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TRICARE
MANAGEMENT
ACTIVITY

TRICARE ACQUISITION DIRECTIVE

TAD 42-01, Rev. 001
March 12, 2012

SUBJECT: CONTRACTOR PAST PERFORMANCE INFORMATION

References: See Enclosure 1

1. <u>PURPOSE</u>. This TRICARE Acquisition Directive (TAD) establishes Contractor Past Performance Information policy for the TRICARE Management Activity (TMA). Reference (a) is hereby rescinded.

2. <u>APPLICABILITY</u>. This Directive applies to all TMA personnel responsible for preparing, submitting, reviewing, and/or evaluating contractor past performance information for contract actions issued by a TMA Contracting Office or by an external contracting activity on behalf of TMA.

3. <u>DEFINITIONS</u>.

   3.1 <u>Activity (TMA) Contractor Performance Assessment Reporting System (CPARS) Focal Point</u>. A TMA employee designated by the Head of the Contracting Activity (HCA) who serves as a resource for information regarding the CPARS and the input of CPARS information. The TMA CPARS Focal Point is the Acquisition Information Systems Manager (AISM), Acquisition Management and Support (AM&S) Directorate.

   3.2 <u>Assessing Official (AO)</u>. A government employee who is ultimately responsible for completion of a CPAR. The assigned TMA Contracting Officer (CO) will serve as the AO unless otherwise designated by the cognizant Contract Operations Division (COD) Chief/Director. When an external contracting activity is involved with the contract action, the AO will be the external contracting activity CO responsible for the acquisition.

   3.3 <u>Assessing Official's Representative (AOR)</u>. A TMA employee with programmatic, technical, or other subject matter expertise and responsibility for monitoring contractor performance. The Contracting Officer's Representative (COR) or other Subject Matter Expert (SME) may serve as an AOR at the discretion of the AO. Depending on the complexity of the contract there may be multiple AORs.

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3.4 <u>Contractor Performance Assessment Report (CPAR)</u>. The documented assessment of a contractor's performance, both positive and negative, on a given contract over a specified period of time.

3.5 <u>CPARS</u>. A Federal Government-wide web-enabled application used to document, store, and route the contractor performance assessment reports. Guidance on the use of CPARS is further described in Reference (b).

3.6 <u>Federal Awardee Performance and Integrity Information System (FAPIIS)</u>. A Federal Government web-enabled application that collects and posts information on Terminations for Default, Terminations for Cause, Terminations for Material Failure to Comply, Defective Pricing Actions, Non-Responsibility Determinations, Recipient Not-Qualified Determinations and Administrative Agreements.

3.7 <u>Past Performance</u>. An offeror's or contractor's demonstrated history of performance on active or physically completed contracts.

3.8 <u>Past Performance Information Retrieval Systems (PPIRS)</u>. A Federal Government web-enabled application that provides timely and pertinent contractor past performance information to the Federal acquisition community for use in source selection proceedings.

3.9 <u>Reviewing Official (RO)</u>. A government employee, at least one level above the AO, who is responsible for reviewing and approving a CPAR when there is a disagreement between the AO and the contractor, or when the contractor is non-responsive.

4. <u>POLICY</u>. It is TMA policy that:

4.1 A TMA CO shall serve as the AO for all CPARS-eligible TMA contracts, unless otherwise designated by the cognizant COD Chief/Director.

4.2 If an external contracting activity is involved with the procurement, TMA shall specify in the Acquisition Support Agreement that the AO will be the external contracting activity CO responsible for the acquisition.

4.3 The RO shall be at least one level above the AO within the same supervisory chain of command.

4.4 The AO shall prepare a CPAR in accordance with applicable regulations for each contract, when the aggregate value of the contract exceeds the DoD CPARS Policy Guide thresholds, as provided in Enclosure 2. References (b), (c), and (d) delineate the federal and departmental regulations and guidance.

4.5 The TMA Program Office shall, with concurrence of the AO, assign requiring activity personnel to serve as the AORs to assist the AO with preparation and completion of the CPAR.

4.6 TRICARE Regional Office (TRO) Directors, as applicable to contractor performance under the managed care contracts, shall, with concurrence of the AO, assign TRO personnel to serve as the AORs, implement TRO business practices to effect standardization, and review the CPAR narrative and ratings before the AOR submits the narrative and ratings to the AO.

4.7 As stated in the DoD CPARS Policy Guide (Reference (b)), the TMA CPARS Focal Point shall register the eligible contract in CPARS within 30 calendar days of award.

4.8 The AO shall complete a CPAR, to include obtaining contactor representative concurrence, no later than 120 days after physical completion (per Reference (e)), of the eligible contract. If the total potential period of performance of the qualifying contract exceeds twelve (12) months, an initial CPAR shall be prepared upon completion of the twelve (12) month base period and intermediate reports shall be prepared annually for each subsequent option period.

4.9 If directed by the cognizant COD Chief/Director, the AO and AOR will document interim performance information throughout the contract year to support annual CPARS development.

4.10 In accordance with Section 42.1503 of Reference (c), the CO shall report all instances of non-responsibility determinations, defective cost and pricing data, terminations for convenience, and terminations for default through the FAPIIS.

4.11 Source selection teams, assisted by the CO, shall evaluate past performance in TMA source selections in accordance with TMA guidance and References (d), (f), and (g).

4.12 The CO shall employ PPIRS and FAPIIS during TMA source selections and provide the applicable information to the source selection team to ensure diligent past performance evaluations and responsibility determinations are completed on each offeror.

5. RESPONSIBILITIES.

5.1 Activity CPARS Focal Point. Per the DoD CPARS Policy Guide, the Focal Point shall register the eligible contract in CPARS within 30 calendar days of award, provide CPARS training to TMA offices, authorize access for Government and contractor personnel, manage and maintain TMA CPARS accounts, and control and monitor reports.

5.2 AO. The AO is ultimately responsible for the preparation, review, signature, and processing of the CPAR. The AO shall require narrative and rating inputs from the AOR and shall coordinate with all appropriate contractor performance monitoring sources of input prior to finalizing the CPAR.

5.3 AOR. The AOR shall provide technical, functional, quality assurance, specialty, or other subject matter expertise to assist the AO with the assignment of ratings, preparation of written narratives, and overall completion of the CPAR.

5.4 <u>CO</u>. The CO shall serve as the AO unless otherwise designated by the cognizant COD Chief/Director.

5.5 <u>COR</u>. The COR shall serve as the AOR at the discretion of the AO.

5.6 <u>RO</u>. The RO shall sign the CPAR in cases where the contractor indicates non-concurrence with the assessment or when the contractor is non-responsive.

6. <u>EFFECTIVE DATE</u>. This Directive is effective immediately.

Michael P. Fischetti
Director, Acquisition Management and Support

Enclosures
   E.1. References
   E.2. DoD CPARS Policy Guide Thresholds as Applied to TMA Business Sectors

E.1. <u>ENCLOSURE 1</u>

REFERENCES

(a) TRICARE Acquisition Directive 42-01, Rev 000, "Contractor Past Performance Information," dated September 14, 2011 (hereby rescinded)

(b) Department of Defense, "Contractor Performance Assessment Reporting System (CPARS) Policy Guide," current edition

(c) Federal Acquisition Regulation (FAR), Subpart 42.15, "Contractor Performance Information," current edition

(d) Defense Federal Acquisition Regulation Supplement (DFARS), Subpart 242.15, "Contractor Performance Information," current edition

(e) Federal Acquisition Regulation (FAR), Subpart 4.804-4, "Physically Completed Contracts," current edition

(f) Federal Acquisition Regulation (FAR), Subpart 15.3, "Source Selection," current edition

(g) Defense Federal Acquisition Regulation Supplement (DFARS), Subpart 215.3, "Source Selection," current edition

E.2. ENCLOSURE 2

DOD CPARS POLICY GUIDE THRESHOLDS
AS APPLIED TO TMA BUSINESS SECTORS

Business Sector	Dollar Threshold[1]	Reviewing Official[2]
Systems (includes new development and major modifications)	>$5,000,000	One level above the AO[3]
Operations Support	>$5,000,000	
Services	>$1,000,000	
Information Technology	>$1,000,000	
Health Care	>$150,000	

[1] The contract thresholds for CPAR collection (see FAR 42.1502) apply to the "aggregate" value of contracts; that is, if a contract's original award value was less than the applicable threshold but subsequently the contract was modified and the new value is greater than the threshold, then assessments are required, starting with the first anniversary that the contract's face value exceeded the threshold. If the total contract value including options and orders (for IDIQ contracts, total estimated value of unexercised options and orders) is expected to exceed the CPAR threshold, initiate the collection process at the start of the contract. Buying activities may choose to collect performance assessments for awards below these thresholds.

[2] Only required when the contractor indicates non-concurrence with the CPAR, when the contractor is non-responsive, or if otherwise requested by the contractor during the 30-calendar day comment period.

[3] Or equivalent individual responsible for the contract, program, project or task/job order execution.