



ACQUISITION AND  
TECHNOLOGY

DP (DAR)

OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3000

January 29, 1999

In reply refer to  
DAR Tracking Number: 99-00002

MEMORANDUM FOR DIRECTORS OF DEFENSE AGENCIES  
DEPUTY FOR ACQUISITION AND BUSINESS MANAGEMENT,  
ASN(RD&A)/ABM  
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE  
(CONTRACTING), SAF/AQC  
DEPUTY ASSISTANT SECRETARY OF THE ARMY (PROCUREMENT)  
COMMANDER, DEFENSE CONTRACT MANAGEMENT COMMAND, DEFENSE  
LOGISTICS AGENCY

SUBJECT: Class Deviation--Past Performance

This supercedes the class deviation issued on December 18, 1997,  
under DAR Tracking Number 97-00009, Subject: Past Performance.

Effective immediately, and until further notice, all Department  
of Defense contracting activities shall use the attached language in  
lieu of Federal Acquisition Regulation (FAR) 15.304(c)(3) and  
42.1502(a) when collecting and using past performance information.

Eleanor R. Spector  
Director, Defense Procurement

Attachment:  
As stated

cc: DSMC, Ft. Belvoir



**PART 15--CONTRACTING BY NEGOTIATION**

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**Subpart 15.3--Source Selection**

\* \* \* \* \*

**15.304 Evaluation Factors and Subfactors**

\* \* \* \* \*

(c) \* \* \*

(3) (i) Except as set forth in paragraph (c) (3) (ii) of this section, past performance shall be evaluated in all source selections for negotiated competitive acquisitions ~~expected to exceed \$1,000,000~~---

(A) For systems and operations support expected to exceed \$5,000,000;

(B) For services, information technology, or science and technology expected to exceed \$1,000,000; and

(C) For fuels or health care expected to exceed \$100,000.

~~(ii) Except as set forth in paragraph (c) (3) (iii) of this section, past performance shall be evaluated in all source selections for negotiated competitive acquisitions issued on or after January 1, 1999, for acquisitions expected to exceed \$100,000. Agencies should develop phase-in schedules that meet or exceed this schedule.~~

(iii) [ii] Past performance need not be evaluated if the contracting officer documents the reason past performance is not an appropriate evaluation factor for the acquisition (OFPP Policy Letter 92-5).

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**PART 42--CONTRACT ADMINISTRATION**

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**Subpart 42.15--Contractor Performance Information**

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**42.1502 Policy.**

(a) [(1)] Except as provided in paragraph (b) of this section, agencies shall prepare an evaluation of contractor performance for each contract in excess of [---] ~~\$1,000,000 (regardless of the date of contract award) and for each contract in excess of \$100,000 beginning not later than January 1, 1998 (regardless of the date of contract award), at the time the work under the contract is completed.~~

**[(A) \$5,000,000 for systems and operations support contracts;**

**(B) \$1,000,000 for services, and information technology contracts; and**

**(C) \$100,000 for fuels and health care contracts.**

**(2) There is no dollar threshold for evaluating contractor performance under science and technology contracts.**

**(3)] In addition, interim evaluations should be prepared as specified by the agencies to provide current information for source selection purposes, for contracts with a period of performance, including options, exceeding one year. This evaluation is generally for the entity, division, or unit that performed the contract. The content and format of performance evaluations shall be established in accordance with agency procedures and should be tailored to the size, content, and complexity of the contractual requirements.**

**(b) Agencies shall not evaluate performance for contracts awarded under Subparts 8.6 and 8.7. Agencies shall evaluate construction contractor performance and architect/engineer contractor performance in accordance with 36.201 and 36.604, respectively.**

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