, or 100% of the aircraft required to meet the scheduled flight events, whichever is less, in a Ready for Training (RFT) status. If the number of aircraft successfully launched is equal to the number of flights scheduled, the contractor will have achieved the 75% RFT and the formula will not be calculated. Otherwise, for purposes of quantifying the achieved RFT percent each day at each operating site, the following formula will be applied.

$$\text{Daily RFT\%} = \frac{\text{Total Hours in RFT Status}}{\text{Total Available Daily Aircraft Hours}} \times 100$$

And where:
(a) Total Hours in RFT Status equals the sum of the daily RFT hours reported for each RFT status aircraft under CDRLs A006 and B006 and verified by the Government.

(b) Total Available Daily Aircraft Hours equals the sum of A30 status hours reported for each A30 status aircraft, in accordance with Paragraph 4.9.3.1, in addition to the daily available aircraft hours for those

aircraft exceeding ACI TAT.

(c) RFT hours are calculated for each aircraft in RFT status. An aircraft in RFT status is defined as an aircraft released safe for flight and available for issue, by BUNO, to a scheduled instructional flight event not later than one hour prior to a scheduled launch time and capable of performing that event until the Aircraft Discrepancy Book (ADB) is completed and returned to the contractor at the end of the scheduled event, or until the contractor removes the aircraft from RFT status for maintenance. The aircraft which cannot be released solely due to nonavailability of refueling resources will be considered RFT. Aircraft awaiting Functional Check Flight (FCF) will be considered RFT (See subparagraph f).

(d) Available daily aircraft hours are calculated from one hour prior to the first scheduled launch until the last scheduled flight is launched.

(e) The Contractor shall not be credited for more than 75% RFT daily.

(f) The Government will track daily RFT percentage to four significant digits (two whole numbers and two decimal places). If an aircraft presented to the Government for FCF is later determined not to be RFT, daily RFT percentage will be recalculated.

NOTE: The 75% rate is considered a critical contract factor for determining satisfactory contract performance. Daily RFT percent will be calculated separately for the T-34C and T-44A aircraft.

The Contractor's compliance with the RFT requirement will be determined through Subsystem Capability Impact Reporting (SCIR) data (see Section 4, Paragraph 4.9.3.) and RFT reporting on CDRLS A006 and B006. The Contractor shall report to the government each day the previous day's SCIR and RFT hours for the period of daily flight operations. Daily flight operations are one hour prior to the first scheduled flight, until the last scheduled flight is launched.

Payment Adjustment: The contractor is required to maintain the T-34C and T-44A fleet of aircraft to meet a daily Ready for Training (RFT) of 75%. Therefore, when less than a daily 75% RFT rate is achieved for CLINs OX01 and OX33, the Government will apply a payment adjustment as follows:

AE = (RFT Rate / .75) X AD

Where:

RFT Rate = Actual daily RFT rounded to nearest whole percent.

AD = amount of daily payment contractor would be due assuming 75% RFT rate (monthly payment / number of days in month)

AE = amount contractor earned and should receive for the day based upon the actual RFT rate.

The payment adjustment formula will be calculated for the CNATRA sites each day that the contractor does not achieve 75% RFT. On days for which there are no flight operations scheduled, the Contractor will be credited with 75% RFT. The payment adjustment formula will be calculated twice at CNATRA sites that have both types of aircraft, once using the average actual RFT rate for the T-34C aircraft and a second time using the average actual RFT rate for the T-44A aircraft.

The amount paid the contractor at the end of each month will be equal to or less than the monthly amounts cited in Section B for CLINs OX01 and OX33. Therefore, the amount earned (AE), will be less than or equal to the amount due (AD).

SAMPLE 7 - ADDITION OR SUBSTITUTION OF PERSONNEL

(a) A requirement of this contract is to maintain stability of personnel proposed in order to provide quality services. The Contractor shall assign only those key personnel listed in the Attachment whose resumes were approved and who are necessary to fulfill the requirements of the effort. The Contractor shall assign to any effort requiring non-key personnel only personnel who meet or exceed the applicable labor category descriptions.

(b) In the award of this contract, the Government may not have accepted all key personnel submitted by the Contractor. If 100% of the proposed personnel are not acceptable, then the Contractor shall, within 14 days of the award date of the contract, provide the resumes of proposed additional personnel along with information regarding the full financial impact of the change.

(c) No key personnel substitutions or additions will be made unless necessitated by compelling reasons including, but not limited to, an individual's illness, death, termination of employment, declining an offer of employment (for those individuals proposed as contingent hires), or maternity leave. In such an event, the Contractor shall promptly provide the information required by paragraph (d) below to the Contracting Officer for approval prior to the substitution or addition of key personnel. Proposed substitutions of key personnel shall meet or exceed the qualifications of personnel for whom they are proposed to replace. Fully compliant requests for substitutions or additions shall be submitted, in writing, to the Contracting Officer for approval at least 15 working days in advance of the proposed change.

(d) Requests for key personnel changes shall provide a detailed explanation of the circumstances necessitating the proposed substitutions or additions, a complete resume of the proposed change in accordance with the Attachment (resume format), information regarding the full financial impact of the change, and any other information requested by the Contracting Officer.

(e) Any addition or substitution of key personnel made pursuant to this clause shall result in no increase in the fully burdened hourly rate for the subject category set forth in Section B. However, such rate may be subject to downward negotiation if the addition or substitution results in a decrease to the rate for the

category in which the substitution was made.

(f) Noncompliance with the provisions of this clause will be considered a material breach of the terms and conditions of the contract for which the Government may seek any and all appropriate remedies including Termination for Default pursuant to the Termination clause.

SAMPLE 8 - SUBSTITUTION OR ADDITION OF PERSONNEL

(a) The offeror agrees to assign to the contract those persons whose resumes, personnel data forms or personnel qualification statements were submitted as required in Section L to fill the requirements of the contract.

(b) The offeror agrees that during the contract performance period; no personnel substitutions will be permitted unless such substitutions are necessitated by an individual's sudden illness, death or termination of employment. In any of these events, the contractor shall promptly notify the Contracting Officer and provide the information required by paragraph (d) below.

(c) If personnel for whatever reason become unavailable for work under the contract for a continuous period exceeding 30 working days, or are expected to devote substantially less effort to the work than indicated in the proposal, the contractor shall propose a substitution of such personnel, in accordance with paragraph (d) below.

(d) All proposed substitutions shall be submitted, in writing, to the Contracting Officer at least 15 days prior to the proposed substitution. Each request shall provide a detailed explanation of the circumstances necessitating the proposed substitution, a complete resume for the proposed substitute and any other information required by the Contracting Officer. All proposed substitutes shall have qualifications equal to or higher than the qualifications of the person being replaced.

(e) In the event a requirement to increase the specified level of effort for a designated labor category, but not the overall level of effort of the contract occurs, the offeror shall submit to the Contracting Officer a written request for approval to add personnel to the designated labor category. The information required is the same as that required for paragraph (d) above. The additional personnel shall have qualifications greater than or equal at least one of the individuals proposed for the designated labor category.

(f) The Contracting Officer shall evaluate requests for substitution and addition of personnel and promptly notify the offeror, in writing, of whether the request is approved or disapproved.

(g) If the Contracting Officer determines that suitable and timely replacement of personnel who have been reassigned, terminated or have otherwise become unavailable to perform under the contract is not reasonably forthcoming or that the resultant reduction of productive effort would impair the successful completion of the contract or the delivery order, the contract may be terminated for default or for the convenience of the Government. Alternatively, if the Contracting Officer finds the contractor to be at

fault for the condition, the Contracting Officer may equitably adjust (downward) the contract price or fixed fee to compensate the Government for any delay, loss or damage.

SAMPLE 9 - KEY PERSONNEL

(a) The Contractor agrees to assign to the contract tasks those persons whose resumes were submitted with its proposal and who are necessary to fulfill the requirements of the contract as "key personnel". No substitutions may be made except in accordance with this clause.

(b) The Contractor understands that during the first 90 days of the contract performance period, no personnel substitutions will be permitted unless these substitutions are unavoidable because of the incumbent's sudden illness, death or termination of employment. In any of these events, the Contractor shall promptly notify the Contracting Officer and provide the information described in paragraph (c) below. After the initial 90 day period, the Contractor must submit to the Contracting Officer all proposed substitutions, in writing, at least 15 days in advance (120 days if security clearance must be obtained) of any proposed substitution and provide the information required by paragraph (c) below.

(c) Any request for substitution must include a detailed explanation of the circumstances necessitating the proposed substitution, a resume for the proposed substitute, and any other information requested by the Contracting Officer. Any proposed substitute must have qualifications equal to or superior to the qualifications of the incumbent. The Contracting Officer or his/her authorized representative will evaluate such requests and promptly notify the Contractor in writing of his/her approval or disapproval thereof.

(d) In the event that any of the identified key personnel cease to perform under the contract and the substitute is disapproved, the contract may be immediately terminated in accordance with the Termination clause of the contract.

The following are identified as key personnel: (list names)

SAMPLE 10 - ORGANIZATIONAL CONFLICT OF INTEREST

(a) Definitions - In this clause:

(i) "Contractor" means the firm signing this contract;

(ii) "System Supplier" means any firm engaged in or having a known or prospective interest in the development, production, or analysis of the weapon system, equipment or program which are identified in the statement of work of this contract.

(iii) "Affiliates" means employees or officers of the Contractor and first tier subcontractors involved in the performance of this contract, or in the decision making process concerning this contract.

(iv) "Interest" means organizational or financial interest.

(v) "Term of this Contract" means the period of performance plus any extensions thereto.

(b) Warranty Against Existing Conflicts of Interest

(i) The Contractor warrants that it and its affiliates do not have any contracts with or any substantial interest in the system suppliers identified in the statement of work of this contract, other than those disclosed to the Government and listed in the section L solicitation provision entitled "Notice of Inclusion of an organizational Conflict of Interest clause."

(ii) The Contractor recognizes that during the term of this contract additional weapon system, equipment or programs may be identified and added to the statement of work of this contract as a result of contract modifications. In such event, the Contractor agrees to immediately disclose to the Government information concerning any contract or interest between the contractor and its affiliates and any system supplier if the contract or interest arises during the term of this contract.

(iii) The Contracting Officer shall have the sole discretion to determine whether a potential organizational conflict of interest exists concerning any interest or contract which arises or is identified during the term of this contract. The Contracting Officer may take such steps as are necessary in the best interest of the Government to eliminate potential conflict of interest.

(c) Restrictions on Contracting

(i) The Contractor agrees that during the term of this contract, and for a period of 12 months thereafter, neither it nor its affiliates shall (1) enter into any contract for supplies, services or materials, related to the work under this contract with the system suppliers; (2) create for themselves any interest in the system suppliers; (3) consult or discuss with the system supplier any aspects of work under this contract; or (4) furnish to the United States Government, either as a prime contractor or as a subcontractor any component of a system it has worked on or had access to under this contract.

(ii) The Contractor further agrees that neither it nor its affiliates will conduct a review nor make recommendations under this contract concerning any item which is the product of work performed by the Contractor or its affiliates under any other contract.

(d) Non-Disclosure of Proprietary Data

Certain information of a proprietary nature may be submitted to the Government by a system supplier. While performing under this contract, the prime contractor and any subcontractors may receive this information. The prime contractor and any subcontractors agree to use and examine this information exclusively in the performance of this contract and to take the necessary steps to prevent disclosure of

such information to any party outside the Government, as long as it remains proprietary. The Contractor and the subcontractors agree to indoctrinate their affiliates who will have access to this information as to the proprietary nature of the information and the relationship under which they have possession of the information. Affiliates will also be informed that they may not engage in any other action, venture or employment where this information will be used for profit of any party other than the party furnishing this information. Additionally, the Contractor and subcontractors agree to execute agreements to this effect with companies providing proprietary data for performance under this contract. The Contractor and subcontractors will restrict access to proprietary information to the minimum number of employees for performance of this contract.

(e) Government Remedy

The Contractor agrees that any breach or violation of the warranties, restrictions, disclosures or non-disclosures set forth in this conflict of interest clause shall constitute a material and substantial breach of terms, conditions, and provisions of the contract and that the Government may, in addition to any other remedy available, terminate the contract for default.

SAMPLE 11 - ORGANIZATIONAL CONFLICTS OF INTEREST

a. Purpose. The primary purpose of this clause is to ensure that the Contractor (1) does not obtain an unfair competitive advantage over other parties by virtue of its performance of this contract, and (2) is not biased because of its current or planned interests (financial, contractual, organizational or otherwise) which relate to the work under this contract.

b. Scope. The restrictions described herein shall apply to performance or participation by the Contractor and any of its affiliate organizations or their successors in interest (hereinafter referred to collectively as the "Contractor") in the activities covered by this clause as a prime contractor, subcontractor, co-sponsor, joint venturer, consultant, or in any similar capacity.

> (1) The restrictions set forth in paragraph (f) apply to supplies, services, and other performance rendered with respect to the Suppliers and/or Equipment listed on the Attachment. The contract will specify to which Supplier and/or Equipment subparagraph (f) restrictions apply.
> (2) The financial, contractual, organizational and other interests of Contractor personnel performing work under this contract shall be deemed to be the interests of the Contractor for the purposes of determining the existence of an Organization Conflict of Interest.

c. Waiver. Any request for waiver of the provisions of subparagraphs (f)(2), (f)(3), or (f)(6) of this clause shall be submitted in writing and shall set forth all relevant facts in support of the request for a waiver including proposed contractual safeguards or job procedures to mitigate conflicting roles which might produce an Organizational Conflict of Interest. No waiver shall be granted by the Government with respect to prohibitions pursuant to subparagraph (f)(4).

d. Disclosure of Potential Conflicts of Interest for Individual Orders.

(1) The Contractor agrees to disclose, in writing at anytime during performance of this contract, any relevant facts pertaining to work previously performed or presently being performed by the Contractor under private or Government contracts wherein the subject matter includes systems, components, technology or services identical or similar to that encompassed by the proposed delivery order and which might give rise to the appearance of a conflict of interest (as defined in paragraph (b) of this clause). Such disclosure should set forth all relevant facts including identification of contracts under which work was or is being performed.
(2) If any of the contracts identified pursuant to subparagraph (d)(1) contain an Organizational Conflict of Interest Provision, the Contractor may request a waiver of that provision and propose contractual safeguards or job procedures to mitigate conflicting roles which might produce an Organizational Conflict of Interest.

e. Definitions. For purposes of application of this clause only, the following definitions are applicable:

(1) "System" includes system; major component, subassembly or subsystem; project; or item.
(2) "Nondevelopmental items" are those items which have not been designed or developed by the Contractor.
(3) "Systems Engineering" (SE) includes a combination of substantially all of the following activities: determining specifications, identifying and resolving interface problems, developing test requirements, evaluating test data, and supervising design. Specific examples of SE include determining sizes of system components and maximum operational accuracy, establishing system performance specifications, solving interface problems to insure system compatibility, defining interfaces, analyzing subsystems for projections of design compromise, establishing test requirements, evaluating test data to verify performance estimates and recommend design changes, setting program milestones and schedules and monitoring Contractor progress.
(4) "Technical direction" (TD) includes a combination of substantially all of the following activities: developing work statements, determining parameters, directing other contractors' operations, and resolving technical controversies. Specific examples of TD include such tasks as reviewing a Contractor's work, preparing work statements and tasks for other contractors consistent with appropriate development plans; monitoring of subsystem design work in critical areas; conducting organizational evaluation test; exchanging information on progress and problems; directing or planning for future work, and where necessary, modifying, realigning or redirecting a Contractor's technical effort; design engineering of subsystems; direct assistance to associate contractors; planning and developing ground support systems research, development, and operational phases of a program; directing test programs for a system, subsystem, and selected components; directing associate contractors to implement such research, development, and operational

requirements as are appropriate and directing contractors in implementing reliability programs, and making technical evaluations and recommendations concerning technical proposals and specifications submitted by contractors.
(5) "Contracted Advisory and Assistance Services" (CAAS) are those services acquired from non-governmental sources to support or improve agency policy development or decision making; or, to support or improve the management of organizations or the operation of hardware systems. Such services may encompass consulting activities, engineering and technical services, management support services and studies, analyses and evaluations.
(6) "Contractor" means the firm signing this contract.
(7) "Affiliates" means officers or employees of the prime Contractor and first tier subcontractors involved in the program and technical decisions making process concerning this contract.
(8) "Interest" means organizational or financial interest.
(9) "Weapons system supplier" means any prime Contractor or first tier subcontractor engaged in, or having a known prospective interest in the development, production or analysis of any of the weapon systems, as well as any major component or subassembly of such system.

f. Contracting restrictions.

(1) To the extent the Contractor provides systems engineering and technical direction for a system or commodity but does not have overall contractual responsibility for the development, the integration, assembly and checkout (IAC) or the production of the system, the Contractor shall not (i) be awarded a contract to supply the system or any of its major components or (ii) be a subcontractor or consultant to a supplier of the system or of its major components.
(2) To the extent the Contractor prepares and furnishes complete specifications covering nondevelopmental items to be competitively acquired, the Contractor shall not be allowed to furnish these items or their major component including software either as a prime contractor or subcontractor. This rule applies to the initial production contract for such items plus a specified time period or event.
(3) To the extent the Contractor prepares or assists in preparing a statement of work to be used in competitively acquiring a system or services or provides material leading directly, predictably and without delay to such a work statement, the Contractor may not supply the systems, major components thereof or the services unless the Contractor is the sole source, or a participant in the design or development work, or one of several contractors involved in preparation of the work statement.
(4) To the extent work to be performed under this contract requires access to proprietary data of other companies, the Contractor must enter into agreements with such other companies which set forth procedures deemed adequate by those companies (i) to protect such data from unauthorized use or disclosure so long as it remains proprietary and (ii) to refrain from using the information for any other purpose other than that for which it was

furnished. Evidence of such agreements must be made available to the PCO upon request. The Contractor shall restrict access to proprietary information to the minimum number of employees necessary for performance of this contract. Further, the Contractor agrees that it will not utilize proprietary data obtained from such other companies in preparing proposals (solicited or unsolicited) to perform additional services or studies for the United States Government.

(5) Preparation of Statements of Work or Specifications. If the Contractor under this contract assists substantially in the preparation of a statement of work or specifications, the Contractor shall be ineligible to perform or participate in any capacity in any contractual effort (solicited or unsolicited) which is based on such statement of work or specifications. The Contractor shall not incorporate its products or services in such statement of work or specifications unless so directed in writing by the Contracting Officer, in which case the restrictions in this subparagraph shall not apply. (6) Contracted Advisory and Assistance Services (CAAS). If the Contractor provides CAAS services as defined in paragraph (e) of this clause, it shall be ineligible thereafter to participate in any capacity in Government contractual efforts (solicited or unsolicited) which stem directly from such work, and the Contractor agrees not to perform similar work for prospective offerors with respect to any such contractual efforts. Furthermore, unless so directed in writing by the Contracting Officer, the Contractor shall not perform any such work under this contract on any of its products or services, or the products or services of another firm for which the Contractor performs similar work. Nothing in this subparagraph shall preclude the Contractor from competing for follow-on contracts for CAAS.

(7) Contractor Standard Commercial Items. Nothing in this paragraph shall preclude the Contractor from offering or selling its standard commercial items to the Government. "Standard Commercial Items" as used herein includes supplies and services of a class or kind which is used regularly for other than Governmental purposes and is sold or traded in substantial quantities to the general public in the course of conducting normal business operations.

(8) Contractor Items Currently Furnished. The Contractor, and its affiliates, shall not be restricted from furnishing, and continuing to furnish, any equipment or services that it or its affiliates are currently furnishing or have furnished in the past, nor will the Contractor, or its affiliates, be restricted from furnishing modifications or improvements to said equipments nor from furnishing interface equipments, programs or services in connection with said equipment. Further, the Contractor, and affiliates are not to be restricted from furnishing other equipment or services for this program that perform the same functions as those performed by equipment or services presently furnished by the Contractor or its affiliates for similar programs.

g. Government Data and Information. All Government data and information provided for performance of this contract shall be safeguarded and protected from any disclosure or other unauthorized use.

h. Remedies. In the event the Contractor fails to comply with the provisions of this clause, such noncompliance shall be deemed a material breach of the provisions of this contract. If such

noncompliance is the result of conflicting financial interest involving Contractor personnel performing work under this contract, the Government may require the Contractor to remove such personnel from performance of work under this contact. Further, the Government may elect to exercise its right to terminate for default in the event of such noncompliance. Nothing herein shall prevent the Government from electing any other appropriate remedies afforded by other provisions of this contract, by applicable statutes or by applicable regulations.

i. Warranty Against Existing Conflict of Interest The Contractor warrants that neither the prime Contractor nor any first tier subcontractors have any contracts with or any interests in a weapons system supplier referenced in paragraph (a)(2) above, other than those disclosed pursuant to the clause, "Organizational Conflicts of Interest Certification". The Contractor recognizes that during the term of this contract, additional weapons system suppliers may be identified. In such an event, the Contractor agrees to disclose to the Government information concerning any contract or interest between the Contractor or its affiliates and any weapons system supplier if the Contractor or interest arises during the term of this contract. Such information must include:

1. the identity of the weapons system supplier;
2. a description of the work to be performed under the contract with the weapons system supplier;
3. the dollar amount of the contract or interest;
4. the period of performance.

SAMPLE 12 - PROCEDURES & SELECTION CRITERIA FOR ORDERS

1. The Ordering Officer will request a quotation on a competitive basis (including technical information as needed-either written or oral) from all the awardees.

2. Quotations will be evaluated for cost realism, cost reasonableness and other factors (if applicable).

3. Unless otherwise specified in the RFQ for the order, the order will be issued to the company with the lowest evaluated price.

4. When award of an order will be made based on factors other than price, these factors and their relative importance will be identified in the RFQ for the order.

No protest under subpart 33.1 is authorized in connection with the issuance of an order under a task order contract except for a protest on the grounds that the order increases the scope, period, or maximum value of the contract.

SAMPLE 13 - MULTIPLE AWARD ORDERING SELECTION CRITERIA

1. The Contracting Officer's Representative (COR) will issue a Letter of Intent for a Task to be performed to Contract Awardees, which includes the Statement of Work (SOW), the period of

performance and the proposal due date. Awardees shall prepare and submit an original proposal to the Contracting Officer and a copy to the COR. The proposal will consist of the following:

a. Contractor's name;
b. Contract number;
c. Task to be performed;
d. Proposed labor hours by category with fixed labor rates and extended cost;
e. Material costs with fixed material handling rate applied;
f. Travel costs with fixed G&A rate applied;
g. Total price proposed.

2. In accordance with FAR Subpart 16.505 (Ordering) and to provide awardees a fair opportunity to be considered for each order, the Contracting Officer will make a final decision based on:

a. Time: The period of performance of the Order;

b. Personnel: The experience and availability of contractor personnel;

c. Price: The total price proposed for the Order.

SAMPLE 14 - ORDERING -- MULTIPLE AWARD INFORMATION

(1) Except as provided below, for orders issued under this contract, each awardee shall be provided a fair opportunity to be considered for each order in excess of $2,500.00. In considering fair opportunity to be considered for each order, such factors as past performance, quality of deliverables, cost control, etc. will be considered. The Government may use oral proposals and streamlined procedures in selecting awardees. The ordering officer need not contact each multiple awardee if the ordering officer has information available to ensure that each awardee is fairly considered.

(2) Awardees need not be given an opportunity to be considered for a particular order in excess of $2,500.00 under multiple delivery order/task order contracts if the ordering officer determines that:

> (i) The agency needs for such supplies or services is of such urgency that providing such opportunity would result in unacceptable delays;
>
> (ii) Only one such contractor is capable of providing such supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized;
>
> (iii) The order should be issued on a sole source basis in the interest of economy and efficiency as a logical follow-on to an order already issued under the contract, provided that all awardees were given a fair opportunity to be considered for the original order;

(iv) It is necessary to place an order to satisfy a minimum guarantee; or

(v) The ordering officer determines in writing that it is in the best interest of the government to do so.

SAMPLE 15 - ISSUANCE OF TASK ORDERS

SUSTAINING - Individual tasks will not be separately defined under the sustaining performance of the contract. The Contracting Officer will issue a comprehensive Task Order identifying the scope of work and range of capabilities required to sustain performance. The COR will issue a SOW and provide technical direction that reflects those comprehensive work requirements as well as the accepted approach proposed by the contractor. The progress and quality of work accomplished under this Task Order will be reviewed on a monthly basis. Sustaining tasks are expected to remain in effect for the period of performance specified (e.g., one year). On an annual basis the SOW and labor requirements will be jointly reviewed by the government and contractor to identify requisite changes and modifications. Changes will be reflected during the coming option period.

DISCRETE - Individual tasks will be separately defined under the discrete portion of the contract. Discrete performance shall be associated with individual project requirements unique, or otherwise separate from the sustaining portion of the work. The COR will identify these work requirements in conjunction with the contractor's Project Manager. A SOW, labor mix, and discrete period of performance will be identified for each individual task. The contractor shall prepare a Task Action Plan (TAP) within five (5) days and submit this to the COR. These tasks shall be reviewed for quality and progress on a monthly basis. The responsibility for Discrete Tasks shall be within the functional area (e.g., engineering, logistics, operations) of origination. Contractor oversight and responsibility for performance of these tasks shall also fall within the respective area. Discrete tasks shall not exceed one year duration as a period of performance.

SAMPLE 16 - PRICE ADJUSTMENTS IN THE OPTION YEARS FOR CHANGES IN WAGE DETERMINATIONS

(a) General. Where, as a result of the Department of Labor (DOL) determination of minimum prevailing wages and fringe benefits applicable at the beginning of the renewal option period, the Contractor increases or decreases wages or fringe benefits of employees working on this contract to comply with the wage determination, the affected contract unit prices adjustments will be limited to increases or decreases in wages or fringe benefits as described above, and the concomitant increases or decreases in social security and unemployment taxes and workmen's compensation insurance, but shall not otherwise include any amount for general and administrative costs, overhead, or profits. The Contractor warrants that the prices set forth in this contract do not include any allowance for any contingency to cover increased costs for which adjustment is provided herein.

(b) Payroll Records and Documentation. When requested, the Contractor shall provide to the Contracting Officer any payroll records and documentation for Service Contract Act work required by the Contracting Officer to verify information concerning wages, hours expended, or price adjustments.

(c) Payroll Information. The Contracting Officer will notify the Contractor of any increase or decrease in the wage determinations applicable to this contract. The Contractor shall provide to the Contracting Officer, upon request, for each item in the Schedule of Deductions by trade, the wage rate paid, and the direct labor hours expended.

SAMPLE 17 - COST LIMITATION CEILINGS ON INDIRECT RATES

If an offeror proposes cost limitation ceilings on indirect rates the offeror is advised that the Government may evaluate the offeror's cost proposal accordingly. The decision to propose cost limitation ceilings is the offeror's decision. In the event the offeror proposes indirect rate limitations, these same ceiling rate limitations may be incorporated into any resultant contract without discussion. Under any cost reimbursement contract, the indirect rates billed shall be limited to the ceiling rate(s) identified in the contract. Any costs incurred above ceiling rates are not allowable.

SAMPLE 18 - NOVEL APPROACH TO INDIRECT RATE PRICING

SECTION B:

Cost Reimbursement Items	EST QTY	UNIT	UNIT PRICE	TOTAL EST AMOUNT
0017 Estimated material in support of CLIN 0016	1	LO	GOV EST	$50,000.00**
0018 Material Handling applicable to CLIN 0017: at _____% rate	1	LO		$_____
0019 Estimated travel and per diem in support of CLIN 0016	1	LO	GOV EST	$50,000.00**
0020 G&A applicable to CLIN 0019: at _____% rate	1	LO		$_____

** Government Estimate. See instructions, Section "L".

SECTION G:
ADDITIONAL INSTRUCTIONS FOR SUBMISSION OF FINAL INVOICE

Within 60 days of the completion of work called for under each task order issued under this contract, the Contractor shall submit a final invoice for actual hours incurred by labor category in performance of the work ordered and actual costs incurred for material, travel, and per diem (G&A and material handling costs inclusive) in performance of the work ordered. This contract has been awarded with a fixed G&A rate and fixed material handling rate, if applicable, not subject to redetermination for contract closeout purposes.

SECTION M:
PRICE EVALUATION

Price will be evaluated by (1) adding the maximum hour extended price totals of the base year and all option years and (2) adding the General and Administrative and Material Handling price totals for material and travel of the base year and all option years.

SAMPLE 19 - EXPEDITING CONTRACT CLOSEOUT

(a) As part of the negotiated fixed price or total estimated amount of this contract, both the Government and the Contractor have agreed to waive any entitlement that otherwise might accrue to either party in any residual dollar amount of $500 or less at the time of final contract closeout. The term "residual dollar amount" shall include all money that would otherwise be owed to either party at the end of the contract, except that, amounts connected in any way with taxation, allegations of fraud and/or antitrust violations shall be excluded. For purposes of determining residual dollar amounts, offsets of money owed by one party against money that would otherwise be paid by that party may be considered to the extent permitted by law.

(b) This agreement to waive entitlement to residual dollar amounts has been considered by both parties. It is agreed that the administrative costs for either party associated with collecting such small dollar amounts could exceed the amount to be recovered.

SAMPLE 20 - TURNOVER OF PERSONNEL

Continuity of Care. After the transition, the service provider shall seek to maintain a staff turnover rate of less than or equal to 30% for all Child Development Center and Child Care Center staff with direct caregiving responsibility.

SAMPLE 21 - CUSTOMER SATISFACTION

Customer Satisfaction. The service provider shall develop and implement a program to address sponsors' complaints. In addition, the service provider shall maintain satisfactory ratings on annual customer

satisfaction surveys in all Child Development Programs at least equivalent to the rating in effect when the service provider began providing Child Development Programs.

SAMPLE 22 - ELECTRONIC REPORTING

The service provider shall develop and maintain a system for collecting and reporting information necessary to complete the Monthly Report Form for Child Development Center, Family Child Care and Child Care Center programs for each activity. The service provider shall submit an electronic version of the completed Monthly Report Forms (in the format provided) to the Contracting Officer's Representative (COR) by the tenth business day each month. Copies of these forms are provided in the Attachment entitled, "Child Development Program Monthly Reports." Upon contract award, an electronic version of these forms will be made available to the contractor.

The service provider shall develop and maintain a system that provides statistical information regarding child care requests, services provided by child care programs, and demographic information about sponsors and child care providers, as required by the COMNAVBASE San Diego Regional Commander.

STATEMENTS OF WORK

SAMPLE 1 - PBSC SOW FOR INSTALLATION OF FURNITURE

Work shall include the expeditious assembly, installation, and/or relocation of modular/systems furniture and equipment, both inside and outside of various locations. Some structures are multiple levels with virtually none having elevators. Typical items are modular furniture, partition panels, file cabinets, and shelving. Most new items will require assembly straight from the carton. All carton materials and additional debris will be required to be removed from the Air Station and property disposed of, on a daily basis, at contractor's expense.

Installation attachments to walls, floors, and/or ceilings shall be the responsibility of the contractor. Some installations require finish trim after the items are in place and this shall be the responsibility of the contractor. Items such as file cabinets and work surfaces may require leveling, and this shall be the responsibility of the contractor. All tools required to perform the work entailed in this contract shall be provided by the contractor.

The Contractor shall be knowledgeable of the assembly requirements and procedures for the following brands of modular and systems furniture: Brand X, Brand Y, and Brand Z.

The Government will have a Contracting Officer Representative (COR) available during the performance of work to coordinate the placement of all items. In addition, the Government may provide lists and drawings indicating the items to be installed and the placement of those items. At the time the work begins, the Contractor shall designate a responsible employee to supervise work and to coordinate with the COR. The Contractor's supervisor shall be on site during the time any work is being done by the Contractor's employees. Upon completion, the COR will conduct an inspection of all items and attachments installed.

The Contractor shall immediately notify the COR of damaged items that are identified upon removal from cartons or during the installation process. The Contractor shall be responsible for the repair or replacement of any items or facilities damaged by anyone in the Contractor's employ.

The Contractor shall be required to respond to each work order estimated to require less than 16 hours of labor in a period no greater than three working days. For each work order estimated to be greater than 16 hours, the contractor shall be required to respond within five working days.

SAMPLE 2 - PBSC SOW FOR SHIP HUSBANDING - LAUNDRY SERVICE AND TRASH REMOVAL

LAUNDRY SERVICE

The Contractor shall arrange for laundry (including dry cleaning) service to be available to customer ships. The Contractor is required to solicit competition from local sources and ensure the prices being offered by the laundry service are the lowest available. The service will be available for crewmembers on an individual basis and for official ship's laundry, which will be contracted by the ship's Supply Officer.

The laundry vendor will go aboard the ship on the day of arrival and thereafter as required by the customer ship. The Contractor shall ensure that the laundry vendor(s) shall have in their possession the necessary security clearances from the appropriate port authorities to set up services on the ship or on the pier, as required. The Contractor shall require the laundry service to contact the ship's Supply Officer or designated representative on the day prior to and the day of departure to ensure all ship's laundry is returned satisfactorily.

The Husbanding Contractor shall be responsible for all problems and will provide solutions to these problems.

TRASH REMOVAL

The Contractor shall furnish all labor, tools, materials, equipment and supervision necessary for the performance of all operations incidental to the collection and disposal of refuse, including liquid, semi-liquid, or solid garbage generated by U.S. Navy vessels. The Contractor shall be paid on a per day basis for pierside and anchorage ships.

For ships at anchor, Contractor will provide a barge alongside for the entire ship visit. Minimum trash barge size is 30 feet X 100 feet. Ship will be able to dump trash throughout the day. If barge must be dumped, Contractor will provide a replacement barge. Continuous service is required.

For ships pierside, unless prohibited by port regulations, the Contractor shall furnish dedicated trash containers/barges near the ship (within 25 meters) or alongside the ship. If port regulations prohibit this proximity, the containers/ barges shall be placed as close as permitted. The containers/barges shall be emptied with sufficient frequency to allow trash disposal by the ship whenever required. Disposal of garbage from the containers/barges shall be in accordance with port and country regulations.

SAMPLE 3 - PBSC SOW FOR MAINTENANCE DURING LEASE to OWN

The Contractor shall provide lease-to-ownership service of document production publisher, Brand X model A, with on-line tape storage. The Contractor shall deliver, install, and test machine, without any additional cost to the Government. After installation, the Contractor shall conduct operational test and brief the operational procedures to the bindery operators at the installation site, in accordance with the Contractor's maintenance manual, to provide complete description of equipment operation to permit independent operation as well as preliminary trouble shooting as to misfeeds and other common machine errors which could be addressed and remedied by the operator. Upon the completion of this lease period, title to the machine will automatically pass to the Government without any additional payment under lease-to-ownership service.

Throughout the life of this contract, the Contractor shall guarantee the leased machine to conform to the performance specifications/capabilities specified. At each maintenance or on-call repair service and before passing the machine to the Government upon completion of this contract, the Contractor shall check the compliance with those specifications and, if necessary, overhaul and/or replace applicable parts or assembles to meet the specifications without any additional cost to the Government.

For the above machine, the Contractor shall perform preventive maintenance services at least once a month during the contract period. Such services shall include, but are not limited to, technical adjustment, cleaning, lubricating, replacement of parts and other services to keep the machine in good condition.

For the above machine, the Contractor shall provide on-call repair services, without any additional charge to the Government, which include all necessary labor, materials and transportation to repair the inoperative equipment including replacement parts for repair. On-call repair service shall be provided upon request by oral or written notification by the bindery operators. The Contractor shall respond to the request and arrive at the machine site within three hours unless otherwise agreed to in advance by the Contractor and the Government foreman.

The Contractor shall, during the contract period, provide a drum and consumable materials such as toner, fuser oil, developer and doctor blade (except printing paper, staple wire, bindery tape, online tape for storage and cleaning cartridge kit) as required to maintain operations, periodically replace the drum and developer as per original machine manufacturer recommendation. The Contractor shall maintain the machine to assure maximum down time of three days (72 hours). When the downtime exceeds 72 hours, the Contractor shall deliver and install a back-up machine (same brand and model) to use during the downtime.

SAMPLE 4 - PBSC SOW FOR FOD CONTROL VICE USING MIL STDs

Engines: The Contractor will ensure that an effective Foreign Object Damage (FOD) control program is in effect within his facility and on runways, taxiways, run-up and parking aprons, and contiguous non-owned facilities used in the performance of the requirement. Such a program must include, as a minimum, written objectives and an organizational structure that delineates responsibilities for FOD Prevention and inspection throughout the work process. The purpose of the procedures outlined below is to minimize the incident of foreign object damage to engines while affording the Contractor latitude to install its own procedures. The Contractor will inspect each engine received in accordance with the organizational level maintenance instruction manual within three working days of aircraft induction or removal of an engine from a shipping container. Unserviceable engines will be removed and replaced in accordance with normal maintenance procedures. In the event that an unserviceable engine can be made serviceable by use of organizational level repair procedures, that work will be requested and performed under the applicable over-and-above line item. The Contractor will report the results of the induction inspection, carefully noting defects, to the Administrative Contracting Officer (ACO) within five working days. At this point, the engine will be considered to be in the Contractor's custody for FOD

protection.

Airframes: Foreign objects within the airframe present a clear threat to life and are unacceptable. The Contractor is responsible for the cleanliness of all areas disturbed during the work process. Effective tool control and measures to ensure removal of all debris are fundamental to acceptable product quality. The requirements under Engines above apply to airframe FOD control as well.

In developing a FOD prevention program a minimum of the following basic elements should also be considered;

1. Cleanliness of areas during performance of work;
2. Requirements for thorough cleaning of components, assemblies and completed products;
3. Control of personal items, repair process generated debris and scrap materials;
4. Protection of the product and associated components during handling, installation and operation;
5. Periodic audit of the FOD prevention program to evaluate and assure adequacy and compliance status;
6. A positive tool control program.

SAMPLE 5 - PBSC SOW FOR STEVEDORING - ship loading / unloading

LOADING OPERATIONS. The contractor shall perform loading operations in such a manner that no damage is caused by the Contractor. The Contractor shall comply with the transportation priorities in DOD Regulation 4500.32R (MILSTAMP) and shall comply with the approved pre-stow plan. In no event shall cargo be loaded in violation of Code of Federal Regulations (CFR) Title 49, parts 100-199 or International Maritime Organization (IMO) regulations.

The Contractor shall move cargo from place of rest and place cargo in final stow location on vessel in accordance with the stowage plan. The Contractor shall remove all unused dunnage, lashing and securing material. The Contractor shall also remove from vessel all debris generated by the operation.

The Contractor shall lash and secure cargo on vessel as directed by the Chief Mate. The Contractor shall also record/report all Government furnished or Contractor provided dunnage, lashing and securing material used aboard the vessel.

The Contractor shall move cargo from place of rest and load cargo on mode of land transport. Loading onto military or commercial land transport includes lashing/securing of cargo, covering cargo with

tarpaulins, if directed by the Ordering Officer, and removing/reinstalling transporter components (sideboards, rails, tarpaulins, etc).

DISCHARGING OPERATIONS. The Contractor shall perform discharge operations in such a manner that no cargo is damaged. All cargo shall be landed at the designated place of rest. In no event shall cargo be discharged in violation of CFR Title 49, parts 100-199 or IMO regulations.

The Contractor shall unlash, unsecure, breakout and move cargo from place of rest on vessel to the temporary resting area or mode of land transport. The Contractor shall remove and account for all dunnage, lashing and securing material discharged from vessel. The Contractor shall also remove all debris generated by the operation.

The Contractor shall unlash, unsecure and remove cargo from mode(s) of land transport and place cargo in a temporary resting area. Unloading also includes removing/reinstalling transporter components (sideboards, rails, tarpaulins, etc). Prior to unloading commercial or military trucks with damaged cargo, a joint inspection shall be performed by the Contractor and the Contracting Officer's Representative.

The Contractor shall remove dunnage and lashing gear material from mode(s) of land transport. The work area where modes of land transport are loaded/unloaded shall be kept free of wood splinters, nails, lashing gear material and other residue.

SAMPLE 6 - OFPP MODEL PBSC SOW FOR ADP MAINTENANCE

The intent of the contract is to obtain Automated Data Processing (ADP) preventive and remedial maintenance services for Government-owned computer equipment including central processing units, direct access storage devices, tape devices, laser printers, and other associated equipment for the (Name specific equipment and site location). The contractor shall resolve the equipment malfunction within a four hour resolution time, twenty-four hours per day, seven days per week, at the fixed monthly charges shown in Section B of the contract.

SAMPLE 7 - OFPP MODEL PBSC SOW FOR LANGUAGE TRAINING

The Contractor shall provide foreign language instruction to adult students that is focused on the (describe desired contextual requirement, i.e., medical and professional fields, political and economic, general interest and conversational skills) typically found in mass-media publications available to the desired foreign language speaking public. Instruction shall include the development of speaking, listening, and reading skills to (insert required standard, e.g., permit comprehension of relevant media or face-to-face conversation). Instruction of job relevant language terminology and usage (of the designated field of interest) is required in all instruction.

Instruction shall be based on proficiency and communication oriented linguistic and academic educational principles as used in such foreign language learning institutions such as the Department of

State, Foreign Service Institute; the Department of Defense, Defense Language Institute; or (insert or substitute other recognized foreign language training center if so desired). The language proficiency levels identified as desired outcomes are as defined by the Office of Personnel Management, and as measured by the Foreign Service Instituted Language Proficiency Test (or substitute other desired testing standard).

SAMPLE 8 - PBSC SOW FOR COMPUTER NETWORK MAINTENANCE

This Statement of Work (SOW) establishes and defines the requirements for maintenance of the Pacific Northwest Metropolitan Area Network (PNWMAN). The contractor shall provide all material, labor, supplies, vehicles, test equipment, tools, and any other items required to maintain the PNWMAN as outlined in this SOW. The scope of this SOW provides for the maintenance of the PNWMAN equipment located at six Navy facilities in the Pacific Northwest. The equipment to be maintained is listed in Attachment 1 to this SOW.

The equipment included under this SOW is located at the following sites:

Naval Air Station Whidbey Island
Naval Station Everett
Naval Submarine Base Bangor
Naval Hospital Bremerton
Naval Undersea Warfare Center Division Keyport
Puget Sound Naval Shipyard

The contractor shall maintain the system in accordance with the original equipment manufacturer's (OEM) recommended engineering and maintenance practices commencing 01 April 1998. All parts, spares, labor, supplies, vehicles, test equipment, tools, and any other items necessary for system maintenance for the life of the contract shall be included in monthly maintenance price. The term "system" refers to the equipment listed in Attachment 1 and software associated with the listed equipment. It does not include equipment added to the system by others or the interconnecting communications system.

The contractor shall perform preventive maintenance on the system including scheduled preventive maintenance such as periodic tests, inspections, and all other preventive maintenance services/practices recommended by the OEM.

The contractor shall perform remedial maintenance after notification that equipment is inoperative.

Remedial maintenance shall be performed by the contractor after notification that equipment is malfunctioning. Maintenance on any piece of equipment covered by this contract shall commence within a maximum of four hours after notification by the Government. All attempts will be made to fully restore the equipment to full operational capability within eight hours of notification of malfunction.

The contractor shall provide, for the term of the contract, service personnel trained and certified by the respective OEM's sufficient to ensure system performance and compliance with the maintenance requirements outlined herein.

SAMPLE 9 - PBSC SOW FOR DEVELOPING AND TEACHING COURSE

The contractor shall provide training for NAVOSHENVTRACEN using contractor-owned/provided learning materials, equipment and methodologies to produce a graduate that satisfies the Center's mission and learning objectives.

The mission of the NAVOSHENVTRACEN is to provide quality safety, health, and environmental training to selected personnel in order to enhance skills at the basic, intermediate, and advanced levels in order to prepare personnel in their designated specialty or field.

The objective of the course is to familiarize the student with various types of common machinery and related safety standards. Guidance is provided on hazards associated with various kinds of machinery and control of hazardous energy sources (lockout/tagout). The course presents an approach to machine inspection that enables participants to recognize hazards such as those created by point of operation, rotating parts, and flying chips, and provides options to achieve abatement. The course also includes an introduction to robotics. Upon completion of this course, the students will be able to:

- identify common machines found within a broad spectrum of industrial settings,
- identify machine hazards,
- select the OSHA standard that applies to the hazard and machine,
- present options to achieve abatement of the hazard.

Contractor personnel assigned to teach a course shall have expertise in the subject area and instructional experience. The personnel shall be knowledgeable of all initial presentation and remediation procedures, training aids, devices and equipment associated with the course and shall be evaluated by both the contractor and government. Contractor instructors will be evaluated by Government subject matter experts and by student critiques.

Contractors are to provide all training materials used in the course, including instructor lesson plans, student handouts, references, charts, manuals, tests, audiovisual aids, and training equipment. Contractors may prepare materials or use their already existing course materials, modified as necessary, to conduct the training in accordance with the SOW.

There is no predetermined list of training equipment, handouts, audiovisual aids, references (other than

those cited in the course outline), manuals, etc., to be used in the course. The selection of these materials is at the discretion of the contractor. It is required, however, that the course will use training equipment, handouts, and other audiovisual aids, e.g., videotapes.

SAMPLE 10 - PBSC SOW FOR CHILD CARE

The service provider shall use the facilities described below in any combination to provide Child Development Programs, subject to the terms, conditions, and limitations of this performance work statement:

Government-owned, service provider-operated Child Development Centers (CDCS) Family Child Care (FCC) homes:

- of military personnel residing in Government-owned or -leased housing, on or off base
- of military personnel and DOD civilians residing in civilian housingoff base

National Association for the Education of Young Children (NAEYC) accredited commercial Child Care Centers (CCCS) within the local community.

The current CDC facilities in the COMNAVBASE San Diego Region will be made available to the service provider.

The service provider shall manage and operate a Family Child Care (FCC) Program.

The service provider shall provide a Resource and Referral Service (R&R) which links eligible sponsors with available child care in CDCS, FCC homes, and in the community (e.g., CCCS).

The service provider shall maintain a consolidated waiting list for all Child Development Programs in the COMNAVBASE San Diego Region.

The full-day enrollment for the COMNAVBASE San Diego Region as of January 20, 1998 is 1,912 children distributed by age group as shown in Table C-1 below. The service provider shall, at a minimum, provide care to the current full-day enrollment and shall be able to increase full-day enrollment to meet the demand for child care, as determined annually by the COMNAVBASE San Diego Regional Commander. Best projections at this time indicate that during the five-year contract period the demand for infant care as well as the overall number of children needing care will increase.

The service provider shall meet and maintain the operating standards for child care prescribed by the most current regulations and instructions, as applicable: Military Child Care Act of 1989, Child Development Program OPNAVINST 1700.9 (Series), OPNAVINST 1700.9D Revisions, State of California Child Day Care Center General Licensing, State of California Family Day Care for Children,

National Association for the Education of Young Children Accreditation Criteria.

SAMPLE 11 - PBSC STATEMENT OF OBJECTIVES (SOW IS PREPARED BY THE CONTRACTOR)

The Department of Defense (DOD) is examining its existing exchange structure in order to retain, or improve, the exchange benefit, and streamline the operations and management of the DOD resale system as we enter the next century. Assistance is being sought from industry to answer the following question... "What would be the most efficient and cost effective way to organize and operate our Services exchanges in order to meet Service unique needs, maintain good customer service, ensure competitive pricing and continue support for Morale Welfare and Recreation (MWR)."

Employing a "due-diligence type" methodology, the contractor shall conduct a detailed organizational and financial analysis/study of all functional areas of the current Army and Air Force Exchange Service (AAFES), Navy Exchange Service Command (NEXCOM) and Marine Corps Exchange (MCX) structures (i.e. headquarters, regions, distribution centers, and installation operations within the Services Resale Systems). The results of the study will include, as a minimum, the following:

Upon completion of Phase I of the study, the contractor will provide:

(1) An evaluation of each functional area of exchange operations.

(2) The identification of feasible organizational options to the Oversight Board that would accomplish the objectives identified above. The universe of feasible organizational options will include as a minimum, the current exchange structure as a baseline and those options proposed by the contractor. It may also include options proposed by the Services.

(3) An evaluation and comparative analysis of those organizational options selected by the Oversight Board on the basis of cost, risk, service unique needs, benefit and return on investment.

(4) Recommendations based on the results of the evaluation and comparative analysis that identify and array those options which are considered to best satisfy the objectives identified above.

(5) A cost estimate shall be provided for each implementation alternative postulated. The cost estimate shall be in a rough order of magnitude for the work that is to be performed.

Phase II of the study will encompass the implementation of the chosen alternative of Phase I if the services require assistance in implementation.

SAMPLE 12 - PBSC SOW FOR MEDICAL CARE

The Contractor shall provide comprehensive health care services, medical aid station support, and

associated support services for all eligible beneficiaries in accordance with this SOW. The quality of medical practice shall meet or exceed reasonable standards of professional practice for health care as determined by the same authority that licenses and oversights medical care in the country of Singapore.

The contractor shall be responsible for establishing a network of providers for the delivery of all authorized health care benefits, both inpatient and outpatient, subject to all applicable provisions of the program, including limitations and exclusions. Promote the establishment of appropriate referral mechanisms to ensure optimal utilization of resources and foster coordination of all care delivered to the beneficiary population.

Ensure the establishment of systems to inform the beneficiary of access mechanisms and referral procedures.

Improve patient continuity of care by establishing mechanisms to facilitate necessary consultations, follow up appointments, and sharing of medical records.

The contractor is responsible for establishing networks of contracted health care providers.

The contractor shall develop and implement a system for continuously monitoring and evaluating network adequacy.

The contractor shall provide access to medically required specialists who are licensed and certified or eligible for certification by the appropriate specialty board.

The network shall include an adequate number and mix of providers to satisfy anticipated demand and to ensure adequate access to appropriate types and levels of care.

The network shall include adequate delivery sites to ensure adequate access to care.

Emergency Services shall be available and accessible 24-hours-a-day, 7-days-a-week.

The wait time in the office in non-emergency situations shall not exceed 45 minutes.

SAMPLE 13 - PBSC SOW FOR MEDICAL RESEARCH

The Contractor shall conduct basic and applied research that is aimed at finding new ways to safely accelerate decompression after long deep dives, as well as preventing and treating decompression sickness in deep sea divers and crew members of disabled submarines. The Contractor shall conduct investigations into decompression procedures, decompression sickness epidemiology and risk prediction, development of gas exchange kinetics and bubble dynamics models, biochemical decompression, decompression sickness pathophysiology, and control of contaminants in confined atmospheres.

The Contractor shall investigate new methods of determining risk assessment for systemic and oral disease as an overall dental care and periodontal disease risk assessment program. This may involve the development of monoclinal antibodies to oral bacteria using the hybridoma procedure and the development of a rapid test method approach for determining the presence of antibodies in saliva to infectious disease-related antigens such as mycobacterium tuberculosis, hepatitis B or rubella antigens.

The Contractor shall investigate ways to improve diagnostic assays for the detection of biological and chemical warfare agents. This research will entail the improvement of hand-held immunochromatographic assay devices. Research will also focus on the development of a biosensor and the adaptation of recombinant antibody technology for improved reagents used to detect biological warfare agents.

The Contractor shall conduct research on the medical effects of Electromagnetic Radiation (Radiofrequency Radiation (RF), Microwaves and Lasers) using basic and applied scientific methods. In addition, the Contractor will investigate the effects of RF, Microwave and Laser non-lethal technologies. The Contractor shall be prepared to quickly respond to operational-related requirements for RF, Microwave and Laser threat analysis

The Contractor shall conduct toxicological, pharmacological and physiological investigations on all types of exposure by military personnel to substances encountered in battlefield, surface ship, submarine and aircraft environments.

SAMPLE 14 - PBSC SOW FOR LEGAL SUPPORT SERVICES

The contractor shall provide legal support to the Government with regard to disputes under or related to Contract xxxx. The contractor shall provide independent legal advice and analysis with regard to those disputes. This may include, but is not limited to:

a. Analyze and evaluate legal claims and counter claims and issues of law presented in the instant case. Provide legal advice and analysis on the relative merits of the Government's and the Contractor's positions on those issues and possible additional claims or counter claims to be interposed by the Government. Provide an assessment of alternatives available to the Government as it pursues settlement negotiations as directed by the court.

b. Analyze and evaluate claims and requests for equitable adjustment submitted under the contract in dispute. Provide advice on the issues presented, documents that are pertinent, facts that are relevant, and relevant merits of the Government's and the contractor's positions.

c. In support of paragraphs a. and b. above, identify issues that require additional technical/legal/financial/cost/audit analyses. Provide advice, perform reviews and analyses, and make recommendations regarding the development of facts to support the Government's position.

d. Provide advice as to the implications and consequences of audits.

SAMPLE 15 - PBSC SOW FOR INDEPENDENT ANALYSES SERVICES

The contractor shall perform independent analyses of Integration of Air Launched Weapons and Decoys, and Aerial Target Systems onto aircraft. Provide independent engineering reviews and evaluations on proposed aircraft/weapon interface design changes. Provide recommendations to minimize total aircraft systems/weapons impact on mission capability, production and costs. Provide independent analyses/recommendations for technical documentation related to planning, production, configuration control, aircraft flight tests, and overall programming in support of aircraft/weapon integration program.

The contractor shall conduct independent analyses of production engineering for Air Launched Weapons and Decoys, Unmanned Aerial Vehicles, and Aerial Target Systems. Independently review and evaluate engineering support documentation, engineering reports, technical reports, reliability reports, component specifications, product base lines, and military standards and specifications for accuracy and applicability to the weapon system. Independently review and evaluate Engineering Change Proposals (ECPs) and Major Waivers and Deviations to ascertain their adherence to component specifications and military requirements. Independently review and evaluate technical design proposals for compatibility with system requirements and provide recommendations as necessary. Independently review, evaluate, and provide recommendations concerning improvement modifications, replacements, changes, overhauls, repairs, and test and evaluation of hardware and applicable software.

STATEMENTS OF WORK

There are several key precepts to follow in preparing a statement of work (SOW) for a service contract. The SOW should be clear and brief. It should be written in plain English, free of ambiguity and internal inconsistency. It should be performance based, meaning we should tell the contractor what to do, but not how to do it. Statements of Objectives (SOO) may be utilized to convey the required outcome of contract performance, with the contractor subsequently preparing the SOW from the SOO.

FBI training materials entitled, "THE STATEMENT OF WORK" provides the following guidance and checklist for drafters of work statements:

> Use the following approaches to help strengthen your task descriptions:
>
> All work where compliance or performance is binding upon the contractor must be expressed in mandatory language and must be distinguishable from background or general information, which should be kept in the "Background" element of the SOW. So, if the contractor must do something, write, "The contractor shall." (For example: The contractor shall conduct a cost analysis. . .).
>
> Use "will" to express a declaration or purpose on behalf of the Government. (For example: "The FBI will provide the contractor with. . ."). Remember, the contractor shall; the Government will.
>
> "May", "should", and "might" are not mandatory words. It is best to avoid them. (Use of "permissive" or "choice"" words is appropriate if you intend to give the contractor flexibility).
>
> Define and be consistent with terminology. Make sure that you use words and phrases (especially technical ones) in the same way throughout the SOW.
>
> Pronouns can be ambiguous. It is better to repeat a noun and avoid any misinterpretation.
>
> Avoid "any", "either" and "and/or." These words imply that the contractor has a choice. Use of "permissive" or "choice" words is appropriate if you intend to give the contractor flexibility.
>
> Avoid words and phrases which are subject to multiple meanings and broad interpretations.

Use active voice, not passive. Passive voice promotes ambiguity and leads to needlessly complex sentences.

Try to use short, descriptive sentences to ensure clarity.

Avoid using bureaucratic, scientific or complex terms except as necessary. When you must use these terms, define them within the SOW.

Whenever possible, use simple words and terms in order to avoid ambiguity.

Stress that any papers, recommendations, etc. which the contractor submits are drafts, not final copies. If you are procuring non-personal services, then discuss the process which FBI will use to review the contractor's work.

Avoid the appearance of personal services in the way in which the SOW is written by including as much detail or performance requirements as possible. Doing so will underscore that tasks are sufficiently well defined to allow the contractor to perform independently.

Avoid words such as "support" or "assist", which might imply joint efforts between the Government and its contractor unless the contract's assistance or support roles are subsequently described in a manner which makes it clear that the contractor will perform independently.

Clearly delineate contractor performance requirements.

Avoid open-ended SOWs which contain on-going tasks without defining completion.

Avoid abbreviation unless they are of common usage or are defined at first usage.

Specify or emphasize performance requirements, "what is needed", versus design approach, "how to".

CHECKLIST FOR DETERMINING WORK STATEMENT ADEQUACY

Does the work statement contain only essentials (actual minimum requirements)? Have "nice to have" items been eliminated?

Has extraneous material been eliminated? (Ask the following questions to judge whether material should be included: Does it tell what the contractor is responsible for? Is it necessary in order for the Government to obtain required results?)

Is background or other introductory information readily distinguishable from the contract objectives and requirements?

Is the work statement sufficiently detailed to permit the prospective contractor to estimate costs, to tabulate the labor and other resources needed to accomplish each task or phase of the work?

Are specific duties and end results set forth in such a way that the contractor will know exactly what is required; that the Government representative who monitors performance and signs acceptance reports can tell whether the contractor has complied?

Does the statement explain the interrelationship between and how tasks are related to desired results and deliverables?

Does the statement identify constraints and limitations?

Does the statement contain standards which will make it possible for all parties to measure performance?

Is there a time-phased requirement for each activity to be completed or time to be delivered? If elapsed time is used, is it clear whether the time will be counted as calendar days or as work days?

Have all requirements for data been specified?

Are proper quantities shown?

Do any standard specifications or paragraphs apply in whole or in part? Is so, are they properly cited and referenced?

When it is necessary to reference other documents, is the referenced document properly identified?

A classical example of not getting the message regarding performance based contracting involves a recent contract for base operations support. Under this contract, the contractor was responsible for cutting the grass. The contract stated that the contractor would cut the grass once a week from April through October using Snapper lawn mowers.

The contractor did a super job, mowing north - south one week and east - west the next. The mower blades were sharpened regularly, and the grass had the highly manicured appearance of the outfield in a professional major league ballpark. Instead of receiving a Bravo Zulu, the contractor received a cure

notice threatening termination for default, because the contractor was using Gravely lawn mowers. By specifying the brand of lawn mower to be used, this contract violated good business sense and public policy. A performance based service contract statement of work (PBSC SOW) would have stated: Mow periodically to maintain grass at a height of 2" to 3" with a uniform appearance.

Acquisition professionals may find it simpler to prepare a performance based SOW for a new requirement, vice converting an old "how to" SOW for a follow-on requirement. For the new requirement, merely draft a brief document that clearly states the required outcome in measurable terms. Hints for writing a Performance-Based Statement of Work are available on the Navy Acquisition Reform Office Home Page at www.acq-ref.navy.mil/turbo/34.htm. Some acquisition professionals find this to be an easier task when describing other than professional services; however, professional services can readily be described using a PBSC SOW.

Conversion to a PBSC SOW is necessary for follow-on requirements, but this is likely to invoke an emotional debate. Arguments for not making the conversion will likely include: "We have done it the old way for 20 years. The old way is good enough. We don't have time to make the conversion to PBSC. We can't afford to convert to PBSC. I don't want to take the risks associated with the conversion. Our customers are satisfied with the status quo. Etc. Etc." In the present environment the simple truth is that you can't afford not to make the conversion; it is not difficult; and there is less risk with a PBSC SOW.

A briefing presented by the Office of the Deputy Under Secretary of Defense (Acquisition Reform) cites the following advantages of Performance Based Service Contracting, any one of which fully justifies making the conversion:

- Improved Contractor Performance
- 15% (+) Potential Cost Savings
- Principles of Innovation and Streamlining
- Cadre of Dependable Partners
- Better Understanding of Objectives
- Greater Problem Solving Creativity
- Less Controversy

In FY-1995, 26 contracts with a total value of $585 million were converted from "how to" to PBSC SOWs in an OFPP pilot program. OFPP collected price and customer satisfaction information before and after the conversions. This pilot program can only be described as a resounding success, demonstrating that service contracting must be done on a PBSC basis. As a result of introducing PBSC, the average

contract price declined by 15% in nominal dollars. Being able to stretch the budget by 15% plus the inflationary impact is a stand-alone argument for converting to PBSC. Greater savings were realized on non-technical work as opposed to professional and technical services. One janitorial services contract experienced a 47% price reduction!

The OFPP also found that customer satisfaction ratings increased measurably as a result of converting to PBSC. Customer ratings for quality, quantity, timeliness, cost effectiveness, and overall performance increased somewhat uniformly.

This is especially remarkable when considering the start-up or learning curve effect and problems that would normally be expected in the first year of performance under a new contracting strategy. Customer satisfaction ratings were the highest where cost reimbursement contracts were converted to fixed price contracts under PBSC.

The OFPP guide to best practices for PBSC provides the following guidance for preparing the content of a Performance Work Statement (PWS):

1. Identify only those outputs that are essential and should be part of the performance requirements summary. Express the outputs in clear, concise, commonly used, easily understood, measurable terms.

2. Do not repeat material in the PWS that is already included in other parts of the contract.

3. Do not include detailed procedures that dictate how work is to be accomplished. Instead, structure the PWS around the purpose of the work to be performed, i.e. what is to be performed, rather than how to perform it. For example, instead of requiring that the lawn be mowed weekly, or that trees be pruned each Fall, state that the lawn must be maintained between 2-3" or that tree limbs not touch utility wires or buildings.

4. To the maximum extent practicable, the PWS should be a stand-alone document, with minimum references to regulatory or other guidance. Only mandatory requirements should be referenced.

The OFPP has established the following checklist for PBSC:

Minimum Mandatory PBSC Requirements

1. Performance requirements that define the work in measurable, mission-related terms.

2. Performance standards (i.e., quality, quantity, timeliness) tied to the performance requirements.

3. A Government quality assurance (QA) plan that describes how the contractor's performance will

be measured against the performance standards.

4. If the acquisition is either critical to agency mission accomplishment or requires relatively large expenditures of funds, positive and negative incentives tied to the Government QA plan measurements.

Additional PBSC Components

5. An historic workload analysis is performed, or the workload is estimated if historic data is unavailable, to aid in determining the performance requirements and standards, Government QA plan, and incentives.

6. The solicitation and contract/task order convey a logical, easily understood flow among performance requirements, performance standards, Government QA, and performance incentives.

7. Process-oriented requirements (e.g., job descriptions, education requirements, level-of- effort) and reports are eliminated to the maximum feasible extent.

8. Government QA performance evaluators assigned to assess contractor performance are trained in PBSC.

9. Commercial and/or industry-wide performance standards, where available, are relied upon.

10. The marketplace and other stakeholders are provided the opportunity to comment on draft performance requirements and standards, the Government QA plan, and performance incentives.

11. If the size of the requirement justifies the resource expenditures, potential offerors are given the opportunity to learn more about the "as is" operation to facilitate their ability to develop intelligent proposals.

12. The contract/task order is fixed price.

13. The contract/task order is completion type (vs. term type or level-of-effort).

14. Multi-year contracting authority is used where available.

15. Experience and lessons learned from predecessor acquisitions are used to convert recurring requirements to PBSC.

Several of the above points are most worthy of additional emphasis: Number 1 stresses measurable and mission related metrics, number 4 addresses the utility of positive and negative incentives, and number 7

reminds us to eliminate process-oriented requirements. These will be emphasized through a brief discussion of NAVAIR's contract for T-34C and T-44A Maintenance. Additionally, number 8 reminds us of the need for training.

Training is especially important, because even the best PBSC will quickly become "business as usual", with the loss of all PBSC benefits, if it is administered like "business as usual". A survey conducted by Coopers & Lybrand reported an unexpected outcome of performance based service contracting: "Even though contract direction does not specify 'how to', government people on site insist upon telling the contractor how to perform certain tasks." This clearly signals the need for training and the demonstration of leadership in cultural change. The improper administration of a contract, where Government employees supervise contractor employees, can create a personal services contract, in violation of statute.

NAVAIR applied PBSC to the maintenance of T-34C and T-44A aircraft when candidate acquisitions were solicited for the OFPP PBSC pilot program. The broad range of required service for these aircraft includes flight servicing, aircraft launch and recovery, component maintenance, engine repairs, modifications, airframe inspections and repairs, painting, material management, logistics, technical and general engineering support, support equipment maintenance, and life support equipment maintenance.

A PBSC SOW for this requirement could be as simple as: "maintain T-34C and TA4A aircraft safe for flight." While accurately stating the requirement, this description is too simplistic and high in risk. The minimum work statement would read "provide FAA-certified personnel and facilities to perform scheduled and preventative maintenance in accordance with manufacturers' publications, FAA directives, and U.S. Navy maintenance engineering directives over a range of aircraft quantities."

Performance-based service contracting requires contractual requirements to be imposed in measurable terms. This was accomplished contractually as follows:

- Aircraft are required to be 80% mission capable.
- The ground abort rate is required to be less than 5%.
- 100% of flight schedules are required to be met.
- Turnaround times are limited for aircraft out of service.

Streamlining approaches were taken in preparing the solicitation and competing the requirement using best value award procedures. A draft RFP was issued which solicited industry inputs. In response to industry's comments, many military specifications and standards were deleted from the SOW. Some were deleted with no replacement, others were replaced with commercial standards like the ISO 9000 series, and mitigating language was applied to the remainder.

The contractor is held to a standard of performance and is empowered to use best commercial practices and management innovation in performance. SAMPLE 1 and SAMPLE 3 in the following section, entitled "Contract Provisions", establishes this contractually. This provides the baseline for contract administration, changes, VECPs, etc. The contract does not specify how many plane captains, mechanics,

or parachute riggers are required to be in a crew or on the job but does set forth the minimum experience and training required for crew members. SAMPLE 1 in the section of this guide entitled "Labor Category Descriptions" details the minimum experience and training required.

The contract provided both positive and negative incentives based on quantifiable standards. On the positive side, the material management function was turned over to the contractor. Material is obtained on a cost reimbursable basis, and the contractor earns a 15 percent positive incentive for cost avoidance. This "bonus" is calculated by comparing actual material costs with historical material costs adjusted by the appropriate Producer Price Index. See SAMPLE 3 in the following section, entitled "Contract Provisions" for this positive incentive. During the first 2 years of contract performance, the contractor earned a bonus of $1,340,482 under this incentive as a result of material cost avoidance approaching $9 million.

As an example of a negative incentive, the contract is priced at a ready for training rate of 75 percent. To the extent that this level of performance is not attained, the contract price is reduced proportionately. The ready for training rate and negative incentive are measured and applied on a daily basis at each site. The Contractor attained the required level of performance more than 98 percent of the time in the first year and more than 99 percent of the time in the second year. This resulted in the assessment of a negative incentive of $126,731 in the first 2 years of contract performance. This reduction in contract price is insignificant in relation to the $17 Million firm fixed price for these contract line items.

See SAMPLE 6 in the following section, entitled "Contract Provisions", for this negative incentive. On this contract, conversion to performance-based contracting resulted in immediate savings of $25 million. Significant additional savings are being realized through the contractual incentives.

It should be noted that the FAR was modified to add Subpart 37.6, which emphasizes the use of performance based service contracting. The following attachment to OFPP's 22 May 1998 memo regarding PBSC provides points for serious consideration throughout the acquisition community:

TARGETS OF OPPORTUNITY FOR PERFORMANCE BASED SERVICE CONTRACTING (PBSC)

> The categories of services on this list are PBSC targets of opportunity with high payoff potential in terms of savings and improved mission support. The list is intended as a guide, and not to be all-inclusive or restrictive. Services not on the list also may be well-suited to PBSC, especially if they are recurring. This list will be updated periodically to incorporate agencies' experiences.
>
> The following services have been acquired successfully, frequently and historically by agencies using PBSC methods. Fixed price contracts should be the rule when contracting for these services:

Nontechnical ("blue collar") (e.g.; security, laundry, grounds maintenance, facility maintenance, equipment repair).

- Operation and maintenance of facilities.
- Administrative and clerical support (e.g., data entry, court reporting, typing, editing).
- Computer maintenance.
- Aircraft maintenance and test range support.
- Transportation, travel and relocation.
- Medical.

The following services have been acquired successfully, but relatively recently, using PBSC methods and PBSC templates have been developed for these services by Government-wide working groups. Thus, fewer examples exist. Fixed price contracts should be the rule when contracting for these services.

- Telephone call center operations.
- Training.
- Software maintenance and support.

The following services offer significant opportunities for using PBSC methods, but to date experience is limited to pilot projects and/or PBSC templates.

- Environmental remediation.
- Software development.
- Management support.
- Studies and analyses.
- Surveys.

Performance based contracting is becoming the rule, rather than the exception, in Navy contracting. The Cruise Missiles Command and Control Program reported the execution of a number of software development contracts that "don't tell the contractor how to do the work." The Theater Air Defense program reported successful use of performance based contracting on their infrared search and track project. They stated that the Request for Proposals (RFP), "was easier to develop on the Government side, and less time consuming for industry to respond to."

The abstract of a paper written by Russell A. Vacante, Ph.D. of the Army Management Staff College provides a good summary of this topic:

Performance based contracting is an essential element of Defense acquisition reform. Prescriptive (how-to) documentation is out, performance based contracting and standards are in. Performance based contracting has helped to streamline the acquisition process, and

enhanced contractor-government communication. Performance based contracting has produced results that meet both customer and contractor expectations, despite cutbacks in military spending that has resulted in fewer personnel throughout the defense industry.

It is practical and preferable to obtain all services through performance based SOWs. The following samples, edited for brevity, will assist acquisition professionals who have not yet mastered this initiative. Samples 1 through 5 are for maintenance type efforts; Samples 6 through 10 are for intermediate level services; and samples 11 through 15 are for professional services.

SAMPLE 1 PBSC SOW FOR INSTALLATION OF FURNITURE. This is a requirements contract for the assembly, installation, and/or relocation of modular/systems furniture and equipment. The contractor provides all tools and personnel, and removes the remaining debris on a daily basis. Response time is keyed to the size of the job (three working days for a job estimated at less than 16 hours of labor).

SAMPLE 2 PBSC SOW FOR SHIP HUSBANDING - LAUNDRY SERVICE AND TRASH REMOVAL. Contracts must be in place to provide support services to ships in foreign ports. Providing competitive laundry service from local sources and trash removal are only two necessary ship husbanding services required. All ship's laundry must be returned by the day of departure, and the capability for continuous trash disposal is required.

SAMPLE 3 PBSC SOW FOR MAINTENANCE DURING THE PERIOD OF LEASE-TO-OWNERSHIP. This contract obtains preventive maintenance and on-call repair services during the equipment lease term. Preventive maintenance is required to keep the machine in good condition. On-call repair service is required within three hours of notification, and a substitute machine is required to be provided if downtime exceeds 72 hours. These are all measurable and performance based criteria.

SAMPLE 4 PBSC SOW FOR FOREIGN OBJECT DAMAGE (FOD) CONTROL VICE USING MILITARY STANDARDS. This SOW specifically requires an effective FOD control program to minimize the occurrence of foreign object damage, while giving the contractor latitude to install its own procedures. Minimum basic elements are listed for consideration by the contractor.

SAMPLE 5 PBSC FOR STEVEDORING SERVICES - SHIP LOADING AND UNLOADING. Ship loading and discharging operations are required to be conducted by the Contractor in such a manner that no damage is caused by the contractor. Additionally these operations must be conducted in a way that does not violate the Code of Federal Regulations (CFR) or the International Maritime Organization regulations.

SAMPLE 6 OFPP MODEL PBSC SOW FOR ADP MAINTENANCE. Most people have experienced a computer problem, which resulted in their need to call a help desk. This is a brief but concise example of performance based hardware preventive and remedial maintenance. See Sample 8 for the practical application of this model.

SAMPLE 7 OFPP MODEL PBSC SOW FOR LANGUAGE TRAINING. Foreign language instruction provides an opportunity for added focus and sophistication in the performance based statement of work. This example provides for proficiency measurement standards. See Sample 9 for the practical application of a PBSC SOW for the development and teaching of a course.

SAMPLE 8 PBSC SOW FOR COMPUTER NETWORK MAINTENANCE. Parts, spares, labor, supplies, vehicles, test equipment, tools, etc. are provided by the contractor, who is responsible for the preventive and remedial maintenance of a specific listing of equipment at certain locations. Remedial maintenance starts within four hours after notification, and full operational capability is expected to be restored within eight hours after notification.

SAMPLE 9 PBSC SOW FOR DEVELOPING AND TEACHING COURSE. The organization mission, course objectives, and student learning objectives are clearly stated in the contract. The contractor is required to provide experienced instructors, training materials, and training equipment to teach the course at Government facilities. Selection of training materials is at the discretion of the contractor, who will be evaluated by Government subject matter experts and student critiques.

SAMPLE 10 PBSC SOW FOR CHILD CARE. The contractor provides child development programs (extended day care) on a regional basis, using Government and commercial facilities. Compensation is on a per capita basis, with the Government providing a subsidy. Operating standards called out in the contract invoke state and federal law, OPNAVINST, and national association criteria.

SAMPLE 11 PBSC STATEMENT OF OBJECTIVES (SOW IS PREPARED BY THE CONTRACTOR). A statement of objectives is provided for an analytical study regarding efficiency and cost effectiveness. Five minimum required outputs or deliverables are stated. The contractor must then develop the SOW to determine how the study will be planned, approached, conducted and reported out.

SAMPLE 12 PBSC SOW FOR MEDICAL CARE. The contract obtains licensed medical practitioners and a staff to provide comprehensive health care services. Performance based requirements of this contract include emergency care 24 hours a day 7 days a week, and a waiting time of less than 45 minutes for non-emergency care.

SAMPLE 13 PBSC SOW FOR MEDICAL RESEARCH. The contractor provides doctors to perform medical research at Government medical research facilities. The areas in which medical research will be conducted are outlined in this level of effort term contract.

SAMPLE 14 PBSC SOW FOR LEGAL SUPPORT SERVICES. In contracting for highly professional services, performance based statements of work are the only way to go. In your personal life you would not tell your lawyer - or your dentist, minister, accountant, etc. - how to do their jobs. What to do is outlined, with the "how to" left to the performing professionals.

SAMPLE 15 PBSC SOW FOR INDEPENDENT ANALYSES SERVICES. Systems integration has become exponentially more complex in the era of super computers and significantly higher performance platforms. This example of performance based tasks encompasses mission capability, production and cost.

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AF Manual 64-108, Service Contracts, 4 November 1994

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OMB memo M-94-21, Performance-Based Service Contracting, 19 May 1994

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OSD, Office of the Deputy Under Secretary of Defense (Acquisition Reform), Performance-Based Service Contracting, 4 August 1998

LABOR CATEGORY DESCRIPTIONS

SAMPLE 1 - PBSC LABOR CATEGORY DESCRIPTIONS

Licensing, Safety, and Navy Peculiar Qualification Requirements: The following paragraphs describe experience, skills, licensing, and Navy peculiar qualifications necessary to perform the requirements of this performance work statement. The level of skill, education, and experience needed for performance shall meet the Department of Labor (DOL) general minimum qualifications, as well as the specific requirements listed below for the individual occupational field or specialty. Equivalent DOL titles are shown in parentheses.

Quality Control Representative (Aircraft Quality Control Inspector) Qualifications:
Must have a minimum of five years recent general experience in aircraft maintenance. The last three years aircraft maintenance experience must have been as a practicing, licensed Federal Aviation Administration (FAA) airframe and powerplant mechanic or as an aircraft quality control representative/specialist in the military, civil service, or government aviation maintenance contractor inspector.

Material Control Manager
Qualifications: Must have a minimum of five years recent specialized experience in the Navy Supply System, the ability to understand and read supply and aircraft publications, and experience in the use of aviation tools and supplies.

Aircrew Survival Equipment Technician/Mechanic I
Qualifications: Must have a minimum of three years recent specialized experience in pilots' personal protection equipment maintenance. Technicians performing quality assurance inspections (CDI/CDQAR/QAR) on ALSS equipment must be graduates of PR "A" School or equivalent training for specific type systems.

Aircrew Survival Equipment Technician/Mechanic II
Qualifications: Must have a minimum of four years recent specialized experience in pilots' personal protection equipment maintenance. In addition, the following qualification requirements must be met:
a. Technicians that perform parachute rigging must be parachute rigger Class A school graduates (CNATRAC C-602-2010) or equivalent.
b. Technicians that perform overhaul, repair, and test of oxygen system components must be graduates of oxygen regulator Class C School (CANTRAC C-602-2011) or equivalent.
c. Technicians that are ABO operator/analysts must be graduates of ABO school or equivalent.

Aircraft Painter(Painter, Aircraft)
Qualifications: Must have a minimum of three years recent experience in preservation/depreservation of

aircraft and engines. Must have satisfactorily completed a resident, 40-hour course of instruction on aircraft corrosion causes/identification/removal/prevention and treatment. Supervisory aircraft painters must, in addition to the above, have successfully completed a resident, 80-hour course of instruction on aircraft painting and touch-up. (NOTE: Painters of support equipment do not require the 40 hour course of instruction).

Plane Captain (Aircraft Servicer)
Qualifications: Must have completed a government approved plane captain certification program for each type, model, and series aircraft in accordance with Paragraph 10.3.2 of the OPNAVINST 4790.2E.

Aircraft Mechanic (Aircraft Mechanic)
Qualifications: Must have a minimum of three years recent general experience in their specific aircraft maintenance occupational field, including at least two years as a practicing licensed FAA airframe and powerplant mechanic, equivalent military position, civil service, or government aviation maintenance contractor.

Aviation Electronics Technician (Electronics Technician Maint III)
Qualifications: Must have a minimum of three years recent specialized experience in aircraft avionics component maintenance, including at least two years as a practicing licensed Federal Communication Commission (FCC) radioman mechanic or equivalent military position.

Aviation Electrician Technician (Electrician, Maintenance)
Qualifications: Must have at least three years recent specialized experience in aircraft electrical systems maintenance, including at least two years as a practicing licensed FAA airframe and powerplant mechanic or equivalent military position.

Support Equipment Training Instructor (Instructor)
Qualifications: Must have a minimum of one year recent experience as a training program director on the operation and use of industrial equipment and three years experience in the operation of support equipment (ground handling and servicing) and hold a Naval Air Systems Command "D", or equivalent, certification.

SAMPLE 2 - PROGRAM / PROJECT MANAGERS

TECHNICAL PROGRAM MANAGER

Education: A Bachelor of Science Degree is required in Electrical Engineering, Electronics Engineering, Mechanical Engineering, or Physics from an accredited college or university.

General Experience: A minimum of ten years recent managerial experience on Naval Engineering projects including maintenance, repair, test, installation, or upgrade of systems is required.

Specialized Experience: A minimum of eight years experience in managing major engineering programs associated with shipboard Combat Systems, HM&E Systems, and/or Undersea Systems and a minimum of five years experience with 3-M System, COSAL, ILS and SHIPALT/FMP process is required.

PROGRAM MANAGER

This position requires a thorough knowledge of shipbuilding, major Navy acquisitions and ship lifecycle management. This individual must have a comprehensive knowledge of ship construction, modernization and maintenance of ship and combat systems. The position requires the demonstrated ability to supervise, manage, direct, oversee, and control a team of multi-disciplined personnel to accomplish programmatic and engineering tasks and maintain effective liaison with appropriate government personnel. This position requires, at a minimum, an undergraduate degree in business management/administration or engineering from an accredited college or university and twelve years of recent systems engineering and management experience relating to the acquisition of Navy ships, shipboard systems, ship construction, and ship lifecycle management including modernization and maintenance of ship and combat systems, analyses of requirements, and performing engineering studies and documentation.

PROGRAM MANAGER

Education: A Bachelors degree from an accredited college or university is required in engineering, engineering management or business administration.

Experience: The program manager must have a broad theoretical and practical background in design and implementation of Department of Defense communication systems. Eight years of recent and relevant experience in managing a technical engineering program is required.

PROGRAM MANAGER

Education: With a Graduate Degree (MS/ME/MA/MBA), 10 years of progressive management responsibility in an acquisition environment is required. With a Bachelor's Degree (BS/BA), 12 years of progressive management responsibility in an acquisition environment is required.

Qualifications: This position requires a minimum of 10 years recent experience, comprehensively demonstrating knowledge of Major Defense Acquisition Program execution, management of 25 - 50+ technical staff, and responsibility for multi-disciplined engineering projects. Experience with management and control of subcontractors, Time and Materials/Firm Fixed Price contracts, and technical tasks similar in complexity to those anticipated is also required.

PROJECT MANAGER

Education: With a Graduate Degree (MS/ME/MA/MBA), 8 years of progressive management experience within an acquisition environment is required. With a Bachelor's Degree (BS/BA), 10 years of

progressive management experience within an acquisition environment is required.

Qualifications: This position requires a minimum of 8 years recent experience, comprehensively demonstrating an ability to develop and execute complex technical tasks, apply analytical problem-solving methodologies, provide technical direction to 5 - 20+ support staff, interface with Government and prime Contractor personnel, and to allocate project resources effectively.

Specialized Skills:
Engineering: Experience is required in directing integrated engineering teams, ensuring quality of performance of comprehensive engineering efforts, coordinating product deliverables, and sponsoring technical reviews. Logistics: Experience is required in directing integrated logistics support efforts, implementing program compliance for emerging logistics issues (e.g., environmental, health, and safety) ensuring quality of performance, coordinating product deliverables, and sponsoring technical reviews. Operations: Experience is required in directing business and technical operations, ensuring quality of performance, coordinating product deliverables, and sponsoring technical reviews.

ADVANCED PROGRAMS MANAGER

A Doctorate in a relevant field from an accredited college or university and at least five years of recent specialized experience; or a Master's Degree in a relevant field from an accredited college or university and at least 10 years of recent specialized experience is required.

PROGRAM MANAGER

Education: A Bachelors Degree from an accredited college or university is required in Aeronautical Engineering, Mechanical Engineering, Civil Engineering or Applied Mechanics.

Experience: A minimum of 15 years of recent and relevant experience in aeronautical engineering is required with at least four recent years in engineering management. The position requires experience leading an engineering design/analysis team on a military aircraft program. The proposed employee must demonstrate the ability to provide guidance, direction and supervision of projects in a broad range of structural technologies related to design, development testing and fleet operations of military aircraft. Experience in aircraft structural development and methods for analyzing, monitoring, and maintaining structural integrity of fleet aircraft is required.

PROJECT MANAGER

Education: The Project Manager (PM) shall possess a Bachelor's degree in computer science, mathematics, engineering, or related business field, (Business Administration, Business Management, etc.) from an accredited college or university. The PM shall have graduate level work in business administration or economics.

Experience: The PM shall possess a minimum of five years of recent practical experience working as a senior-level manager of a technical, computer oriented work force. Senior-level experience is defined as supervision/direction of a work effort where one level of subordinate supervisors report to the PM, and total project professionals exceed 50 persons. Experience shall include managing development of large scale business systems that include: (1) one or more Database Management Systems; (2) operating system level and application level software; (3) PC-based systems developed to interface with application systems on large scale platforms; and (4) the use of networks.

SAMPLE 3 - SENIOR ENGINEERING POSITIONS

SENIOR SYSTEMS ENGINEER

Education: A Bachelor of Science Degree in Electrical Engineering, Electronics Engineering, or Physics is required from an accredited college or university.

General Experience: A minimum of eight years of recent managerial experience on Naval engineering projects including maintenance, repair, testing, installation, or upgrade of naval systems is required.

Specialized Experience: A minimum of five years full-time engineering experience in Combat System, HM&E Systems, or Undersea Systems and a minimum of two years of experience with 3-M System, COSAL, ILS and SHIPALT/FMP process is required.

SENIOR ELECTRICAL ENGINEER

Education: This position requires a Bachelor of Science Degree in Electrical or Electronics Engineering from an accredited college or university, or a Technology Degree in Electrical or Electronics Engineering from an accredited college or university and have passed the Engineer In Training examination.

General Experience: A minimum of seven years of recent experience in the design or engineering development of ship systems in the electrical/electronics field is required.

Specialized experience: A minimum of three years experience in managing engineering or design projects related to ship's systems is required. Experience in the development of installation drawings and work package development related to machinery alterations, ship alteration upgrades, and modifications of ship systems and equipment is required.

SENIOR ELECTRONICS ENGINEER

Education: A BSEE, BSET, or a bachelor's degree in physics is required from an accredited college or university.

Experience: Two years of recent specific experience in data link communications and four years of

recent general experience in the design and implementation of communications, data processing or radar systems is required.

SENIOR ENGINEER

This position requires a thorough knowledge of shipbuilding, major Navy acquisitions and ship lifecycle management. The position requires the demonstrated ability to conduct analytical examination of technical issues relating to marine and combat systems architecture, mechanical, electrical, and other engineering fields. Must have demonstrated the ability to work independently on major tasks. This position requires a Bachelor's Degree in engineering or science from an accredited college or university, and eight years of recent professional engineering or management experience relating to Navy shipbuilding acquisition and lifecycle management programs.

SENIOR PROCESS ENGINEER

Education: With a Graduate Degree (MS/ME/MBA), 8 years of progressive technical experience with industrial, manufacturing, or production processes is required. With a Bachelor's Degree (BS/BE/BA), 10 years of progressive technical experience with industrial, manufacturing, or production processes is required.

Qualifications: This position requires a minimum of 8 years of recent experience, comprehensively demonstrating an ability to apply expert practices and procedures within the specified area of discipline, provide technical direction to subordinate staff, provide professional findings of technical analysis in the form of reports and presentations, and to execute complex technical tasks.

Specialized Skills:
Industrial. Experience is required in providing technical leadership and expert guidance for assessment of manufacturing practices and capabilities; evaluation of planning and process controls; cost/performance/savings analysis; and application of operations research methods and modeling techniques.

Design & Manufacturing. Experience is required in providing technical leadership and expert guidance for assessment of production readiness; including evaluation of statistical process controls; design integration of electro-mechanical and hydraulic systems; evaluation of manufacturing technologies and collaborative engineering processes; and evaluation of quality practices.

Production & Quality. Experience is required in providing technical leadership and expert guidance for assessment of production and quality practices; kinematic process assessments; safety, health, and environmental assessments; and evaluation of risk management practices affecting manufacturing.

Test & Evaluation. Experience is required in providing technical leadership and expert guidance for developmental and operational testing; interpreting requirements and developing test metrics and

performance measurement objectives; conducting vulnerability analysis; assisting with instrumentation; and presenting findings and reports to oversight groups.

SENIOR SYSTEMS ENGINEER

Education: With a Graduate Degree (MS/ME/MBA), 8 years of progressive technical experience with combat vehicle systems is required. With a Bachelor's Degree (BS/BE/BA), 10 years of progressive technical experience with combat vehicle systems is required.

Qualifications: This position requires a minimum of 8 years of recent experience, comprehensively demonstrating an ability to apply expert practices and procedures within the specified area of discipline, provide technical direction to subordinate staff, provide professional findings of technical analysis in the form of reports and presentations, and to execute complex technical tasks.

Specialized Skills:
Integration. Experience is required in providing technical leadership and expert guidance for integration of on-board and embedded systems; software controlled vetronics, sensors, and diagnostics; conducting performance/cost trades; assessing reliability, availability, maintainability, durability; supporting testing and performance validation; and accomplishing analysis of survivability/vulnerability.

Survivability. Experience is required in providing technical leadership and expert guidance in the assessment of the survivability of vehicle, crew and troops; including ballistic and nuclear vulnerability; application of operations research methods and modeling techniques to analyze complex structures; and assessment of radar, IR, millimeter, and acoustic signatures and suppression measures.

Mobility Systems. Experience is required in providing technical leadership and expert guidance for vehicle land mobility performance; assessing ride quality, vehicle trafficability, and performing land mobility analyses; validating mass properties analyses; and evaluating land mobility test results and verifying compliance with land mobility requirements.

Mechanical. Experience is required in providing technical leadership and expert guidance for vehicle propulsion, drive train, power and suspension systems design and performance; assessing suspension system performance and difference in performance under of a variety of conditions; assessing drive train performance and efficiency; assessing power system design; validating selection and quality of propulsion system materials; assessing propulsion system performance.

SENIOR ENGINEER

This position requires a bachelor's degree in engineering or science and at least seven years of recent specialized experience; or a master's degree in engineering or science and at least five years of recent specialized experience; or a bachelor's degree in engineering or science and at least five years of recent specialized experience and a state accredited professional engineer license.

SENIOR SYSTEM ENGINEER

Education: A Bachelor's Degree in Engineering, Physics or Chemistry is required from an accredited college or university.

Experience: Position requires twelve years recent engineering experience. Included in the twelve years, the most recent five years must be experience in planning, organizing, and managing technical or engineering efforts required to accomplish engineering functions related to the design, development, and production of weapon systems and components. Must have experience in specific disciplines which apply to weapon engineering management such as risk assessment, configuration management, test and evaluation management, drawing procedures, reliability, quality assurance, and DOD acquisition procedures.

SENIOR ENGINEER

Education: A Bachelor's Degree in Engineering, Physics or Chemistry is required from an accredited college or university.

Experience: Position requires eight years recent engineering experience. Included in the eight years, the most recent three years must be demonstrated experience in planning, organizing, and managing technical or engineering efforts required to accomplish engineering functions related to the design, development, and production of weapon systems and components. Must have experience in specific disciplines which apply to weapon engineering management such as risk assessment, configuration management, test and evaluation management, drawing procedures, reliability, quality assurance, and DOD acquisition procedures.

SENIOR MECHANICAL ENGINEER

Education: This position requires a Bachelor of Science Degree in Mechanical Engineering from an accredited college or university, or a Technology Degree in Mechanical Engineering from an accredited college or university and have passed the Engineer In Training examination.

General Experience: A minimum of seven years of recent experience in the design or engineering development of ship systems is required.

Specialized Experience: A minimum of three years experience in managing engineering or design projects related to ship's systems is required. Experience in the development of installation drawings and work package development related to machinery alterations, ship alteration upgrades, and modification of ship systems and equipment is required.

SENIOR ENGINEER

Education: A Bachelor's Degree is required in Aeronautical/Mechanical/Civil/ Chemical/Materials Engineering, or Applied Mechanics from an accredited college or university.

Experience: A minimum of six years of recent experience in aeronautical or mechanical engineering is required. This position requires sufficient experience to assume project engineering responsibility for the project as might be assigned. The position requires experience in the following disciplines:

Military aircraft design criteria and specifications

Derivation of aircraft mission profiles, corresponding repeated loads for aircraft/components, and repeated loads spectra

Analysis of flight-test loads and parameters

Design experience on metallic and composite airframe structures

SENIOR SOFTWARE ENGINEER

Education: With a Graduate Degree (MS/MSEE), 8 years of progressive computer software & hardware engineering experience with embedded real-time systems is required. With a Bachelor's Degree (BS/BSEE/BSCS), 10 years of progressive computer software & hardware engineering experience with embedded real-time systems is required.

Qualifications: This position requires a minimum of 8 years recent experience with embedded real-time computer software development; demonstrated experience in implementing Real Time Structured Analysis methodology and AdaÐbased Design Approach for RealÐTime Systems software design method; demonstrated experience with integrated Computer Aided Software Engineering technology; knowledge of software reliability engineering methods, processes and tools; demonstrated experience using real-time operating systems; knowledge of software safety engineering methods, processes, and tools; knowledge of software quality assurance; knowledge of configuration management; and demonstrated experience using ADA and C languages.

SENIOR ENGINEER

Education: A Bachelor of Science degree in Engineering is required in the applicable engineering discipline (electrical engineering, electronics engineering, mechanical engineering, industrial engineering, or aerospace engineering) from an Engineering Council for Professional Development accredited college or university.

Experience: General experience shall consist of a minimum of two years of recent experience in project management, coordination and oversight of projects and providing technical guidance. Specialized

experience required per discipline is listed below:

Electronics/Electrical: A minimum of six years recent experience is required, of which at least two years experience shall be in one of the following areas of specialization: power distribution, switching, control, avionics/aircraft electrical systems and plant equipment electrical systems, control and drive systems for complex industrial equipment systems or Test Requirement Documents and Test Program Sets for Automated Test Equipment. Experience in managing engineering changes is required, including work in integrated logistics support and coordination with customer support/feedback.

Mechanical: A minimum of six years recent experience is required, of which at least two years experience shall be in one of the following areas of specialization: design of tools/fixtures for industrial equipment; design of industrial equipment; and design of industrial equipment utility systems, with progressively increased levels of technical responsibility.

Industrial: A minimum of six years recent experience is required, of which at least two years experience shall be in facility utilization and maintenance, equipment utilization, and equipment procurement. Experience in facility planning/specifications is required, including equipment procurement specifications and work on projects such as military construction and industrial equipment procurement.

Aerospace: (Degree in either mechanical or aerospace engineering). A minimum of six years recent experience is required, of which at least two years shall be in aircraft weapon systems/subsystems and related engineering disciplines in failure cause determination, conducting investigations and analyses, preparing technical reports and technical instructions for maintenance personnel, and determining scheduled maintenance requirements.

SAMPLE 4 - ENGINEER AND SCIENTIST POSITIONS

SYSTEMS ENGINEER

Education: With a Graduate Degree (MS/ME/MBA), 4 years of progressive technical experience with combat vehicle systems is required. With a Bachelor's Degree (BS/BE/BA), 6 years of progressive technical experience with combat vehicle systems is required.

Qualifications: This position requires a minimum of 4 recent years experience, comprehensively demonstrating an ability to apply expert practices and procedures within the specified area of discipline, accomplish scientific and engineering analysis, provide professional findings of technical analysis in the form of reports and presentations, and to execute complex technical tasks.

Specialized Skills:
Software. Demonstrated experience is required with software engineering for embedded, real-time systems; ensuring overall quality practices are implemented; providing life-cycle support assessments; validating performance; and accomplishing configuration management and documentation to ensure

design integrity.

Signature Suppression Integration. Demonstrated experience is required in providing for the integration of signature suppression techniques into basic vehicle design; conducting performance/cost trades; ensuring compliance with specifications; and assessing impact on reliability, maintainability and dependability.

Mobility Systems. Demonstrated experience is required in providing technical leadership and expert guidance for vehicle land mobility performance; assessing ride quality, vehicle trafficability, and performing land mobility analyses; validating mass properties analyses; and evaluating land mobility test results and verifying compliance with land mobility requirements.

Mechanical. Demonstrated experience is required in providing technical leadership and expert guidance for vehicle propulsion, drive train, power and suspension systems design and performance; assessing suspension system performance and difference in performance under of a variety of conditions; assessing drive train performance and efficiency; assessing power system design; validating selection and quality of propulsion system materials; assessing propulsion system performance and design.

C4I. Demonstrated experience in providing assessments of communications/navigation systems; ensuring compliance with DOD architectures and OSI/ISO standards; validating performance of on-board electronics systems, antenna technologies, and ancillary components; and supporting interoperability testing and performance validation.

ENGINEER

A Bachelor's Degree from an accredited college or university in engineering or science, or a state accredited engineer-in-training certificate and at least three years of recent specialized experience is required.

ENGINEER

Education: Bachelor's Degree in Engineering, Physics or Chemistry is required from an accredited college or university.

Experience: This position requires four years recent engineering experience. Included in the four years, there must be two years of professional experience in technical/engineering efforts supporting major weapon systems and components. The incumbent must have demonstrated working experience in (1) Preparation of DOD weapons systems development and acquisition program documentation. (2) Preparation and maintenance of configuration status accounting systems including ECP preparation and processing, or preparation/review of configuration management plan. (3) Analysis of engineering reports relating to weapon system analysis, performance and flight testing.

PROJECT ELECTRONICS ENGINEER

Education: A BSEE, BSET, or a Bachelor's Degree in physics is required from an accredited college or university.

Experience: One year of recent specialized experience in data link testing, design or design analysis and two years of recent general experience in the design and implementation of communications, data processing or radar systems is required.

ENGINEER

Education: A Bachelor's Degree in engineering or physics is required from an accredited college or university.

Experience: Three years of recent and relevant engineering experience is required.

MICROWAVE ENGINEER

Education: A BSEE degree is required from an accredited college or university.

Experience: Four years of recent experience is required in design, analysis or testing of electronic circuits or transmission lines; with two years of specific experience in design, analysis or testing of microwave circuits such as antennas, multiplexes, striplines, high power or low noise microwave amplifiers, or frequency converters.

ENGINEER

Education: This position requires a Bachelor of Science degree in Engineering in the applicable engineering discipline (electrical engineering, electronics engineering, mechanical engineering, industrial engineering, or aerospace engineering) from an Engineering Council for Professional Development accredited college or university, or a Bachelor of Science degree in Computer Science from an accredited college or university.

Industrial: A minimum of four years in the past ten years of technical experience in conducting layouts/flow diagrams and capacity studies, evaluation procedures, and simulations for facility and equipment projects is required. Experience must show application of basic industrial engineering skills and techniques in an industrial environment, including preparation of specifications to modify or procure equipment.

Mechanical: A minimum of four years of experience in the past ten years in: design and installation of industrial equipment and design of industrial utility systems, such as chilled water, compressed air, water, sanitary sewer, storm drains, industrial waste, and steam is required.

Aerospace: (A degree in mechanical or aerospace engineering is acceptable). Four years experience in the past ten years in the field of aerospace engineering, including conducting investigations to determine failure causes, scheduled maintenance requirements, and preparing technical reports and instructions is required.

Electronics/Electrical: A minimum of four years of experience in the past ten years in: (a) power distribution, switching, control, and plant equipment electrical systems; (b) control and drive systems for complex industrial equipment systems; (c) electrical engineering design or avionics related experience in an aerospace environment; or (d) Automatic Test Equipment design and operation is required.

SENIOR SCIENTIST

A bachelor's degree in physics, oceanography or math from an accredited college or university and at least seven years of recent specialized experience; or a master's degree in an above field and five years of recent specialized experience is required.

SENIOR COMPUTER SCIENTIST

This position requires a bachelor's degree in computer science from an accredited college or university and at least seven years of recent specialized experience; or a master's degree in computer science from an accredited college or university and at least five years of recent specialized experience.

SCIENTIST

A bachelor's degree in physics, oceanography or math from an accredited college or university and at least three years of recent specialized experience is required.

COMPUTER SCIENTIST

A bachelor's degree in computer science from an accredited college or university and at least three years of recent specialized experience is required.

ENGINEER

This position requires a Bachelor's Degree in engineering or science from an accredited college or university and at least five years of recent professional engineering experience directly related to Navy shipbuilding acquisition programs and technical analysis, including documented experience in the areas of program documentation, systems engineering, and systems integration. Must be capable of performing detailed and complex engineering calculations and/or data analyses. Must work effectively as a member of a project team.

JUNIOR ENGINEER

BSEE, BSET, or a Bachelor's Degree in engineering, physics or mathematics is required from an accredited college or university.

SAMPLE 5 - LOGISTICS POSITIONS

INDUSTRIAL MANAGEMENT SPECIALIST

This position requires an associate's degree plus seven years of recent experience in industry or Government supporting manufacturing, repair, upgrade, and refurbishment of complex electronic and mechanical equipment. Experience in associated supply, documentation, tracking, and storage methods are required.

INTEGRATED LOGISTICS SUPPORT MANAGER

General Experience: A minimum of five years of recent full-time experience in Integrated Logistics Support and System Life Cycle Support areas of the DOD/Navy Integrated Logistics Support System is required. This experience shall include each of the following Navy ILS components listed below:

a. Maintenance Planning
b. Manpower, personnel, and training support
c. Supply support
d. Test equipment support
e. Technical logistical data
f. Packaging, handling, storage, and transportation

Specialized Experience: A minimum of six years of recent full-time experience in logistics engineering development including experience in the development, fleet introduction, installation, test, operation, and life cycle support of major Naval ship Combat Systems and/or HM&E Systems is required.

SENIOR LOGISTICS MANAGER

This position requires a thorough knowledge of shipbuilding, major Navy acquisitions and ship lifecycle management. This position also requires knowledge and demonstrated performance in Integrated Logistics Support specifically, but not limited to the following areas: (1) Maintenance Planning; (2) Supply Support; (3) Support and Test Equipment; (4) Technical Data; and (5) Logistics Planning and Management. This position requires, at a minimum, a Bachelor's Degree from an accredited college or university in engineering, science, operations research, mathematics, or business, and eight years of recent Integrated Logistic Support experience spent in the development of logistics support for Navy shipbuilding acquisition programs and ship life cycle management (including modernization and

maintenance).

LOGISTICS MANAGEMENT SPECIALIST

Education: This position requires a bachelor's degree from an accredited university or college.

Experience: A minimum of six years of recent progressive logistics experience in scientific or specialized aircraft weapons systems, such as test evaluation, systems analysis, configuration management, integrated logistics support categories, operations research, or reliability and maintainability is required. Experience with logistics integration requirements and implementation techniques, as applied to complex weapons systems, is also required.

SAMPLE 6 COMPUTER PROGRAMMERS

IT PROGRAMMER

Education: This position requires a Bachelor of Science Degree in Computer Science from an accredited college or university.

General Experience: A minimum of three years recent experience is required in software engineering principles utilizing Object Oriented Programming, Code analysis/testing/ debugging, C, C++, and SQL programming languages.

Specialized Experience: A minimum of two years recent experience is required in designing and developing 16-bit and/or 32-bit Windows Applications using Graphical User Interfaces, Dynamic-Link Libraries, and multimedia application development.

PROGRAMMER

This position requires a Bachelor's Degree in computer science or a related field from an accredited college or university, and at least six years of recent professional experience in the development of computer software. The incumbent must have a working knowledge of several current programming languages and be experienced in flow charting, debugging, and the documentation of computer programs. Must also have a working knowledge of Local Area Network / Wide Area Network server technologies and current networking technologies.

SYSTEMS PROGRAMMER

Education: The Systems Programmer shall have a Bachelor of Science degree in a technical discipline such as computer science, mathematics or engineering from an accredited college or university; or an Associate Degree in an above field and five years systems programmer experience. The work experience substituted for education shall not overlap the experience requirements for this labor category.

Experience: The Systems Programmer shall have six years of recent experience in IBM systems software of which four years are in large scale platforms. Experience shall be with operating systems for personal computers and large scale IT hardware platforms. Experience shall include work with large platform processors, peripherals, and network devices. Experience shall include networking of three-tier system architecture and team leadership of a group of systems software specialists.

PROGRAMMER/ANALYST

Education: The Programmer/Analyst shall have, as a minimum, an Associate Degree in computer science, engineering, mathematics, or a related information science. Two years practical work experience in systems design and programming may be substituted for the Associate Degree requirement. The experience substituted for education shall not overlap the experience requirements for this labor category.

Experience: The Programmer/Analyst shall have a minimum of two years of recent experience working in IT systems analysis and design that includes the programming of designed systems. Experience shall include:

Software development of large batch and on-line business systems using programming languages, e.g., ADA, COBOL and fourth generation languages, e.g., FOCUS.

Structured analysis and design.

Analysis and programming of PC based business systems.

COMPUTER PROGRAMMER

Education: The Computer Programmer shall have, as a minimum, an Associate Degree in computer science, engineering, mathematics, or a related information science. Two years practical work experience in system design and programming may be substituted for the Associate Degree requirement. The experience substituted for education shall not overlap the experience requirements for this labor category.

Experience: The Computer Programmer shall have a minimum of two years of recent experience programming business applications that run on PC and large mainframe platforms. Experience shall include use of high level languages, e.g., COBOL, fourth generation languages, e.g., FOCUS and languages for PC-based systems, e.g., MICROFOCUS.

COMPUTER PROGRAMMER

This position requires a bachelor's degree from an accredited college or university and two years of recent and relevant experience with computer-controlled electronic systems. One year of the required

experience must be in the development of major data base systems.

SENIOR APPLICATIONS PROGRAMMER

Education: A Bachelor's degree in Computer Science, Mathematics, or Engineering is required from an accredited college or university.

Experience: A minimum of four years of recent experience is required in computer science and information management. Experience in a Team/Leadership position and demonstrated communication skills are required. Experience in each of the following is required:

Executing routine computer operating system operations on PC's, mini and mainframe computers.

Writing operating system scripts and/or commercial off-the-shelf (COTS) word processing, spreadsheet, and database application macros.

Operating and/or programming relational data base management systems.

Planning, coordinating, and executing test activities for a software release.

SAMPLE 7 INFORMATION TECHNOLOGY POSITIONS

INFORMATION TECHNOLOGY MANAGER

Education: A Bachelor's degree in Computer Science, Mathematics, or Engineering is required from an accredited college or university.

Experience: A minimum of six years of recent experience is required in computer science, information management, and project/program management. Experience in a major team leadership position on information technology projects and demonstrated communication skills are required. Experience in each of the following is required:

Operating and/or programming relational data base management systems

Data modeling and relational database design. Specific training in data modeling and database design is also required

Translating broad information technology needs into plans and standards

Implementing design and development of new information systems applications

Planning, coordinating, and executing test activities for a software release including: test scheduling, defining test metrics, defining test cases and scripts, executing tests, debugging, and reporting the results

Directing and managing a systems/software development team in the design, development, test, and integration of new information systems applications

COMPUTER SYSTEMS ANALYST

Education: This position requires a Bachelor's Degree in computer science from an accredited college or university. A Bachelor's Degree in mathematics or other related discipline from an accredited college or university may be substituted, provided 24 semester hours were earned in computer science.

Experience: Three years of recent experience researching, designing or analyzing information systems for general applications and two years of specialized experience with analysis and design of scientific or engineering applications on complex systems for large scale computers are required. Experience formulating specifications for computer software and familiarity with mathematical modeling is required.

IT SYSTEMS ENGINEER

Certification: The incumbent of this position shall be a Microsoft Certified System Engineer (MCSE).

Experience: A minimum of three years of recent experience is required in network administration, installing, troubleshooting and configuring hardware and software components, and performing computer help desk tasks.

ADP MANAGER

Education: This position requires a Bachelor's Degree in computer science or a related field from an accredited college or university.

Experience: This position requires eight years of recent professional experience in the design, development, implementation, maintenance, operation, and modification of ADP, LAN/WAN, and other management information computer systems. The incumbent must have a basic understanding of major defense system program management techniques.

ADP SYSTEMS ADMINISTRATOR

Education: This position requires a Bachelor's Degree in computer science or a related field from an accredited college or university.

Experience: This position requires at least four years of recent professional experience in maintaining LAN/WAN/server technologies, and current networking technologies. Must also be familiar with commercial off the shelf software suites.

COMPUTER SYSTEMS ANALYST

Education: This position requires a Bachelor's Degree in computer science, electrical engineering or physics, or a Bachelor's Degree with a minor in computer science from an accredited college or university.

Experience: This position requires six years of recent experience in the design and implementation or testing of automated electronic systems with two years of the six years of experience in computer based simulation/stimulation development.

COMPUTER SYSTEMS ANALYST

Education: The computer systems analyst shall have a Bachelor's degree in computer science, engineering, mathematics, or a related quantitative science from an accredited college or university; or an Associate Degree in computer science or related field together with at least two years of additional recent experience in computer system analysis. The work experience substituted for education shall not overlap the experience requirements for this labor category.

Experience: The computer systems analyst shall have two years of recent experience in the following areas:

Management of a team of programmers/analysts in designing, developing and implementing on-line information systems.

DBMS technology applications.

Network technology applications.

PC based technology applications.

CONTRACT PROVISIONS

Contract provisions, sometimes referred to as contract special provisions or special provisions, are the custom clauses that are unique to each contract or group of contracts. In tailoring the contract to the specific customer and requirement, they provide emphasis, direction, motivation, restrictions, or facilitation. These provisions must be applied with judgment, as they can make or break a PBSC. To illustrate, it would be inappropriate to include contract provisions addressing key personnel or organizational conflicts of interest in a "blue collar" maintenance contract. Conversely, it would be essential to include such provisions in a contract for independent analyses services. As discussed in the planning and contract placement section of this guide under "best value", a sound key personnel provision is mandatory when buying professional services competitively to avoid the potential of bait and switch.

Contract provisions are not intended to restate, paraphrase or repeat the contents of standard contract clauses. Appropriate standard FAR and DFAR contract clauses should be incorporated by reference in the solicitation and resultant contract. The following streamlined samples are provided to exchange some ideas that your peers have implemented in their services contracts. The responsibility of the contractor under the contract (PBSC) is emphasized in Samples 1 through 3; incentives are provided in Samples 3 through 6; restrictions on personnel substitutions are invoked in Samples 7 through 9; organizational conflicts of interest are addressed in Samples 10 and 11; strategies for order placement under multiple award contracts are contained in Samples 12 through 14, different approaches to pricing are provided in Samples 15 through 18, and a variety of other initiatives are illustrated in Samples 19 through 22.

SAMPLE 1 PERFORMANCE BASED CONTRACT. In best value source selection, we may elect to pay a price premium to obtain a greater overall value, all factors considered. In performance based service contracting, the contractor communicates how the contract will be performed in their proposal. To preclude future disputes over performance, contract changes, VECPs, etc., it is prudent to establish the contract baseline. This is an alternative to incorporating the contractor's proposal, which provides the requisite flexibility in performance based service contracting. The contractor is allowed flexibility in performance to the extent contract and proposed outcomes are not degraded.

SAMPLE 2 CONTRACTOR RESPONSIBILITY. This provision emphasizes the performance-based nature of the contract and the contractors responsibility for performance. The contractor provides all labor, facilities and materials required to get the job done. The contractor is solely responsible for the technique that will be used to fulfill the terms of the SOW. This sample is unequivocal that we have hired a company to do a job, and that they will determine how to proceed and supervise their personnel.

SAMPLE 3 PBSC POSITIVE MATERIAL MANAGEMENT INCENTIVE. This is an example of both contractor responsibility and incentives. In a true performance based approach, this clause emphasizes that the contractor is encouraged to use innovative material management procedures, and

timely, cost effective repair procedures to minimize the costs. Sharing cost avoidance with the contractor promotes cost avoidance like no other incentive. By rewarding the contractor with a share of 15 cents on the dollar, the Government saves 85 cents on the dollar, which would otherwise be squandered. Historic data must be available to structure a detailed incentive of this nature. With data availability, this principle could have wide application.

SAMPLE 4 NEGATIVE INCENTIVE ON LATE PERFORMANCE. When hiring a contractor to transport cargo, timely and dependable performance of the service is essential, especially when operating in the environment of a large international port. This special provision establishes a negative incentive, which applies if tardiness exceeds a one-hour grace period. Both the Federal Acquisition Regulations and the Uniform Commercial Code recognize the appropriateness of reasonable liquidated damages provisions in contracts. In this case timely performance is motivated and the negotiation of equitable adjustments for untimely performance is eliminated.

SAMPLE 5 INCENTIVE TO PROPERLY MAINTAIN EQUIPMENT AND MAKE TIMELY REPAIRS. In modern business, the strongest motivator is profit. A contractor has the greatest opportunity to maximize profit under a firm fixed price contract, because every dollar saved becomes a dollar of profit. In this sample, the contractor was hired to maintain and repair a machine. If the machine is not operational, the Navy activity is unable to perform its mission. By requiring the contractor to deliver and install a back-up machine when down time exceeds 72 hours, the contractor is motivated to properly maintain the machine and make timely repairs. If this is not accomplished, the contractor provides a back-up machine (directly reducing their profit), which will enable the Navy activity to perform its mission.

SAMPLE 6 PBSC NEGATIVE AIRCRAFT AVAILABILITY INCENTIVE. This contract provision demonstrates the key principle of defining the minimum performance standards and reducing the contract price if and when they are not met. The contractor is responsible for meeting the minimum performance standards, and the contract was priced accordingly. If the minimum performance standards are not met, the contract price is reduced proportionately to compensate the Government for the minimum performance it did not receive. This is structured as a negative incentive only - there is no bonus for performance above the minimum performance standard, because there is no value to meeting more than 100% of the flight schedules.

SAMPLE 7 ADDITION OR SUBSTITUTION OF PERSONNEL. In best value service contracting the quality of personnel can be of paramount importance. In some cases, the Government may elect to pay a price premium to obtain a higher quality of personnel - and performance. In this circumstance, the Government would need to be certain of receiving what it paid for - superior quality. A provision of this nature prevents bait and switch scenarios.

SAMPLE 8 SUBSTITUTION OR ADDITION OF PERSONNEL. This sample is quite similar to Sample 7. Both provisions require advanced written requests for key personnel substitutions and require Contracting Officer approval. Both establish the potential for a downward equitable adjustment or

contract termination in the event of noncompliance.

SAMPLE 9 KEY PERSONNEL. This sample is similar to Sample 7 and Sample 8. The names of the key personnel are listed directly in the clause. There is a provision for contract termination in the event of noncompliance, but there is no provision for a downward equitable adjustment. As with the other similar provisions, care must be taken to ensure that such clauses do not lay the foundation for a personal services contract.

SAMPLE 10 ORGANIZATIONAL CONFLICT OF INTEREST. Congressional criticism and concern has been expressed in the area of organizational conflicts of interest. Whenever an independent analyses is to be performed, or the requirement involves contracted advisory and assistance services, the contractor must be truly independent and can not disclose information they gain as a result of performing the contract. This invokes a discipline on the contractor similar to that imposed on lawyers and certified public accountants.

SAMPLE 11 ORGANIZATIONAL CONFLICTS OF INTEREST. This provision contains more detail but is similar to Sample 10. It should be emphasized that such restrictions are generally inappropriate when contracting for other than professional services. Policy at some locations prohibits the contractor from hiring off-duty military or civilian personnel to work on Government contracts.

SAMPLE 12 PROCEDURES & SELECTION CRITERIA FOR ORDERS. When making multiple awards, a strategy discussed in the "Planning & Contract Placement" portion of this guide, a method must be established for distributing orders. While a simple price quote is best (technical and past performance should have been evaluated in the best value competition), this clause also enables the placement of orders based on factors other than price. It is imperative that such selection criteria be streamlined and inexpensive for the contractor to propose and the Government to evaluate. A quote and selection process that takes more than a week is fatally flawed.

SAMPLE 13 MULTIPLE AWARD ORDERING SELECTION CRITERIA. This clause provides more detail regarding the content of task order proposals than does Sample 12. It establishes that a fair opportunity will be provided for each contract awardee to participate and that the decision will be based on the period of performance of the order; the experience and availability of contractor personnel; and the total price proposed for the order.

SAMPLE 14 ORDERING -- MULTIPLE AWARD INFORMATION. This provision provides more flexibility than Sample 12 or Sample 13, while ensuring that each contract awardee is fairly considered. Oral proposals and streamlined procedures are enabled in this provision. Acquisition reform mandates that a time consuming formal competition not be conducted each time an order is placed on contracts that were competitively placed under a multiple award strategy.

SAMPLE 15 ISSUANCE OF TASK ORDERS. A strategy noted in the section of this guide entitled,

"Planning & Contract Placement" involves the establishment of a fixed price portion of the contract for sustaining requirements. Discrete tasks, which are not covered by the sustaining requirements are acquired - as identified - through firm fixed price, time and materials, or cost reimbursement orders. This special contract provision addresses the issuance of task orders under such a strategy.

SAMPLE 16 PRICE ADJUSTMENTS IN THE OPTION YEARS FOR CHANGES IN WAGE DETERMINATIONS. For contracts subject to DOL wage determinations, (See the discussion of The Service Contract Act of 1965 in the Introduction section of this guide.) an annual price adjustment may be required. In many cases, such contracts poorly address this adjustment, leaving it open to future lengthy negotiations. This special contract provision explicitly states that adjustments will be made to wages, fringe benefits, social security and unemployment taxes, and workers compensation insurance. It specifically excludes general and administrative expense, overhead, and profit from the adjustment. This establishment of an explicit agreement up front will streamline and expedite the adjustment process. Drafters of Service Contract Act covered contracts should include a special provision of this nature.

SAMPLE 17 COST LIMITATION CEILINGS ON INDIRECT RATES. This special contract provision, applicable to any cost type solicitation and award, enables the offeror to put ceilings on indirect rates. These "caps" are incorporated without the need for discussions / best and final offers and are binding to limit reimbursement in contract performance.

SAMPLE 18 NOVEL APPROACH TO INDIRECT RATE PRICING. One contracting office was issuing thousands of IDIQ delivery orders per year. Fixed fully burdened labor rates were utilized, but the contractors provided small amounts of material and travel on a cost reimbursement basis. The material and travel were generally subject to a material overhead and/or general and administrative expense. Due to a 10-year backlog in the establishment of final indirect rates, there was a 10-year backlog in closing out delivery orders. As a result of this delay, funds had expired and lapsed before final pricing and close out occurred.

The Contracting Officer resolved this problem by having offerors propose fixed indirect rates, evaluating them in the competitive source selection, and incorporating them contractually. The solution to this problem was an exercise in acquisition reform, which eased the burden on the contractor, contracting office, contract administration office, paying office and comptroller. Delivery orders are now closed out immediately after their completion, and withholds are released to contractors expeditiously. This approach is applicable to contracts that are not firm fixed price.

SAMPLE 19 EXPEDITING CONTRACT CLOSEOUT. The resolution of small residual dollar amounts can be relatively high in administrative costs to both the Government and the Contractor. Under this special contract provision, both parties waive entitlement to residual dollar amounts of $500 or less at the time of final contract closeout. This is a good acquisition reform streamlining initiative.

SAMPLE 20 TURNOVER OF PERSONNEL. This clause expresses a preference for continuity of staffing, with no direct penalty for noncompliance. It was used in the same solicitation as Sample 21, and

one could suspect that there would be a direct and positive correlation between continuity of staffing and customer satisfaction.

SAMPLE 21 **CUSTOMER SATISFACTION.** A well executed services contract fulfills a requirement in such a manner as to provide customer satisfaction. There should be a mechanism for gathering and recording customer feedback on all contracts for use in future evaluations of past performance. This contract provision requires the contractor to maintain or improve ratings on annual customer satisfaction surveys. In this way, the contractor receives annual feedback during the five-year contract term.

SAMPLE 22 **ELECTRONIC REPORTING.** Most contracts require some type of monthly or periodic status reporting. This clause requires the monthly reporting to be done electronically. Where reporting requirements can not be eliminated, electronic reporting is a best practice, which is too seldom practiced.

LABOR CATEGORY DESCRIPTIONS

Labor category descriptions provide a benchmark regarding knowledge, skill and ability for the performance of a services contract. They typically state the education and experience required of contractor and subcontractor personnel who work in the various labor categories. These standards are used by the offerors in preparing their proposals, by the Government in evaluating the resumes of key personnel during the source selection process, and for contract administration purposes. Since they need to be included in the resultant contract, stating the labor category descriptions in Section L or Section M of the solicitation is inappropriate. Labor category descriptions are typically stated in Section C of the contract, or in a statement of work or other contract attachment.

Labor category descriptions are generally not required in contracts for non-technical (blue collar) services, in Performance Based Service Contracts, and in services contracts where the basis of payment is other than hours worked (firm fixed price). The detail contained in, and resultant length of, labor category descriptions varies considerably and appears to be governed by several primary factors:

Cost type contracts tend to have shorter labor category descriptions than time and material or labor hour contracts. Contracting Officers feel that they automatically get what they pay for on cost type contracts, but some need extra assurance as to what they will get on fixed price type contracts. Acquisition professionals who write very few services contracts tend to write detailed and lengthy labor category descriptions, while pros who are constantly engaged in the competition and award cycles rely on less detail. Contracts written for known requirements for specific customers contain more detail, while standby contracts, where the eventual customer is not readily identified, are brief and more general. The level of customer interest and participation in the selection process and contract award tends to increase the level of detail contained in labor category descriptions. This factor is further exacerbated if the program has cost, technical or schedule problems with the system prime contractor and the services contractor will be a "watch dog" for the Navy Program Manager. Performance Based Service Contracts can have shorter and more general labor category descriptions (See SAMPLE 1) because successful contract performance, not the number of hours worked, provides the basis for contractor payment. When the contractor will be paid a fixed hourly rate for the number of hours worked, more detail is reasonably expected in the labor category descriptions.

In summary, different circumstances will result in different labor category descriptions for a variety of reasons. A "cookbook" approach is more appropriate than a "cookie cutter" approach when it comes to drafting good labor category descriptions. It is highly recommended that each contracting office establish such a cookbook, starting with the samples provided in this section.

As previously noted in the section of this guide entitled "Planning & Contract Placement": It will seldom be appropriate for the follow-on contract to look exactly like the current contract. The follow-on contract should be better than the current contract as a result of lessons learned and acquisition streamlining.

The following hints are provided to assist acquisition professionals in writing labor category descriptions that measure up to best practices standards:

a. The labor category descriptions should be placed in Section C or in an attachment that will be part of the resultant contract.

b. Labor category descriptions should be brief, clear and unambiguous. Avoid being too specific or too general in terms of education and experience.

c. Avoid specifying "knowledge of . . .". The only way you can test knowledge is to interview, which would be inappropriate. Use the term experience in addition to the education and / or certification requirements to get the skill level you require.

d. Write in good English, using proper grammar. Use complete sentences, which contain a verb, rather than a string of incomplete phrases. Say that education or experience "is required."

e. Be very clear in instances where a substitution of additional experience for education is appropriate. Use the word "additional" or otherwise clearly state that the substitution experience can not overlap the other experience required.

f. It is unnecessary to spell out a number and also put it in brackets, for example six (6) years.

g. Avoid using optional terms like "should" in the labor category descriptions. Either the education/experience is a necessary requirement or it is not. If it is not a necessary requirement, remain silent on the subject under acquisition reform.

h. Similar to the hint in (g) above, avoid use of the word "desired" in labor category descriptions. If education or experience is not required, leave it out.

i. In describing education, call for a bachelor's degree from an accredited college or university. Avoid using the terms "school, four-year school, four-year degree, degree," and similar imprecise phrases. The word accredited is important, as all levels of degrees are available on the Internet for $125!

j. Avoid substitutions of experience for education in key labor categories and where substitutions do not make good sense. One can not be an engineer without a technical degree. If you specify an engineering category without a technical degree, you will hire a technician.

k. Experience should be "recent and relevant". Twenty years of experience with propeller driven planes on wooden flight decks will not help resolve F/A-18 E/F flight test problems. One office effectively calls for, "A minimum of four years of experience in the last ten years in the field of . . ."

l. Labor category descriptions provide a benchmark for credentials required. They are not intended to be job descriptions or contractual taskings. Keep them brief and focused on their intent.

m. Use caution in establishing positive degree requirements for computer programmers. Many computer programmers, especially mainframe programmers, never earned a bachelor's degree. Community colleges classes and technical training schools have provided a solid career path for computer programmers.

n. Many logisticians received their training through military service and service schools, rather than through formal education. It is prudent to consider substitution of additional experience for a bachelor's degree for logisticians.

o. It is not necessary to specify high school diploma or certification of general educational development (GED) in labor category descriptions. If there is no degree requirement, remain silent regarding education in the labor category description.

p. Do not write labor category descriptions for the most junior people on the contract. When buying professional services, labor category descriptions are not required for clerical employees.

q. Build appropriate steps into labor category descriptions that will allow for the promotion of personnel from one category to another during the performance of a five-year contract. As an example, if an engineer requires three years of experience and a senior engineer requires six years of experience, there is a promotional opportunity built into the period of performance of the five-year contract.

Sample 1 provides a comprehensive set of labor category descriptions from a Performance Based Service Contract. Samples 2 through 7 provide multiple examples of different labor categories that are frequently encountered in contracting for professional services.

SAMPLE 1 PBSC LABOR CATEGORY DESCRIPTIONS. This PBSC for aircraft maintenance sets forth the minimum experience and training required for crewmembers. No educational requirements are imposed; however, training and experience is stated, as deemed necessary due to the potential risk to pilots, flight crews, and the public. The contractor is paid based on successful performance; therefore, these labor category descriptions have no role in invoicing/payment. They are self-policing, as good credentials will lead to successful performance.

SAMPLE 2 PROGRAM / PROJECT MANAGER. The PM will normally be required to have at least a bachelor's degree and 10 to 15 years of relevant experience. Some samples specify subject areas of the incumbent's degree (engineering, business, etc.) and others require past supervisory experience. The substitution of additional experience for the degree is unusual at this level.

SAMPLE 3 SENIOR ENGINEERING POSITIONS. These positions will require a bachelor's degree in engineering, or possibly physics/science. In some cases the work is so highly technical that a specific

degree is required (electrical engineering, aerospace engineering, mechanical engineering, etc.). Substitution of additional experience for education is not acceptable, because an engineer must have a technical degree.

SAMPLE 4 ENGINEER AND SCIENTIST POSITIONS. These positions will require a bachelor's degree in engineering, or possibly physics/science/math from an accredited college or university. Similar to the senior engineering positions, a specific degree may be required (electrical engineering, aerospace engineering, computer science, etc.) Make the degree a positive education requirement.

SAMPLE 5 LOGISTICS POSITIONS. Logistics positions may require a bachelor's degree, an associate's degree, or no degree. It is unusual to restrict the subject area of the degree in this labor category. Total experience of five to ten years is typical, and specialized experience is frequently required.

SAMPLE 6 COMPUTER PROGRAMMERS. Computer programmer positions may require a bachelor's degree, an associate's degree, or no degree. It is unusual to restrict the subject area of the bachelor's degree to anything but computer science. Specialized experience is frequently required (mainframe, PC, network, etc.), and experience with certain programming languages (COBOL, C, ADA, etc.) is frequently required.

SAMPLE 7 INFORMATION TECHNOLOGY POSITIONS. These positions will generally require a bachelor's degree in computer science or a related technical field (engineering, math, physics, etc.). Certification may be established as a substitute for, or in lieu of, a degree requirement, as many training opportunities have come available to study for Microsoft Certified Systems Engineer (MCSE) certification. With the rapid advance of the state of the art, experience must be recent and relevant.

PROPOSAL PREPARATION INSTRUCTIONS

The responsibility of the source selection official in a competitive acquisition is to select the offeror, who will provide the best value to the Government, for contract award. Since there may be a fine distinction between the best proposal and the firm that will provide the best service, the source selection official may frequently be placed in a position of applying experienced judgment in making a difficult decision. Such decision making is facilitated through the highest quality proposal preparation instructions and evaluation factors for award. These two elements of the solicitation will be discussed in this section and the final section of this service contracting guide.

Section L of the solicitation contains the instructions to offerors. The most important aspect of this section is the proposal preparation instructions we provide to the offerors. Proposal preparation instructions should be brief, clearly written, unambiguous, and request only the information which is essential in making the best value source selection decision. With the possible exception of electronic proposals and oral presentations, the implementation of streamlining initiatives and acquisition reform has been slow in this section of the solicitation.

The following hints for acquisition reform of proposal preparation instructions will assist acquisition professionals in improving Navy services solicitations:

a. It is inappropriate to restate law or regulation. The FAR should not be repeated or paraphrased in the proposal preparation instructions. FAR clauses should be incorporated by reference in Section L, as appropriate.

b. Brevity and clarity are very important in drafting the proposal preparation instructions. Write in plain English, only say it once, and edit it down.

c. The relative importance of the evaluation factors for award is properly stated in Section M. They are inappropriate in the proposal preparation instructions.

d. The text of the proposal preparation instructions should not repeat information in the introduction. Redundancy is neither desired nor required. Say it once.

e. Military specification type paragraph numbering systems (1.1.1, 1.1.2, 1.1.3, 1.2.1, etc) are inappropriate in the proposal preparation instructions.

f. It is unnecessary to spell out a number and also put it in brackets, for example: three (3).

g. Do not use the words "offeror" and "contractor" interchangeably in the proposal preparation

instructions. Until the contract is awarded, the firm is an offeror on the instant procurement; however, they have past performance experience as a contractor on other earlier awards.

h. Do not use the words "proposal" and "offer" interchangeably in the proposal preparation instructions.

i. Avoid using optional terms like "should" in the proposal preparation instructions. The intent of proposal preparation instructions is to get industry proposals which can be evaluated on an "apples to apples" basis. An optional term will likely result in the evaluation of "fruit salad" proposals.

j. Avoid providing so much detail in the proposal preparation instructions that it effectively results in a leveling of technical proposals. Good offerors know what is important and will cover the salient points in their proposals.

k. The labor category descriptions are not an appropriate topic to include in the proposal preparation instructions. The labor category descriptions provide a benchmark for contract performance; however, the proposal preparation instructions do not become part of the resultant contract.

l. Do not let inflexibility govern the oral presentations. Limiting viewgraphs to black and white, dictating the font and type size of slides, and limiting the offeror to only two presenters are examples of unnecessary bureaucracy which is creeping into some proposal preparation instructions.

m. Only ask for the information that is truly necessary in order to make a best value source selection decision. Requesting superfluous and nice to have information is very costly to the offerors and the Government. Streamlining must begin with the proposal preparation instructions.

Samples 1 through 4 were used with commercial contracting practices; Samples 5 through 8 were applied in Government contracting; and Samples 9 through 12 address miscellaneous approaches to improving Navy service contracting through acquisition reform.

SAMPLE 1 INSTRUCTIONS TO OFFERORS - COMMERCIAL. This is a streamlined approach - only one page of instructions. "Each offeror must submit a price offer and submit written information that pertains to its capability and past performance. Offerors who do not provide any additional past performance information will be evaluated on the data already in the Government's files."

SAMPLE 2 INSTRUCTIONS TO OFFERORS - COMMERCIAL ITEMS. Written proposals are required for pricing, representations and certifications, past performance, organizational experience, key personnel resumes, and an equipment list. An oral presentation will cover the offeror's management plan and resource allocation. Managerial and supervisory employees must attend, and two non-participating observers are invited to attend the oral presentation.

SAMPLE 3 ORAL PRESENTATIONS. This instruction only covers the oral presentation portion of a

competition being conducted under commercial contracting practices. Topics to be covered are understanding, approach and management; partnering plan; and electronic ordering and reporting. "The offeror should have in attendance whomever the offeror believes is necessary to best respond in a manner that reflects that the offeror clearly understands the U.S. Navy's requirement."

SAMPLE 4 MULTIPLE PHASE INSTRUCTIONS. "Under Phase I, Offeror's resumes, past performance and price will be evaluated to determine which offerors will proceed on to Phase II - Written Material and Oral Presentations." Additionally, a closing date is established for price proposals, and Offerors are "highly encouraged" to submit their resumes and past performance information for evaluation one week before the price proposals are due.

SAMPLE 5 SUBMISSION OF PROPOSALS - GOVERNMENT. Written proposals are required for cost, past performance/corporate experience and personnel resources; and the oral presentation will cover technical approach and management plan. Prime and sub offeror staff may participate in the oral presentation, and "Offerors are encouraged to have individuals proposed as 'key' to participate in the presentation."

SAMPLE 6 CONTENT OF PROPOSALS (SERVICES). This instruction requires the submission of electronic proposals for evaluation using MS Word and MS Excel. Alternate formats are acceptable if the appropriate viewer is provided. The "page count" is specified in terms of a word limitation (4,000 words for the management plan), and compliance will be verified electronically.

SAMPLE 7 GENERAL INSTRUCTIONS FOR PROPOSALS / INSTRUCTIONS FOR TECHNICAL PROPOSALS. The general instructions cover marking, organization of the proposal, page limitations, and number of copies. The instructions for technical proposals contain two noteworthy aspects: Offerors are reminded to read the evaluation criteria and prepare their technical proposal against the evaluation criteria; and the offeror's commitment to small business is addressed. (See SAMPLE 12 in the following section, entitled "Source Selection", for evaluation criteria regarding small business.)

SAMPLE 8 PREPARATION OF PROPOSALS. Written proposals consist of six parts: model contract, business proposal, subcontracting plan, understanding and approach (30-page limit), past performance (10-page limit), and personnel. An oral presentation was also required in this solicitation. The pricing and RFP Section B were to be submitted in electronic format on 3.5" diskette in addition to the written proposal hard copy.

SAMPLE 9 PROPOSAL PAGE LIMITATION. It is always prudent to put some type of limitation on the length the proposal. This is an effective acquisition reform approach to emphasize quality over quantity. Page limits can be quite helpful in reducing the offeror's proposal preparation time and costs. The Government's technical evaluation time can be reduced from months to weeks through the effective use of page limitations with no degradation of quality.

SAMPLE 10 ELECTRONIC PROPOSAL SUBMISSION. With automation and electronic commerce we are encountering unprecedented problems and opportunities to excel. One competitive proposal was infected by a virus, which the Government's anti-virus software failed to detect. Desiring to rely on evaluation of electronic media, while avoiding a virus recurrence, the contracting office successfully utilized this provision in subsequent solicitations that required the submission of proposals on electronic media.

SAMPLE 11 CONTRACTOR PERFORMANCE DATA SHEET. This form obtains the offeror's information to be used in the evaluation of past performance. Providing such a form is an acquisition reform initiative, because all the requisite information is obtained and it is in a consistent format, thus expediting and facilitating the evaluation.

SAMPLE 12 PERFORMANCE RISK ASSESSMENT QUESTIONNAIRE. This form is similar to the approach illustrated in Sample 11. However, it additionally contains the survey which the offeror's customers, who are surveyed regarding the offeror's past performance, will be asked to fill out to provide their feedback.

SOURCE SELECTION

Section M of the solicitation contains the evaluation factors for award. This part of the request for proposals is intended to be a clear communication from the Government to the offerors, stating what is most important to the customer and how the proposals will be evaluated. In practice, this portion of the solicitation has the greatest room for improvement with minimal investment of time and resources.

Corporate experience and past performance are both good evaluation factors, or subfactors, to use in competitive source selection. Corporate experience is a measure of the extent to which the offeror has recently performed the same or similar work, while past performance is feedback regarding the quality of the offeror's work and the satisfaction of their customers. Experience can not be properly evaluated distinctly separate from quality and customer satisfaction. Since both aspects are important in assessing the probability of future successful performance, it is recommended that they be combined into one factor (or subfactor) for an integrated evaluation. The following example addresses this issue quite comprehensively:

> Past performance and systemic improvement efforts will be evaluated by reviewing data presented by the offeror, data in existing Government data bases, data from cognizant procuring and contract administration offices, data from on-site surveys, and data from other customers of the offeror. Problems found in this data, which have not been addressed by the offeror, will be assumed still to be in existence.
>
> Evaluation will be based on the extent, depth and quality of recent corporate experience in performing the same or similar work as this solicitation and the offeror's use of systemic improvement. Particular emphasis will be placed on the degree to which the offeror's management can demonstrate a concise relationship between its past performance data and its systemic improvement efforts as well as presenting the systemic improvement management approach to be used during execution of the proposed contract.

Using past performance as an evaluation factor or subfactor has become a standard practice in the last few years. In PEO(CU) support services competitions, past performance includes reference checks on proposed key personnel. In addition to using the past as a forecast of future success, this practice may help keep key personnel focused on the fact that sustained, quality support to their customers is imperative.

The following hints for acquisition reform of Section M were gathered from a review of recent services solicitations:

a. Contract administration is not an appropriate topic to be covered in Section M. Section M is part of the solicitation, but it is not part of the resultant contract.

b. It is inappropriate to restate law or regulation. The FAR should not be repeated or paraphrased in Section M. FAR clauses should be incorporated by reference, as an example 52.217-5, "Evaluation of Options", and 52.216-27, "Single or Multiple Awards," etc.

c. Brevity and clarity are of paramount importance in drafting a solid Section M. The evaluation factors for award stated in two pages or less can be excellent, but more than three pages is unsatisfactory. Write in plain English, only say it once, and edit it down.

d. Section M should not discuss who will participate in the evaluation of competitive proposals. This is not a bilateral issue between the Government and the offerors; it is an internal issue, which can be addressed in a source selection plan or other similar internal document.

e. Section M should not invoke page limitations on the offerors' proposals. Page limitations are an important part of acquisition reform in the competitive process; however, they are correctly stated in the proposal preparation instructions of Section L.

f. It is important to make a clear distinction between personnel and key personnel in Section M. It is customary to receive only resumes of key personnel; therefore, it would not be possible to evaluate the education and experience of all personnel.

g. Extreme care must be taken to ensure that Section M is not internally inconsistent, or inconsistent with other sections of the solicitation. One recent solicitation stated that there were four evaluation factors but only discussed three. When a solicitation is drafted by committee, with each member drafting a different section, it is likely that there will be inconsistencies.

h. The text of Section M that explains the evaluation factors and subfactors should not repeat the introduction to Section M. Repetition, which is initially redundant and confusing, becomes fatal when an editorial change is not made consistently.

i. Be brief and unequivocally clear about the relative order of importance of the evaluation factors. Don't get too complex with the relative importance of subfactors. The best practice is to list the factors in descending order of importance, or to say they are of equal importance. Listing the factors without clearly stating that they are in descending order of importance leads to confusion.

j. The solicitation closing date, time and place are prominently detailed on the Standard Form 33 or Standard Form 1447, and if amended on Standard Form 30. Information regarding the closing of solicitations does not belong in Section M.

k. Numerical scoring is an obsolete approach to competitive source selection. There is no substitute for the experienced judgment of the source selection official, operating within the constraints of law, regulation, and the solicitation. The Courts and the GAO will not hesitate to adjust numerical scoring, but

they generally support professional judgment.

Samples 1 through 4 were used with commercial contracting practices; Samples 5 through 8 were applied in Government contracting; samples 9 and 10 enable multiple contracts to be awarded; and Samples 11 and 12 depict special applications in Section M.

SAMPLE 1 COMMERCIAL: LOW COST TECHNICALLY ACCEPTABLE. This is a super-streamlined (one-sentence) evaluation factors for award. Meeting the solicitation requirements at the low price wins.

SAMPLE 2 COMMERCIAL: PRICE = (TECHNICAL + PAST PERFORMANCE). "Technical capability and past performance, when combined, are equal to price."

SAMPLE 3 COMMERCIAL: PAST PERFORMANCE = PRICE. "Past performance is approximately equal to price." The evaluators will be looking for "recent past performance under contracts of a similar nature" and "reasonable and cooperative behavior" in selecting the offeror which represents the best value to the Government.

SAMPLE 4 COMMERCIAL: CAPABILITY (includes past performance) >> PRICE. "Capabilities, including past performance, are significantly more important than price." This is the lengthiest (two pages) and complex commercial contracting practices sample. There are four capability subfactors, listed in descending order of importance. Best value is determined by making a series of paired comparisons.

SAMPLE 5 GOVERNMENT: PRICE > PAST PERFORMANCE. The evaluation factors, price and past performance, are clearly stated to be listed in descending order of importance. "Past performance is assessed and is assigned a narrative rating in the evaluation."

SAMPLE 6 GOVERNMENT: CAPABILITY >> COST. "The offeror's capability is substantially more important than cost." Offeror capability has five subfactors, which are clearly listed in descending order of importance. One subfactor is compliance with RFP instructions, which the Government deems "indicative of the kind of behavior that it could expect during contract performance". Past performance includes integrity, customer focus and helpfulness in solving problems. The Government will evaluate reasonableness and realism, adding indirect cost burdens on travel and material.

SAMPLE 7 GOVERNMENT: TECHNICAL > PAST PERFORMANCE = PRICE. "The technical factor is considerably more important than any of the other two factors. The past performance and price factors are of equal importance." Past performance "will be based on the extent, depth and quality of recent corporate experience in performing the same or similar work . . ." Indirect cost burdens are added to material and travel.

SAMPLE 8 GOVERNMENT: TECHNICAL = MANAGEMENT = COST. The 3 factors are clearly

stated to be of equal importance. Technical subfactors are listed in descending order of importance. Management subfactors are stated to be of equal importance. Cost burdens on travel and other direct costs are evaluated, and cost realism is a subfactor.

SAMPLE 9 **MULTIPLE AWARDS ENABLED.** The Government reserved the right to award multiple contracts by incorporating FAR 52.216-27. The oral presentation is stated as a specific technical subfactor. The Service Contract Act is cited and indirect cost burdens are added under the cost evaluation factor.

SAMPLE 10 **MULTIPLE AWARDS DESIRED.** The Government stated a desire in Section M to make 3 awards: unrestricted, small business, and 8(a). Uncompensated overtime will be directly addressed by the Contracting Officer in the cost realism evaluation. Unrealistically low hourly rates may result in a reduced score.

SAMPLE 11 **A-76 STUDY: EVALUATION OF PRIVATE SECTOR OFFERS.** This private sector solicitation will only result in a contract award if it is determined to be more cost effective to contract out the services, rather than to perform them organically.

SAMPLE 12 **SMALL BUSINESS SUBFACTORS.** In many cases, the small business community will be able to successfully perform our Navy services contracts with extremely competitive pricing. Two examples of subfactors are provided, which should be carefully considered for utilization in circumstances where a set-aside is not appropriate.

SAMPLES

- Statements of Work
- Contracts Provisions
- Labor Category Descriptions
- Proposal Preparation Instruction
- Source Selection