



# Defense Contingency COR Handbook

Version 2 – September 2012



**Tools, Resources,  
and Support for the  
Contracting Officer's  
Representative**

# Quick-Start Guide for Contracting Officer's Representatives (CORs)



## **COR Nomination, Training, and Qualification**

See Chapter 2 & Appendix F.

- The organization nominates the COR, and the contracting officer approves the nomination.
- The COR receives training from the contracting officer and DAU
  - Know your training requirements (for Type A, B, and C contracts)
  - Access the COR Tracking (CORT) tool for training materials: <http://www.acq.osd.mil/dpap/pdi/eb/cor.html>
- The COR is appointed or designated with a letter of appointment/designation.
  - This letter will tell you what contracts you are assigned to and will define your pre-award and post-award responsibilities.
  - This letter should include specific details on monitoring contractor performance, conducting inspection if applicable, and conducting Government acceptance of goods or services.
- The new COR receives a turnover from the previous COR.

**Warning:** A COR cannot delegate responsibilities to a replacement or to subordinates!

## **Understanding Your Contracts**

See Chapter 6.

- Uniform Contract Format (UCF): Sections A through J (or Sections K, L, and M in a solicitation)
- Commercial Format: Sections A through D (or Section E in a solicitation)

**Pay close attention to Sections B, D, F, G and J.** These sections should help you understand what is being bought, schedules, inspection/acceptance criteria, specifications, and invoicing procedures.

## **COR File Contents**

See Chapters 3, 8, and Table A.2

At a minimum, your file should contain your COR letter of appointment/designation and the following:

- Copy of the contract and all modifications
- Copy of acceptance documents and invoices
- Copies of all correspondence
- Memoranda of Record for all actions taken/issues addressed
- Quality Assurance Surveillance Plan (QASP)
- Performance assessments (negative and positive)
- Weather reports (if applicable to your contracts)



## Contract Surveillance and Performance Monitoring

See Chapters 8, 9, 10, 11, and Appendixes A and D.

How much and how often you conduct surveillance on the contract depends on the contract (e.g., length, complexity, dollar value) and the contractor, the services or supplies (or both) that the contractor will tender for acceptance, and the Inspection and Acceptance clause.

The Statement of Objectives (SOO), Statement of Work (SOW), or Performance Work Statement (PWS) is probably the single most critical document in the acquisition process. The PWS should define requirements in clear and concise language, identifying specific work to be accomplished. The PWS defines respective responsibilities of the Government and the contractor and provides an objective measure so that both will know when work is complete and payment is justified.

The Quality Assurance Surveillance Plan (QASP) recognizes the responsibility of the contractor to carry out its quality control obligations. The QASP must contain measurable inspection and acceptance criteria corresponding to the performance standards in the SOW. The QASP focuses on the level of performance required by the PWS rather than the methods used by the contractor to achieve that level of performance.

### Inspection of Supplies

See Chapter 8 and Appendix A.

Inspection Types

- Visual checks, an examination to reveal surface defects, missing pieces, parts out of alignment
- Physical or performance tests (conducted or witnessed) that involve more objectivity

Inspection Methods

- Random or stratified sampling
- 100% inspection
- Periodic performance tests

The COR's role in inspection depends on inspection type.

The Government always reserves the right to inspect!

Never accept an item if you are unsure or if it has deficiencies.

### Completion, Payment, & Closeout

See Chapter 7.

Acceptance is evidence based on the execution of an acceptance certificate on an inspection or receiving report form or on a commercial shipping document (or packing list). A COR must ensure that the work performed under the contract is measured against the contract terms and quality requirements. If performance does not meet contract quality requirements, it is incumbent on the COR to identify deficiencies and to advise the contracting officer.

### COR Role in Contractor Payment

See Chapter 7 and Table A-11.



If performance monitoring is conducted appropriately, the COR's role in payment consists of documenting the receiving report and confirming that the invoice/voucher is "proper."

The DD Form 250 Material Inspection & Receiving Report is accessible in WAWF at <https://wawf.eb.mil>. Also see Figure B-5 & DVD.

### Transitioning

See Chapter 2 and Appendix C.



It is critical that you plan for and execute a quality transition of your duties before redeployment.

--Keep orderly paper (hard copy) and electronic files.

--Introduce the incoming COR to key customers, partners, and stakeholders in the organization and to contractors.

Set your replacement up for success!

### **Know Your Limits: CORs do not...**

- Promise or authorize more work
- Get involved with subcontractors
- Modify the contract (even inadvertently)
- Disclose source selection information
- Divulge budget information
- Grant deviations or waivers of contract terms and conditions (even inadvertently)
- Attempt to rescue suspected human trafficking victims

See Chapters 3, 4, and 7.  
Also see Table A.14.

### **Know Where to Turn: Key Handbook Chapters**

Chapter 7. Contract Administration

Chapter 8. Monitoring the Contractor

Chapter 9. Developing a Quality Assurance Surveillance Plan

Chapter 10. Monitoring Services Contracts

Chapter 11. Monitoring Construction Contracts

### **Know the Contracting Officer's Remedies for Poor Performance**

See Chapters 7, 8, and Appendix A.

- Apply stop-work, cure notice, show-cause, liquidated damages, warranty, or termination clause
- Withhold or reduce fees
- Reject the noncompliant work or allow rework
- Suspend progress payments
- Choose not to exercise options
- Modify the contract
- Address claims or considerations
- Take legal recourse
- Use alternative dispute resolution (ADR)
- Document the issue in the past performance database

### **Know and Follow the Ethical Standards for CORs**

See Chapter 4.

Never solicit gifts of any type, regardless of their nature or dollar value. Some contractors are willing to offer favors in exchange for business. A bribe occurs when someone "directly or indirectly gives, offers, or promises anything of value to any public official, former public official, or person selected to be a public official, for or because of any official act performed or to be performed by such public official." Giving or accepting a bribe is a crime punishable by a fine, imprisonment, or both.

CORs must be familiar with the following:

- Gift Rule \$20/\$50 (bribery and gratuities)
- Procurement Integrity Act
- Conflicts of interest (transportation and travel)

### **Know Your Challenges**

- Different customs (See Appendix E)
- Corruption (See Chapter 4)
- Ethics issues (See Chapter 4)
- Language barriers (See Appendix E)
- Chain of command and conflicting responsibilities (See Chapter 2)
- Transition of COR duties when redeployed (See Chapter 2 and Appendix C)
- Personal security threats (See Chapter 1)

### **Know Where to Begin**

See Chapters 5, 7, and 8.

- Kickoff meeting
- Progress reports
- Schedules
- Contract standards and specs

## Table of Contents

Quick-Start Guide .....	2
Handbook Information .....	6
Foreword and Introduction .....	7

### Chapters

Chapter 1. The Importance of Contract Surveillance.....	13
Chapter 2. Roles and Responsibilities for Contract Surveillance .....	19
Chapter 3. COR Responsibilities .....	33
Chapter 4. Ethics and Integrity.....	53
Chapter 5. The Acquisition Team and Process .....	69
Chapter 6. Contract Structure.....	77
Chapter 7. Contract Administration.....	91
Chapter 8. Monitoring the Contractor .....	123
Chapter 9. Developing a Quality Assurance Surveillance Plan.....	151
Chapter 10. Monitoring Services Contracts .....	163
Chapter 11. Monitoring Construction Contracts.....	173
Chapter 12. Foreign Acquisition and International Relationships.....	183

### Appendices

Appendix A. COR Checklists.....	191
Appendix B. Forms.....	229
Appendix C. Turnover and Continuity.....	247
Appendix D. Contract Planning and Source Selection.....	249
Appendix E. Cultural Awareness .....	281
Appendix F. COR Qualifications and Training .....	289
Appendix G. Pre-Award Duties .....	301
Appendix H. Using the Supplemental DVD/Website.....	305
Appendix I. COR Resources and References .....	307
Appendix J. Metric Conversion Table .....	317
Appendix K. Abbreviations and Definitions .....	319
Appendix L. Topical Index .....	351

### Figures

Figure 1. Lines of Command and Contracting Authority .....	30
Figure 2. Acquisition Process.....	70
Figure 3. Acquisition Process by Organization.....	75
Figure 4. Risks of Firm-Fixed-Price Contracts versus Cost-Reimbursable Contracts .....	79
Figure 5. Contract Structure.....	81
Figure 6. The Contracting Process .....	93
Figure 7. ARRT Sample Screen Shot.....	160
Figure B.1. SF 26, Award/Contract.....	230

Figure B.2.	SF 30, Amendment of Solicitation/Modification of Contract, Page 1 .....	231
Figure B.2.	SF 30, Amendment of Solicitation/Modification of Contract, Page 2 .....	232
Figure B.3.	SF 33, Solicitation, Offer, and Award, Page 1 .....	233
Figure B.3.	SF 33, Solicitation, Offer, and Award, Page 2 .....	234
Figure B.4.	Sample SF 1449, page 1 .....	237
Figure B.4.	Sample SF 1449, page 2 .....	238
Figure B.5.	Sample DD 250.....	240
Figure B.6.	Sample DD 2772.....	242
Figure B.7.	Sample COR Monthly Report to the Contracting Officer.....	243
Figure B.8.	Sample SPOT Letter of Authorization.....	245
Figure D.1.	Acquisition Process Overview, Part 1.....	250
Figure D.1.	Acquisition Process Overview, Part 2.....	251

## Tables

Table 1.	General Responsibilities of COR, Requiring Organization, and Contracting Office.....	24
Table 2.	Do's and Don'ts for Contract Administration .....	120
Table 3.	Do's and Don'ts for Remedies .....	137
Table 4.	Do's and Don'ts for Contract Monitoring .....	147
Table 5.	Comparison of Berry Amendment and Buy American Act .....	188
Table B.1.	Crosswalk among SF1449, DD 1155, and DD 250 .....	235
Table D.1.	Do's and Don'ts for Pre-Award and Solicitation Phase .....	271
Table D.2.	Do's and Don'ts for the Evaluation and Award Phase .....	279
Table F.1.	Type A Experience and Training Requirements .....	291
Table F.2.	Type B Experience and Training Requirements .....	292
Table F.3.	Type C Experience and Training Requirements .....	293

## Handbook Information

An online version of this handbook and its attached DVD can be found at

<http://www.acq.osd.mil/dpap/ccap/cc/corhb/>

Questions concerning the use, update, request for, or replacement of this handbook or the attached DVD should be sent to:

Defense Procurement and Acquisition Policy  
 Contingency Contracting  
 3060 Defense Pentagon  
 Room 3B855  
 Washington, DC 20301-3060

Commercial: 571-256-2945

Fax: 571-256-7004

E-mail: [ContingencyContracting@osd.mil](mailto:ContingencyContracting@osd.mil)

## Foreword and Introduction

This handbook is designed as a pocket-size guide to serve as a quick-reference tool during your assignment. It is not designed to be all encompassing or to replace governing instructions, regulations, or directives.





**Mr. Richard Ginman, Director  
Defense Procurement  
and Acquisition Policy**

The Department of Defense (DoD) relies heavily on the private sector to implement some parts of the Department's mission. In fact, in Iraq and Afghanistan, the contractor population constituted more than 50 percent of the total in-theater force, with activities spanning a broad range of support operations, including base camp support, logistics, linguists, advisory and assistance services, training, engineering, and construction.<sup>1</sup> A recent report by the Deputy Assistant Secretary of Defense for Program Support estimated 113,491

contractors supporting Operation Enduring Freedom as of December 2011;<sup>2</sup> in fact, the estimate of military personnel to contractors in Afghanistan is 1 to 1. Because of the critical reliance on contractor support and the large expenditures involved, contract surveillance is vital to ensure that contractors are providing timely, high-quality services and supplies; to mitigate contractor performance problems; and to ensure that the Federal Government (Government) receives best value for the warfighter.<sup>3</sup>

- 1 Col. Ed Keller, U.S. Air Force, "Vertically Synchronizing Operational Contract Support," Defense AT&L, May–June 2012, [http://www.dau.mil/pubscats/ATL%20Docs/May\\_Jun\\_2012/Keller.pdf](http://www.dau.mil/pubscats/ATL%20Docs/May_Jun_2012/Keller.pdf).
- 2 Contractor Support of U.S. Operations in the USCENCOM Area of Responsibility, Iraq and Afghanistan, January 2012, <http://www.scribd.com/doc/80807835/Contractor-Support-Of-USCENTCOM-AOR-1st-Quarter-FY-2012>. This number includes the estimated number of local national employees.
- 3 Also: Deputy Assistant Secretary of Defense's April 2012 quarterly report to Congress, [http://www.acq.osd.mil/log/PS/docs/5A\\_paper/5A\\_April\\_2012\\_final.doc](http://www.acq.osd.mil/log/PS/docs/5A_paper/5A_April_2012_final.doc); and the Chairman of the Joint Chiefs of Staff Dependence on Contractor Support in Contingency Operations Task Force's Phase II Report, "An Evaluation of the Range and Depth of Service Contract Capabilities in Iraq," April 23, 2010.



Contract quality performance is the responsibility of both the contractor and the Government. The contractor is responsible for meeting its obligations under the contract in terms of quality, timeliness, and cost. The Government is responsible for ensuring that acquired services and supplies conform to the quality and performance requirements of the contract.

Contract quality surveillance is an essential activity. In most cases, it is the responsibility of the requiring organization (assisted by the contracting office), which retains responsibility for mission accomplishment even if it decides to employ contractors. Furthermore, the requiring organization is thoroughly familiar with the technical complexities and nuances of the requirements; it prescribes contract quality requirements that the contracting office includes in contracts. The contracting officer delegates specific authority to members of the requiring organization who conduct contract surveillance as a contracting officer's representative (COR) to verify that the contractor is fulfilling contract requirements and to document performance for the contract record. These CORs function as the eyes and ears of the contracting officer and as liaisons between the Government and contractors when executing surveillance responsibilities. Most important, CORs provide essential oversight to ensure that each contractor executes the relevant organization's mission, as stipulated in the contract.

DoD<sup>4</sup> policy requires that the requiring organization and COR supervisor participate in nominating CORs and subsequently assess the performance of COR responsibilities. The requiring organization and COR supervisor affirm that the COR will be afforded the resources

---

4 Deputy Secretary of Defense Memorandum, "Monitoring Contract Performance in Contracts for Services," August 22, 2008, <http://www.acq.osd.mil/dpap/policy/policyvault/2008-0468-DPAP.pdf>.

(e.g., time, equipment, opportunity) necessary to perform designated COR responsibilities.

This COR handbook addresses key aspects of contract quality surveillance and the roles and responsibilities of the contracting officer, COR, and requiring organization and COR supervisor. This handbook is a comprehensive resource for contracting officers, COR supervisors, and both first-time and experienced CORs. A key contract surveillance principle throughout this handbook is the importance of open communication among, and due diligence of, the contracting officer, COR, COR supervisor, requiring organization, and contractor. This handbook is intended to supplement, not replace, COR training and the performance of contract surveillance. When in doubt, a COR should refer to the contract, the COR letter of appointment/designation, and guidance from the contracting officer.

We envision this *Defense Contingency COR Handbook* as a living document accessible at <http://www.acq.osd.mil/dpap/ccap/cc/corhb/>. Please provide your comments and recommendations to improve the handbook—and your lessons learned on contract quality surveillance—to [contingencycontracting@osd.mil](mailto:contingencycontracting@osd.mil).

Mr. Richard Ginman

Director

Defense Procurement and Acquisition Policy



This edition of the *Defense Contingency COR Handbook* provides basic knowledge and tools for contracting officer's representatives (CORs) to apply to perform effective contract quality surveillance. The information in this handbook is extracted from numerous sources, including the Federal Acquisition Regulation (FAR); Defense Federal Acquisition Regulation Supplement (DFARS); Joint Ethics Regulation (JER); and other relevant DoD directives, instructions, publications, and policies.

The handbook is comprehensive, offering as much information as possible for CORs. It is organized to aid the COR in finding the exact information needed for the situation at hand. This handbook includes relevant and comprehensive guidance on performance of COR functions, and the appendixes offer more detailed supplemental materials and resources.

Chapters 1, 2, and 3 focus on the importance of contract surveillance and the roles and responsibilities of CORs, contracting officers, and COR supervisors. Chapter 4 reviews the importance of ethics and integrity in the acquisition process. Chapter 5 addresses the acquisition team in relation to the acquisition process. Chapter 6 offers an overview of contract structure.

Chapters 7 through 12 describe the COR's role in monitoring contract performance. Specifically, Chapter 7 provides general information on contract administration. Chapter 8 contains information on monitoring contractor performance in general, while Chapters 9, 10, and 11 detail quality assurance surveillance plans, service contracts, and construction contracts, respectively. Chapter 12 addresses foreign acquisition and international relationships. The 12 appendixes include supplemental materials such as sample forms, checklists, common terms and abbreviations, and a metric conversion table. The appendixes also contain resources and references that CORs might find useful, including information on turnover and continuity, contract planning

and source selection, cultural awareness, COR qualifications and training, and pre-award duties.

This handbook is designed to supplement, not replace, formal COR training. CORs should refer to their letters of appointment/designation for the specific duties and responsibilities assigned by the contracting officer. For information on COR training, refer to the Defense Acquisition University (DAU).<sup>5</sup>

---

<sup>5</sup> The COR Community of Practice (CoP) website is available at <https://acc.dau.mil/cor>

## CHAPTER CONTENTS

Related COR Duties ..... 16

The Deployed COR's  
Working Environment ..... 16

Chapter 1: Key Points..... 18

## Chapter 1 The Importance of Contract Surveillance



Every commander is likely to inherit or initiate a few contracts to acquire supplies and services and therefore will require CORs<sup>6</sup> from the unit. The commander's local contracting office will determine how many CORs are needed, but commanders must remember that not everyone can be an effective COR. The failure to monitor contracts effectively can result in critical supplies and services that are late, deficient, or outside the scope of the contract requirement. A competent and dedicated COR can ensure that the Federal Government (Government) receives high-quality supplies and services on time and within the agreed-upon price schedule and that the supplies and services meet all contract requirements. CORs selected by the commander will set the tone for contract success or failure and could have a direct impact on the commander's mission.

The requiring organization prescribes contract quality requirements that the contracting office includes in contracts. As experts on the contract requirement and on the mission requirements that requirement is intended to address, members of the requiring organization are often delegated specific authority by the contracting officer for conducting contract surveillance to verify that the contractor is fulfilling contract delivery and quality requirements and to document performance for the contract record. The requiring organization, in coordination with the contracting office, is responsible for preparing contract quality assurance, surveillance, and performance assessment plans. CORs function as the eyes and ears of the contracting officer and as liaisons between the Government and contractors when executing surveillance responsibilities. However, contract surveillance is not solely the responsibility of the

---

6 The term "contracting officer's representative" is used primarily by the Army, Navy, DoD, DLA, and DCMA. The Air Force uses the term "quality assurance personnel" for an equivalent position. Other agencies commonly use terms such as "contracting officer's technical representative" (COTR) and "task order manager" (TOM). Throughout this handbook, the term "COR" is used for simplicity.

contracting officer and CORs. Other personnel can have designated surveillance responsibilities under FAR Parts 42, 45, or 46.

The requiring organization is responsible for its requirements, and each COR is a representative of the requiring organization, nominated by the requiring organization and designated by the contracting officer to assist in the monitoring and administration of the contract. CORs must possess the necessary qualifications (training) and experience commensurate with the responsibilities delegated to them. When the requiring organization nominates a COR, it must tell the contracting office both the nominee's name and qualifications. The DFARS Subpart 252.201-7000 defines a COR as "an individual designated in accordance with Subpart 201.602-2 of the DFARS and authorized in writing by the Contracting Officer to perform specific technical and administrative functions." Designation shall be pursuant to DFARS Procedures, Guidance, and Information (PGI) Subpart 201.602-2. CORs monitor contract performance and provide the contracting officer with documentation of the contractor's compliance (or noncompliance) with the terms and conditions of the contract. This documentation becomes part of the official contract file, so it is important that CORs document everything, including conversations and meetings with contractors, contractor performance, and other relevant issues.

To ensure that CORs perform contract surveillance, DoD policy requires COR supervisors to participate in nominating CORs and in assessing the performance of COR responsibilities. COR supervisors must also affirm that each COR will be afforded the resources (e.g., time, equipment, opportunity) necessary to perform designated COR responsibilities.

The DoD COR Standard<sup>7</sup> stipulates that the training and qualifications for, and surveillance duties assigned to, CORs must be commensurate with the complexity of the contract requirement. (Appendix F offers more detail on the DoD COR Standard and requirement types.)

### **Related COR Duties**

Duties often are assigned to the COR (not the contracting officer) based on the COR's knowledge and subject matter expertise. During the Pre-Award Phase (see Chapter 4 discussion of the acquisition process), nominated COR candidates should participate as requested in requirements development—for example, by preparing the Independent Government Estimate (IGE), Performance Work Statement (PWS), Statement of Work (SOW), Statement of Objectives (SOO), and Surveillance Plan.

Sometimes the requiring activity requests other support for post-award functions. During the Post-Award Phase, the COR can be designated to perform duties related to COR functions, but not to assessing contractor performance. The COR also performs these functions as a representative of the contracting officer and the requiring activity.

### **The Deployed COR's Working Environment**

Each deployed COR works in an environment where the operational and functional demands are greater and more complex than those confronted by CORs supporting the armed forces during peacetime or

---

<sup>7</sup> Under Secretary of Defense (Acquisition, Technology & Logistics) Memorandum, "DoD Standard for Certification of Contracting Officer's Representatives (CORs) for Services Acquisitions," March 29, 2010, <http://www.acq.osd.mil/dpap/policy/policyvault/USA005569-09-DPAP.pdf>.



in the continental United States. Each deployed COR faces challenges such as the following:

- Different customs
- Corruption (a COR's number-one threat)
- Ethics issues
- Language barriers
- Time management
- Chain of command and conflicting responsibilities
- Length of deployments
- Transition of COR duties when redeployed
- Personal security threats in the contingency and combat environments.

To ensure their personal security, CORs should take the following precautions:

- Assess the risk and establish a Risk Management Plan.
- Never reveal the schedule for an onsite visit unless absolutely necessary.
- Treat all excursions as a combat patrol.
- Coordinate all actions with the unit and the contracting officer.
- Debrief the intelligence officer as necessary.
- Spend time solely on the business effort (e.g., avoid personal shopping and sightseeing).

When escorting contractors inside military installations, the COR must comply with base commander requirements for such escorts (e.g., badges, armed escorts) and ensure that the contractor understands and complies with those requirements.

**Chapter 1: Key Points**

1. The COR is a critical link in supporting the mission of the requiring organization's commander to ensure successful contractor performance and fulfillment of the requiring organization's mission needs.
2. Contract surveillance is key to ensuring that contractors perform in accordance with the terms and conditions of the contract. Contracting officers will rely heavily on the COR to keep them informed of ongoing issues and concerns relevant to the contract. Thus, the COR functions as the eyes and ears of the contracting officer.
3. The contracting officer is the primary Government official responsible for ensuring compliance with contractual agreements. The COR shall not take any action that would commit to or change the contract price, quantity, quality, schedule, delivery, scope of work, place of performance, or any other term or condition of the existing contract.

## CHAPTER CONTENTS

Nomination, Designation, and Appointment of the COR.....	20
Performance of COR Functions .....	22
Termination of COR Appointment .....	25
What Commanders Need to Know .....	26
Selecting the Right COR .....	27
Defining the COR Position .....	28
Crossing Lines of Authority .....	29
DoD COR Tracking Tool ...	31
Chapter 2: Key Points.....	32

## Chapter 2 Roles and Responsibilities for Contract Surveillance



The three major phases in the COR process are (1) nomination, designation, and appointment of the COR based on competencies, experience, and training; (2) performance of COR functions; and (3) termination of COR appointment. The contracting officer, COR, and commander or COR supervisor have specific roles and responsibilities in each of these phases.

### **Nomination, Designation, and Appointment of the COR**

The **contracting officer** shall perform the following after receiving a **procurement request**:

- Review the requirement to determine whether it requires assistance in technical monitoring or administration of the anticipated contract.
- On the basis of the complexity of the work and requirement (Type A, B, or C), identify the duties and responsibilities to be performed by a COR and the qualification requirements mandated by the DoD COR Standard.
- Advise the requiring organization of the need for COR support. Considerations that might require more than one COR include multiple locations of performance, demands for constant surveillance, size of requirement, and technical subject-matter skill sets.

The **contracting officer** shall perform the following after receiving a **COR nomination package** from the requiring organization/COR supervisor:

- Review the package to determine whether the COR nominee is trained and qualified.
- Either notify the requiring organization that the COR nominee is acceptable or identify deficiencies and request additional nominations as applicable. Shall complete the nomination/appointment through the COR Tracking (CORT) Tool unless a specific waiver is granted by the Office of the Under Secretary of

Defense (OUSD) for Acquisition, Technology and Logistics (AT&L), Defense Procurement and Acquisition Policy (DPAP), Program Development and Implementation (PDI) Directorate.

- Provide an orientation for the COR nominee to address topics such as the duties and responsibilities to be delegated; unique terms and conditions of the contract; importance of performance; personal conflicts of interest (COIs) and potential COIs; informal and unauthorized commitments; and ethics and integrity in relationships with the contracting officer, COR supervisor, and contractor.
- Assign specific duties and responsibilities to the COR before award and ensure that the letter of appointment/designation is included in the contract file. The COR letter of appointment/designation must be signed by the contracting officer and acknowledged by the COR, and copies must be furnished to the contractor and the administrative contracting officer (ACO).

The **requiring organization/COR supervisor** shall perform the following, concurrent with **requirements development** or after receipt of a **request for COR support** from the contracting officer:

- Identify a prospective COR.
- Discuss with the nominee the COR duties and responsibilities to be designated and the importance of performing these COR duties and responsibilities.
- Ensure that the COR nominee has no personal COIs that affect performance of the duties and responsibilities to be delegated by completing the Office of Government Ethics (OGE) Form 450, Confidential Financial Disclosure Report, after the appointment and before contract award.
- Ensure that the COR nominee receives required training before contract award.
- Incorporate the performance of COR responsibilities into the COR nominee's objectives for performance evaluation.

## Roles and Responsibilities for Contract Surveillance

- Develop and forward the COR nomination package to the contracting officer, using the CORT Tool.

The **COR nominee** shall perform the following:

- Initiate a request for the required COR training (or COR refresher training) to ensure that the required training is completed before contract award.
- Provide the information necessary to document required training and to verify the absence of personal COIs. COR nominees (and CORs, once designated) must notify the contracting officer and appropriate COR supervisor if a potential or actual COI subsequently arises.
- As appropriate, participate in requirements definition and in the acquisition planning and contract formation processes.
- Ensure that individual performance appraisals properly address participation in the pre-award process as well as performance of COR duties and responsibilities.

### Performance of COR Functions

The **COR** shall perform the following:

- Establish and maintain individual COR files for each contract in accordance with DFARS PGI Subpart 201.602-2(ii), Chapter 5 of this handbook, and the CORT Tool (if necessary). COR files shall be available for review by the contracting officer, Inspector General, U.S. Government Accountability Office (GAO), internal review officials, and other officials (as authorized by the contracting officer).
- Review and understand the terms and conditions of the contract.
- Perform COR duties and responsibilities, as designated by the contracting officer.
- **Do not** appoint, designate, redesignate, or subdesignate COR duties and responsibilities to other people.

- Provide reports on contract performance to the contracting officer. If advised by the contracting officer that reports are inadequate, ensure that follow-on reports address the issues specified by the contracting officer to meet the adequate standard in the Quality Assurance Surveillance Plan (QASP).
- When advised by the contracting officer or COR supervisor that the COR designation will be terminated, ensure that all reports, records, and communications are available to management, the successor COR, and the contracting officer.
- If circumstances change and there is a reasonable expectation that the COR cannot perform effectively (e.g., personal COI, change in assignment), notify the COR supervisor and the contracting officer to request the designation of a successor COR.

The **COR supervisor** shall perform the following:

- Nominate CORs (as needed) and provide the COR resources (e.g., time, supplies, equipment, opportunity) requested by the contracting officer to support the performance of COR duties and responsibilities.
- Evaluate the performance of COR duties as part of the COR's performance assessment throughout the period of the contract. The COR supervisor is encouraged to solicit input from the contracting officer on the performance of COR duties.
- If notified by the contracting officer that a COR's performance is inadequate, address relevant issues with the COR, reemphasizing the need for the performance of COR functions. Notify the contracting officer about actions completed.
- If notified by the contracting officer that a COR's performance remains inadequate and that the letter of appointment/designation will be terminated, take action to identify and nominate a replacement

## Roles and Responsibilities for Contract Surveillance

COR and to address deficient performance in the terminated COR's performance assessment.

- Ensure that the terminated COR provides all reports, records, and COR files to the COR supervisor or the successor COR, as appropriate.

The **contracting officer** shall perform the following:

- Review COR reports for completeness and accomplishments.
- Provide feedback on COR performance to the COR supervisor.
- If COR reports or performance is inadequate, discuss performance with the COR. If reports or performance continues to be inadequate, discuss COR performance with the COR supervisor. If reports or performance continues to be inadequate, notify both the COR and the COR supervisor that the COR designation will be terminated, and request nomination of the replacement COR.
- Terminate the COR designation, and review the nomination of the successor COR.

**Table 1** highlights the relationship between COR and contracting officer responsibilities.

**Table 1. General Responsibilities of COR, Requiring Organization, and Contracting Office**

Action	COR/Functional Office	Contracting Office
Conduct market research	Responsible	Assisting
Prepare SOW/PWS	Responsible	Assisting
Prepare QASP	Responsible	Assisting
Prepare IGCE	Responsible	Assisting
Prepare GFP list	Responsible	Assisting
Develop sources	Assisting	Responsible
Prepare solicitation	Assisting	Responsible
Conduct pre-bid conference	Assisting	Responsible



---

## Chapter 2

### Roles and Responsibilities for Contract Surveillance

Action	COR/Functional Office	Contracting Office
Evaluate proposals	Assisting	Responsible
Award contract	N/A	Responsible
Conduct contract surveillance	Responsible	Assisting
Request modifications	Responsible	Assisting
Make modifications	Assisting	Responsible
Conduct progress meetings	Assisting	Responsible
Conduct inspection and acceptance	Responsible	Assisting
Evaluate contractor performance	Responsible	Assisting
Use CPARS	Responsible/assisting	Responsible

### Termination of COR Appointment

The **contracting officer** shall perform the following when a COR appointment is terminated:

- When performance of COR functions is unsatisfactory, address concerns with the COR. If performance remains unsatisfactory, notify the COR supervisor about performance issues. Request that the COR supervisor either address performance with the COR or nominate a successor COR. Only the contracting officer has the authority to terminate the COR designation.
- Terminate the COR designation when the requiring organization requests termination of a COR designation because of a transfer, retirement, or other causes. The requiring organization/COR supervisor may not terminate a COR designation.
- Execute the Notice of Termination in writing and ensure that it is acknowledged by the COR and the COR supervisor and posted in the CORT Tool.

The **COR supervisor** shall perform the following when a COR appointment is terminated:

- Request termination of a COR designation by the contracting officer, and nominate a qualified successor COR if the COR is unable to perform for any reason, including unsatisfactory performance, transfer, or retirement.
- Elect to address performance issues with the COR or to nominate a successor COR if the contracting officer notifies the COR supervisor about COR performance issues. Issues related to the performance of COR duties and responsibilities shall be addressed in the COR performance assessment.
- **Do not** designate a successor COR or delegate (or redelegate) to a successor COR any duties and responsibilities that were delegated to the terminated COR.

The **COR** shall perform the following when a COR appointment is terminated:

- Request relief from COR designation through the COR supervisor in advance of the reassignment or separation from the Government to give the requiring organization adequate time to select, train, and nominate a successor, per the nomination procedures defined in this handbook.
- Ensure proper turnover of COR files to the successor COR or the contracting officer, as required.

### **What Commanders Need to Know**

Commanders should hesitate before nominating key staff members or leaders as CORs. However, a marginally capable COR will cause more headaches and might place the mission at risk. Commanders should understand the risk associated with contract performance and

nonperformance—and should recognize that the COR manages this risk for the unit. Commanders should remember that every contract will inherently have problems; a capable COR can resolve the vast majority of those problems.

### **Selecting the Right COR**

A capable COR has key attributes such as the following:

- Can operate independently (and has strong problem-solving and organizational abilities)
- Pays attention to detail and can manage multiple projects simultaneously
- Makes sound business decisions (and demonstrates acquired business expertise or provides documentation of formal training)
- Communicates effectively (both verbally and in writing)
- Maintains high ethical standards
- Has thorough knowledge of the services or supplies provided in the contract.

A COR must be an employee, military or civilian, of the U.S. Government, a foreign government, or a North Atlantic Treaty Organization or other coalition partner. In no case shall contractor personnel serve as CORs. Commanders should consider the importance of the contract support to the unit as well as the adverse impact of poor performance (or nonperformance) when selecting a COR. Commanders should nominate a COR who holds a rank consistent with these considerations (unless local policy dictates otherwise). The performance of COR duties can demand much more time than normally expected for an additional duty. For some projects, serving as the COR is a primary duty. Some services contracts—depending on their complexity, associated QASPs, and evaluation standards—might require an assistant COR. In addition, each COR should have

a designated alternate who is trained to fill in when the primary COR is not available (e.g., because of mission demands, injury, or mid-tour leave).

### **Defining the COR Position**

CORs represent the contracting officer and assist in administering contracts. In most contracting situations, the COR will be closer to, and have more frequent interactions with, both the performing contractor and the unit receiving supplies or services under the contract. Because of this reality, it is critical that the COR represent both the unit being served as well as the contracting officer being supported. CORs perform their roles by verifying contractor performance, inspecting contractor work, and maintaining liaison and direct communication with the contractor. CORs receive their COR authority only from the contracting officer, not from their chains of command.

The COR is also the unit representative for the contract requirement. The COR should provide status information on contractor performance to the chain of command and to the contracting officer. This step is especially important when contractor performance directly impacts the unit mission. The extent of contract support is defined by the contract. The contracting officer must make any required adjustments or changes, which might require additional time, funding, or both. The commander can track changes through the unit COR. The COR will also track contractor personnel, which is especially important in demobilization.

The contracting officer is responsible for appointing (or designating) the COR and for providing contract-specific training to the COR nominee. This contract-specific training is in addition to the COR training required by regulation or instruction. (COR training requirements are detailed in Appendix F.) After making a decision that a COR is required, the contracting officer will notify the requiring unit of its responsibility to nominate an eligible person, usually with a memorandum signed by the unit commander.

COR training covers concepts such as responsibilities, ethics, product substitution and fraud, constructive changes and ratification, surveillance methods, surveillance reports, files and paperwork, and limits of authority for the specific contract.

**Note: Currently, operations are driving COR training in predeployment as a unit readiness indicator.**

A Deputy Secretary of Defense memorandum, “Monitoring Contract Performance in Contracts for Services,” August 22, 2008, states:

Requiring activities shall...ensure that properly trained and ready CORs are assigned prior to contract award.... Where practicable, the requiring organization shall provide the COR nomination package to the contracting office as part of the purchase request.

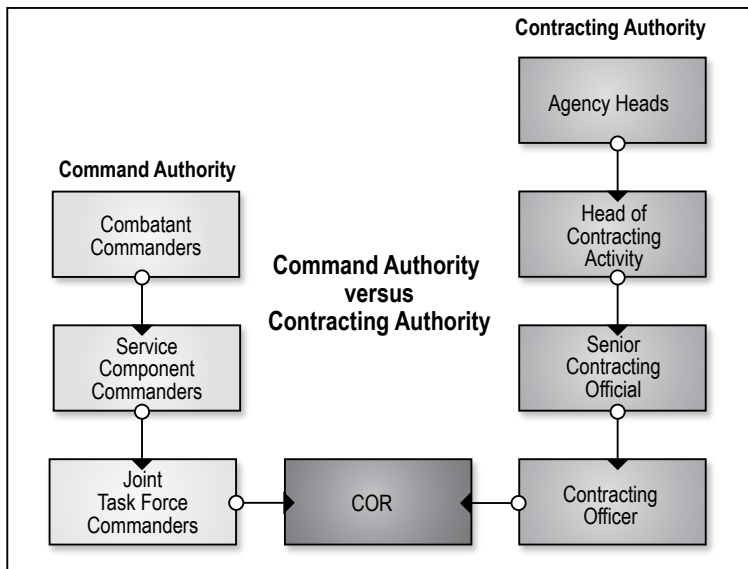
COR appointments or designations remain in effect for the life of the contract unless they are terminated by the contracting officer before the contract ends. A termination can be necessary if a COR is reassigned to a different unit or performs unsatisfactorily.

### **Crossing Lines of Authority**

The COR’s role bridges the acquisition and functional communities. The commander has no command and control authority over contractor personnel or the duties that a COR performs in support of a contract. Although a contract can require contractor personnel to abide by all guidance and to obey all instructions and general orders applicable to U.S. military personnel and DoD civilians, contractor personnel cannot be *commanded*. The contract’s terms and conditions govern the relationship between contractor personnel and the Government.

**Only the contracting officer has the authority to direct contractor personnel.** In short, the commander must *manage* contractor personnel through the contracting process.

**Figure 1** illustrates the lines of command and contracting authority.



**Figure 1.** Lines of Command and Contracting Authority

## **DoD COR Tracking Tool**

The DoD COR Tracking Tool is a web-based capability for the appointment and management of CORs. The COR Tracking Tool accommodates the collection of COR training certificates and the posting of monthly status reports. It provides built-in workflows for the nomination process, including email alerts and status reminders when the monthly status report is due or delinquent. The COR Tracking Tool gives contracting personnel and requiring organizations/COR supervisors the means to track and manage COR assignments across multiple contracts DoD-wide. This tool enables prospective CORs, COR supervisors, and contracting officers to electronically process the nomination and appointment of CORs for one or multiple contracts.

The COR Tracking Tool is Common Access Card (CAC) enabled and is available to all DoD personnel with an Army Knowledge Online/Defense Knowledge Online (AKO/DKO) account. Note: The user's CAC must be registered with AKO/DKO before access to the DoD COR Tracking Tool can be obtained.

The deployment of the COR Tracking Tool is currently in its final phase. The Deputy Under Secretary of Defense (DUSD) (AT&L) issued a memorandum on March 21, 2011, "Deployment of the Department of Defense (DoD) Contracting Officer's Representative Tracking Tool (COR Tracking Tool)," directing deployment plans for its use across DoD. Subsequently, the DUSD (AT&L) required use of the COR Tracking Tool in a September 30, 2011, memorandum, "Theater Business Clearance/Contract Administration Delegation (TBC/CAD) Update."

Additional information on the COR Tracking Tool is available at <http://www.acq.osd.mil/dpap/pdi/eb/cor.html>. The DVD in Attachment I includes COR Tracking Tool training and user guide materials as well as AKO/DKO account access instructions.

## **Chapter 2: Key Points**

1. The three COR process phases are as follows:
  - a. Nomination and designation of the COR based on competencies, experience, and training
  - b. Performance of COR functions
  - c. Termination of COR appointment.
2. The requiring organization is critical to identifying and nominating COR candidates who have the right skill sets and experience as well as the requisite COR certification requirements.
3. It is mandatory that the COR maintain individual COR files for each contract or order.
4. If a COR knows in advance that a reassignment or separation from COR duties is upcoming, it is critical that the COR notify the contracting officer in advance to ensure continued COR support.
5. The DoD CORT Tool is a web-based management capability for the appointment and management of CORs.



## CHAPTER CONTENTS

Post-Award Duties .....	36
Understanding of the Contract .....	37
Current and Complete Files .....	38
Correspondence and Responses .....	39
Correspondence with the Contractor .....	39
Notifications to the Contracting Officer .....	40
Monitoring of Contract Performance .....	41
Inspection and Acceptance/Rejection of Deliverables .....	43
Proprietary and Classified Information .....	44
Management of Problems .....	45
Handling of Unsatisfactory Performance .....	45
Tracking of Modifications .....	46
Appropriate Conclusion of Appointment/ Designation .....	46
Technical Expertise .....	47
Limitations .....	47
Protection of Sensitive or Government Information .....	50

## Chapter 3 COR Responsibilities



## **CHAPTER CONTENTS (CONT.)**

Pre-Award Duties .....51

Related Duties .....51

Chapter 3: Key Points .....52

The COR oversees contractor performance for both the commander and the contracting officer. For the commander, the COR provides status information on performance risk and on how the contract is meeting the mission requirements. The COR is the unit expert on the contract. CORs should understand Government and contractor responsibilities, work that is covered (and not covered) by the contract, the process for addressing performance deficiencies, and the process for making contract changes. If the requirement needs to be adjusted—for example, because of poor planning, unforeseen impacts, or mission changes—the COR would work on these adjustments with the contracting officer. Managing these changes is critical to a unit commander: too few changes might impact mission success, and too many changes might waste limited funds that could be used for other priorities. For the contracting officer, the COR is the expert on the unit requirement, providing feedback if that requirement is being met. The COR also identifies when a contract needs contracting officer intervention (e.g., payment support, requirement changes, and corrective actions). The following list outlines these roles and responsibilities:

- The unit identifies a requirement. A contract is awarded to meet the requirement defined by the unit.
- The contract binds the Government and the contractor. The contract outlines the terms and conditions that must be met by both parties.
- The contracting officer is the only one authorized to make changes to the contract terms and conditions. Deviations from these terms and conditions affect contractor costs and performance. Unauthorized changes might result in disciplinary action, personal liability, or both.
- The contracting officer provides training to the COR, outlining the administration process and familiarizing the COR with the specific terms and conditions of the contract.

- The unit oversees performance on the contract through the COR. The COR oversees contractor performance and ensures that contract terms and conditions are met (e.g., contractor badging, schedules, quantities, and receiving reports). All issues with the contractor at any level should be addressed through the COR. The COR is trained to protect the Government and unit personnel.
- The contracting officer provides oversight of the COR.
- The COR reports the status of contract performance to the contracting officer and the unit commander.

General information about COR responsibilities is detailed in FAR Subpart 1.602 and in DFARS Subpart 201.602, “Contracting Authority and Responsibilities,” and a companion resource, DFARS PGI Subpart 201.602-2, “Responsibilities.” The contracting officer specifies the COR’s responsibilities in the COR letter of appointment/designation. All duties delegated to the COR by the contracting officer must be specified in the letter of appointment/designation. If the duty is not mentioned in the letter, then the COR is not authorized to perform that duty. COR actions or inactions can subject the Government to disputes or claims and, in some cases, can result in the COR being personally liable for such actions or inactions. Therefore, the COR must carefully observe the scope and limitations of delegated authorities and should contact the contracting officer if there are any doubts about the correct course of action to be taken.

### **Post-Award Duties**

A COR’s specific duties and responsibilities are detailed in the COR letter of appointment/designation. The COR’s responsibilities begin with understanding the contract and establishing the COR file. Monitoring the contract includes activities such as evaluating and maintaining data, documenting performance, and reviewing and

verifying invoices. The COR responsibilities end at contract closeout or when the contracting officer terminates the COR delegation.

Typical **COR** post-award responsibilities include the following:

- Understanding the contract
- Keeping files current and complete
- Managing correspondence and responses, including the following:
  - Correspondence with the contractor
  - Notifications to the contracting officer
  - Monitoring contract performance, including the following:
    - Training
    - Travel
  - Government-furnished property (GFP)
  - Personnel and labor
  - Inspecting and accepting (or rejecting) services and deliverables
  - [Proposed addition]
  - Protecting proprietary and classified information
  - Managing problems
  - Handling unsatisfactory performance
  - Tracking modifications
  - Concluding an appointment/designation appropriately
  - Providing technical expertise
  - Understanding COR limitations
  - Protecting sensitive or Government information
  - Performing related duties.

### **Understanding of the Contract**

The **COR** must obtain an understanding of contract requirements as follows:

- Know the responsibilities of the Government and the contractor, and direct any questions about contract content or interpretation to the contracting officer

- With the consent of the contracting officer, attend the post-award conference to ensure that all parties have a clear understanding of the scope of the contract, technical requirements, and rights and obligations of parties to the contract
- Develop quality assurance surveillance records, including surveillance checklists, schedules, and related files
- Have ready access to all technical publications and regulations referenced in the contract.

### **Current and Complete Files**

The COR plays an important part in the decision to terminate a contract and also has a critical role to play in contract closeout. Under FAR Subpart 1.604(c), the COR is responsible for keeping documentation of all the actions taken in the performance of COR duties. This requirement should include copies of inspections, correspondence with the contractor and contracting officer, and reports on contractor performance. According to FAR Subpart 4.801, the COR's contract file is part of the greater decentralized contract file, which provides a complete history of the contract for the following purposes:

- Providing a complete background as a basis for informed decisions at each step in the acquisition process
- Supporting actions taken
- Providing information for reviews and investigations
- Furnishing essential facts in the event of litigation or congressional inquiries.

The COR shall maintain good records not only to support the next COR, but also to document contractor performance under the contract. To maintain good files, the **COR** must perform the following:

- Maintain a separate and current file for each contract and order.
- If designated, endorse visit request and need-to-know documents

before contracting officer approval, including verification of classification status (e.g., Secret).

- If designated, confirm or initiate all significant technical instructions to the contractor in writing and provide a copy to the contracting officer.
- Coordinate with the contracting officer and the legal office on the content of any contractually significant correspondence addressed to the contractor to prevent possible misunderstanding or the creation of a condition that could be the basis of a later claim against the Government.
- Furnish to the contracting officer copies of COR Government and contractor conference reports, trip reports, telephone conversation records, memoranda for the record, and correspondence.
- Sign all reports, trip reports, memoranda for the record, appropriate correspondence, and other related documents by using name and title followed by “Contracting Officer’s Representative.”
- Report to the appropriate authorities any suspected procurement fraud, bribery, COIs, or other improper conduct on the part of the contractor, contractor employees, or Government personnel.

### **Correspondence and Responses**

The COR must sign all correspondence, reports, findings, recommendations, and other documents (using name and title followed by “Contracting Officer’s Representative”). The COR should communicate with the contractor, contracting officer, disbursing officer, and other parties directly concerned with contract performance. All correspondence must reference the contract number.

### **Correspondence with the Contractor**

The COR must forward to the contracting officer a copy of any correspondence to the contractor (including an explanation if not

apparent from the text). The COR must also forward to the contracting officer the original correspondence received from the contractor. In addition, the COR should coordinate with the contracting officer on the content of contractually significant correspondence to the contractor to prevent possible misunderstandings or the creation of a condition that could be the basis of a later claim. Remember that the COR acts as the eyes and ears of the contracting officer, but does not have the authority to change the terms and conditions of the contract or to increase (or decrease) quantity, price, and the like. The COR is responsible for ensuring that the contractor is performing within the terms and conditions of the contract. If there is a disagreement between the COR and the contractor, the COR must immediately notify the contracting officer. The contracting officer will make a determination about resolving any ambiguity in the contract. The contracting officer will advise the COR of the appropriate mail system to be used.

### **Notifications to the Contracting Officer**

The **COR** must promptly inform the contracting officer of the following:

- Exact date that the contractor began performance.
- Incidents of unsatisfactory performance by the contractor. The COR should specify the applicable paragraph of the contract that has been violated by the contractor and the circumstances surrounding the violation, including names, dates and places, and estimated damages incurred by the Government.
- Delays in the contractor's progress that are the fault of the Government. The COR should include recommendations regarding any extension of the contract completion date.
- Any discrepancy between actual conditions and those represented in the contract provisions, specifications, or drawings.



The COR must advise the contracting officer of the contractor's failure to complete performance or delivery in accordance with the contract schedule. Reporting of contractor failures should not be held for the monthly report. Only the contracting officer may issue Suspension of or Stop Work orders (under FAR Subpart 52.242-14 and Subpart 52.242-15, respectively).

### **Monitoring of Contract Performance**

The **COR** must monitor contract performance as follows:

- Ensure that technical guidance given to the contractor addresses or clarifies only the Government's intent.
- Document deficiencies in performance.
- Periodically inspect, carefully monitor, and keep the contracting officer informed of contractor performance on the technical requirements of the contract.
- Ensure that contract performance is timely and within the scope of the work.
- Inform the contracting officer if the contractor is behind schedule, document the reasons, and coordinate with the contracting officer on the actions necessary to restore the contract schedule.
- Ensure that, in no event, the contractor furnishes materials or services in addition to, less than, or different from those required by the contract.
- Ensure that inefficient or wasteful methods are not being used by conducting surveillance of technical performance.
- Provide the contracting officer with reports on contractor performance, as specified in the letter of appointment/designation (or more frequently if appropriate).
- If designated, review the contractor's Synchronized Predeployment Operational Tracker (SPOT) data to ensure that the contractor correctly enters SPOT data.

- As required by the contract and appointment, use both quantitative and qualitative methods to evaluate monthly cost and performance data, including trends and projections.
- Track contract costs, depending on type of contract.
- Report to the appropriate authorities suspected procurement fraud, bribery, COIs, or other improper conduct by the contractor, contractor employees, or Government personnel.

Factors to consider while monitoring contractor performance include the following:

- **Training.** Any training for contractor personnel must be within the scope of the contract. The Government shall not pay for contractor training not required by the contract. The contracting officer may designate to the COR the authority to approve contractor training requests. If so, the COR shall ensure that Government-financed training for contractor personnel is within the scope of the contract.
- **Travel.** Travel for contractor personnel must be within the scope of the contract. The contracting officer may assign to the COR the authority to approve contractor travel requests. If so, the COR shall evaluate travel requests to determine whether they are within contract scope and to assess the reasonableness of estimated costs.
- **Government property.** The COR asks the contracting officer to authorize GFP and, when requested by the contracting officer, furnishes disposition advice on GFP or contractor-acquired property. The COR also ensures that the contractor is properly maintaining and accounting for GFP.
- **Personnel and labor.** The CORs must not direct contractor personnel in the performance of a contract. If designated, the COR shall review contractor invoices to ensure that labor hours and materials charged to the contract are accurate. The hours worked should equal the hours charged and invoiced to the contract. This

responsibility can be fulfilled by reviewing timecards (or cards for signing in and out) to confirm hours and by obtaining copies of invoices to verify the use of materials. Typical COR tasks include the following:

- » Verifying that the work completed and the materials purchased are required under the contract
- » Ensuring that the contractor is paid for acceptable performance and not paid for unacceptable performance (supplies or services)
- » Reporting performance deficiencies to the contractor's manager and contracting officer
- » Reporting to the contracting officer any labor disputes or problems that could impair contractor performance
- » Validating the need for contractor overtime (OT) when requested by the contractor and informing the contracting officer
- » Reporting actual OT if required under the contract
- » Ensuring satisfactory subcontractor performance by observing the contractor's surveillance
- » Reporting inadequate contractor surveillance (or no such surveillance) to the contracting officer
- » Validating that contractor personnel have the licenses, certifications, security clearances, theater business clearances, and letters of authorization (if applicable) that the contract requires (e.g., electrical, plumbing, food service, security licenses).

### **Inspection and Acceptance/Rejection of Deliverables**

If designated, the **COR** must perform the following:

- Promptly inspect the supplies and services delivered to determine their acceptability. In other words, ensure that the Government receives the supplies or services for which it is paying. Reject those supplies or services that do not meet the contract requirements and standards.

- Exercise caution in executing receipt and acceptance documents.
- Furnish the contracting officer with a notice of satisfactory or unsatisfactory delivery.
- Thoroughly and accurately complete the required performance reports so that the contracting officer can properly evaluate the contractor.
- Manage the review process for contractor documents and deliverables. Verify the timeliness and accuracy of contractor reports and data to be delivered to the Government. Ensure the prompt review of draft reports, and submit approval (or disapproval) and comments to the contractor through the contracting officer.
- Validate actual receipt of the contractor's reimbursable purchases before the Government is billed.
- Upon acceptance of the contractor's final technical report (if required), prepare a memorandum for the signature of the procuring contracting officer (PCO), addressed to the contractor and titled "Subject: Notice of Acceptance of Final Technical Report." Upon receipt of the PCO's signature, forward the original memorandum to the contractor, place a copy in the contract work file, and forward one copy to the ACO and one to the PCO for inclusion in the official contract file and uploading to the CORT Tool.
- After verifying receipt of a deliverable, promptly sign all DoD (DD) Form 250s or, if available, use Wide Area Workflow (discussed in Chapter 7). Keep the originals in the contract work file and distribute copies to the contracting officer, payment office, and any other entities as required.

### **Proprietary and Classified Information**

The **COR** must perform the following:

- Protect contractor proprietary information.

- Ensure that the contractor maintains a current facility security clearance if required under the contract.
- Ensure that contractor personnel who are actively working under the contract and need access to classified information have the proper security clearances. Classified information must not be released to anyone who does not have a security clearance and a need to know.
- Report any restriction on deliverable technical data to the contracting officer, and consider the response before accepting or rejecting the technical data.
- Recommend to the contracting officer the disposition of any contractor requests to publicly release information about work being performed under the contract.

### **Management of Problems**

The **COR** must perform the following:

- Attempt to resolve technical and administrative issues that arise. Refer disputes between the COR and contractor to the contracting officer.
- Be firm but fair in all actions.
- Anticipate and resolve difficulties to ensure the satisfactory completion of the contract. Foster full and complete coordination, cooperation, and communication among the contractor, contracting officer, and all Government personnel assigned to monitor contract performance.
- Ensure timely responses from the contractor when required, and validate that all responses are accurate.

### **Handling of Unsatisfactory Performance**

The **COR** must perform the following:

- Inform the contracting officer immediately if contract performance is unsatisfactory. Differences of opinion between the COR and the

contractor that cannot be resolved by the COR should be referred to the contracting officer.

- Work with the contracting officer to identify corrective actions, if necessary.
- Make sure the contractor understands that the contracting officer's decisions are final. Take care to avoid any action that might be construed as an actual or constructive change.
- Enforce the correction of deficient work. However, the COR does not personally supervise, or direct the work of, any contractor employee.

### **Tracking of Modifications**

The **COR** must perform the following:

- Ensure that changes in the work or services and the resulting effects on delivery schedule are formalized in a written supplemental agreement or in the change order issued by the contracting officer. The contractor must not proceed with the changes until they are formally approved and documented.
- Monitor financial management controls and coordinate with Government resource managers on all actions relating to funding and changes in the contract.

### **Appropriate Conclusion of Appointment/Designation**

The COR must furnish the contracting officer with a formal request, signed by the COR supervisor, for termination of the COR appointment/designation when it is required.

**Note: The COR must ensure that a replacement is properly appointed in writing by the contracting officer and is thoroughly briefed, both verbally and in writing, on all important issues.**

**Note: The COR must report suspected violations of ethics policies, incidents of fraud or bribery, COIs, and any other improper conduct to the contracting officer, legal counsel, chain of command, or DoD Inspector General.**

### **Technical Expertise**

To monitor a contractor providing services, the COR should have technical expertise in the services being performed and the outcomes required. For some requirements for services, a single COR might not be adequately versed in all technical issues that could arise. Therefore, the COR might need to consult additional personnel, such as the Defense Contract Management Agency (DCMA) as the technical subject matter expert on FAR Part 42 delegation. If the COR consults additional personnel, the contracting officer should be informed. The COR may involve additional personnel in communications with the contractor, but the COR remains the official liaison for any technical communications with the contractor, including technical interpretations. (Chapter 9 provides additional details on monitoring service contracts.)

### **Limitations**

Each COR must understand the limits of COR authority. Although the contracting officer delegates certain responsibilities to the COR, the authority to legally bind the Government remains with the contracting officer. CORs do *not* have the authority to do the following:

- Make any agreement with the contractor that obligates public funds.
- Make commitments that affect the price, quality, quantity, delivery, or any other term or condition of the contract.
- Encourage or permit the contractor to perform any work beyond or outside the scope of the contract.

- Interfere with contractor management of its employees, including supervising or directing the work of the employees.
- Order or accept supplies or services **not** expressly required by the contract.
- Allow GFP accountable under one contract to be used under another contract.
- Discuss any information that could give one contractor an advantage in future procurements.
- Direct the contractor to begin work before the contract award date.
- Issue oral or written instructions to the contractor to start or stop work.

The COR must be mindful of the limitations to COR authority and must avoid the following:

- Getting into situations that could place the COR in a COI (financial or otherwise) between private and public interests.
- Accepting appointment/designation as a COR if a potential COI exists. The COR must immediately report such a potential COI to the COR supervisor and the contracting officer for a determination.
- Accepting a COR appointment/designation if the nominee does not have the time to thoroughly and completely perform the duties specified in the letter of appointment/designation and this handbook. On some types of contracts, performance as COR can be a full-time effort. The COR is responsible for work and time management.
- Using an official position title to coerce or in any manner influence anyone for personal gain.
- Taking any action that will obligate, or give the appearance of obligating, the Government, financially or otherwise. Only the contracting officer has this authority.
- Making or implying promises related to future business.



- Soliciting unsolicited proposals.<sup>8</sup>
- Giving contractors information about upcoming procurements.
- Contacting prospective contractors when a procurement is being solicited or offers are being evaluated.
- Assisting prospective contractors with the preparation of offers or quotations.
- Attesting to having read and understood DoD Directive (DoDD) 5500.7-R, “Joint Ethics Regulation,” without understanding the contents.
- Accepting any gratuities. To be safe, CORs should not accept any gifts, loans, or favors from a contractor or from its employees. Report any offers immediately to the contracting officer and legal counsel. This rule applies to both the COR and the COR’s family members.
- Splitting quantities to circumvent procedures, regulations, or approvals required for higher-dollar-value procurements.
- Telling the contractor how to run its operation, including directing the contractor to fire an individual. Terminations of employment are actions taken by the contractor.
- Letting personalities intrude into discussions with the contractor.
- Permitting the contractor to proceed on work that is outside the scope of the contract. It might be in the contractor’s interests to exceed the contractual limitation, with the intent of claiming additional consideration for additional effort.
- Committing contractor equipment, supplies, or personnel for use by others. The contractor and the contracting officer control all such matters.
- Permitting the contract to take on the appearance of a personal services contract (e.g., when contractor personnel appear, in effect, to be Government employees).

---

<sup>8</sup> FAR Subpart 15.6, “Unsolicited Proposals.”

- Engaging in any employee-employer relationship if contractor personnel are subject to relatively continual supervision and control by a Government employee. The contract determines the tasks that the contractor performs as well as how and when the contractor does particular tasks and specifies that the contractor is responsible for managing its workforce.
- Redelegating COR authority to any other person (e.g., a technical POC).

In addition, although the COR limitations could simply be stated in a letter, in the real world, ensuring that the COR does not exceed the granted authority is a much more complex issue. In the course of performing COR responsibilities, situations might result in an implied change to the contract that, in turn, might impact contract delivery, schedule, funds, or other areas outside of the COR's authority. CORs also might exceed the scope of their authority by inaction or improper action. For example, a COR on an equipment installation contract might fail to ensure that the Government installs electrical outlets and a raised floor in preparation for equipment installation. When the contractor arrives to install the equipment, it cannot proceed because the site is not properly prepared. By inaction, the COR has allowed a potential claim to be made for Government-caused delay.

### **Protection of Sensitive or Government Information**

Government employees may not divulge information received in the course of their employment or official duties.<sup>9</sup> The penalty is a fine, a prison sentence of up to 1 year, or both. The COR should take care not to discuss acquisition data or sensitive information in areas that are

---

<sup>9</sup> For example, Section 1905 of Title 18 of the United States Code (U.S.C.)—implemented at FAR Subparts 3.104-2(b) (4), 3.104-3, 3.104-4—and other laws and regulations.

not secure (e.g., hallways) or in meetings that are not Government only. In addition, the COR should be careful to discuss acquisition data or sensitive information only with Government personnel with a specific need to know.

### **Pre-Award Duties**

One of the key pre-award duties of the COR is documenting requirements as needed. The requirements package is critical to the success of an acquisition because it commits funds and establishes the basis for a contractual action. The package documents both the requirement and associated approvals. In other words, the requirements package informs the contracting office about what the user wants, when the user wants it, and whom to contact for more information. Key elements of pre-award duties are noted in Appendix G.

### **Related Duties**

DoD policy<sup>10</sup> encourages COR participation throughout the acquisition process. The COR might be expected to complete some functions as an agent of the COR's activity, not as the representative of the contracting officer.

---

<sup>10</sup> DSD Memorandum, "Monitoring Contract Performance in Contracts for Services," August 22, 2008, <http://www.acq.osd.mil/dpap/policy/policyvault/2008-0468-DPAP.pdf>.

**Chapter 3: Key Points**

1. CORs need to understand the contracts they are overseeing.
2. CORs must establish current and complete files associated with overseeing contractor performance. These files will eventually become part of the contracting officer's contract file.
3. Monitoring contractor performance is key to successful contract execution.
4. CORs may be called on to review contractor training requests, travel, contractor time cards, and requests for using GFP.
5. CORs are often the primary personnel to accept (or reject) supplies and services.
6. CORs need to be careful in performing their duties to ensure that contract claims are not filed by the contractor and that there is no appearance of preference for one contractor that might harm another contractor.
7. The contracting officer will rely on the COR for contract performance technical expertise (over and above the execution of traditional COR functions for areas such as developing performance work statements, producing IGEs, or working on source selections).

## CHAPTER CONTENTS

Review of Standards .....	54
Working with Contractor Employees.....	55
Combating Trafficking in Persons.....	56
Transportation and Travel.....	59
Awards and Certificates.....	59
Procurement Integrity .....	59
Compensation after Leaving Federal Employment.....	60
Penalties.....	61
Personal Conflicts of Interest for Contractor Employees.....	61
Organizational and Consultant Conflicts of Interest.....	62
Bribery .....	63
Anti-Kickback Act.....	63
Gratuities .....	64
Gifts .....	64
Reporting Gifts .....	65
Protection of the Integrity of the Acquisition Process .....	66
Chapter 4: Key Points.....	67

## Chapter 4 Ethics and Integrity



## Review of Standards

U.S. Government personnel engaged in contracting and related activities must be above reproach in their business dealings with industry. At the same time, they must protect the Government's interests and maintain its reputation for dealing fairly with contractors. DoDD 5500.07-R, Joint Ethics Regulation (JER), specifies standards for contracting and related activities.<sup>11</sup> The JER requirements include OGE Form 450, Confidential Financial Disclosure Report, which CORs must file annually to report their financial interests as well as other interests outside the Government.<sup>12</sup> All COR letters of appointment/designation require CORs to certify that they have read and understand the JER. CORs also should be familiar with the Procurement Integrity Act and Section 2101–2107 of Title 41 of the United States Code (U.S.C.), which is implemented by regulation at FAR Subpart 3.104.

To maintain public confidence in the U.S. Government's conduct of business with the private sector, CORs must avoid even the appearance of a COI.<sup>13</sup> CORs who might have direct or indirect financial interests in an organization that they are monitoring must advise their supervisors of the conflict so that appropriate action can be taken. An organizational or personal COI is one in which the COR, because of other activities or relationships with other people,<sup>14</sup> is unable (or potentially unable) to render impartial assistance or advice to the Government, might have impaired objectivity in performing contract work, or might give a contractor an unfair competitive advantage because of actions or relationships with the COR.

---

11 JER is available at [http://www.dod.mil/dodge/defense\\_ethics/ethics\\_regulation](http://www.dod.mil/dodge/defense_ethics/ethics_regulation).

12 Form OGE 450 can be downloaded from <http://www.oge.gov/Forms-Library/OGE-Form-450-Confidential-Financial-Disclosure-Report/>. FAQs about the form are available at <http://www.oge.gov/Financial-Disclosure/Confidential-Financial-Disclosure-450/450-FAQ/FAQs-About-the-OGE-Form-450/>.

13 A conflict of interest is a conflict between an individual's personal and professional responsibilities.

14 The full definition is provided in FAR Subpart 2.101.

Every COR and the associated COR supervisor must certify to the contracting officer that the COR has officially filed an OGE Form 450, Confidential Financial Disclosure Report. The purpose of this report is to assist personnel and their agencies in avoiding conflicts between official duties and private financial interests or affiliations.

### **Working with Contractor Employees**

Contractors are an important component of the total DoD force, but they are not Government employees. COI rules do not apply to contractor employees, even when they are performing the same work as Government employees (or work similar to that of Government employees) or are working side by side with them. In contrast, Government employees—public servants—are accountable for upholding the public trust. The COR’s duties are to the Government. Although professional relationships with contractor employees are not prohibited, favoritism and preferential treatment are banned. The COR has a duty to always avoid COIs and even the appearance of COIs. Personal services contracts (i.e., contracts under which contractor employees appear to be working as Government employees) are prohibited unless specifically authorized by statute.<sup>15</sup> Contractor personnel cannot perform inherently governmental functions. In monitoring contractor performance, the COR should avoid interfering with contractor employee relations. Furthermore, the COR must not tell contractors to do any of the following:

- Hire or fire a particular employee
- Reassign or discipline an employee
- Grant or deny leave
- Change employee duty hours.

---

<sup>15</sup> FAR Subpart 37.104, “Personal Services Contracts.”

## Combating Trafficking in Persons

According to the United Nations, human trafficking “is a crime against humanity. It involves an act of recruiting, transporting, transferring, harboring or receiving a person through a use of force, coercion or other means, for the purpose of exploiting them.”<sup>16</sup> Human trafficking is the third largest criminal activity in the world. Traffickers use violence, threats, and other forms of coercion to force their victims to work against their will. For example, they control the victims’ freedom of movement; where and when they work; and what pay (if any) they receive. Traffickers treat their victims as nothing more than goods for sale to the highest bidder. Victims of human trafficking no longer control their own lives. Their lives belong to the trafficker who is holding them against their will. Human trafficking is not new and is actively practiced globally, especially in third-world countries where CORs are most likely operating.

The U.S. military has a particular duty to act because human trafficking is a direct threat to national security. CORs must be aware of how contractors treat their employees. CORs are the first line of defense in the battle against human trafficking. The following three-tier approach helps to combat human trafficking:

- **Education and awareness.** All DoD military personnel, civilian personnel, and contractors must receive mandatory awareness training in trafficking in persons (TIP). Every COR must complete TIP awareness training and must place the certificate of completion in the COR working file.
- **Policy and enforcement.** The contracting officer must ensure that contracts contain language to protect individual rights and to promote the rule of law in the host nation and in the labor recruiting process.

---

16 United Nations Office on Drugs and Crime, <http://www.unodc.org/unodc/en/human-trafficking/what-is-human-trafficking.html>.



- **Inspection.** The COR must correct and report any suspected violations or activities to the contracting officer.

If a contractor fails to comply with the TIP clause in the contract, that contractor can be subject to one or more of the following disciplinary actions, as determined by the contracting officer:

- Required removal of a contractor employee (or employees) from the performance of the contract
- Required subcontractor termination
- Suspension of contract payments
- Loss of award fee for the performance period in which the Government identified contractor noncompliance
- Termination of the contract for default, in accordance with the Termination clause of the contract
- Suspension or debarment.

Government employees also are responsible for avoiding TIP-related actions such as the following.

- Buying or selling human beings
- Patronizing forced prostitutes or forced labor establishments
- Holding an employee's passport
- Confining employees to a disciplinary bunker, providing only food and water.

CORs must complete Combating Trafficking in Persons (CTIP) training annually. CORs must be diligent in ensuring that contractors and contractor personnel are not trafficking in persons.

The COR must inform the contracting officer if the contractor, contractor personnel, subcontractor, or subcontractor personnel have failed to comply with the requirements of FAR Subpart 52.222-50.

After receiving this information, the contracting officer shall provide information for any investigations and enforcement to the following:

Program Manager

DoD CTIP Law Enforcement and Support

OUSD Personnel and Readiness (P&R) DHRA

4800 Mark Center Drive, Suite 06J25-01

Alexandria, VA 22350-4000

CORS can also report TIP violations as follows:

- Online at <http://ctip.defense.gov/>
- Online via the National CTIP Hotline website at <http://www.polarisproject.org/>
- By e-mail to [CTIPReports@OSD.Pentagon.mil](mailto:CTIPReports@OSD.Pentagon.mil)
- By telephone to the National CTIP Hotline at 888-373-7888.

**Note: DoD has a zero tolerance policy for human trafficking. As the COR monitors the contractor and its employees, CTIP should rank among the COR's chief priorities. Appendix A and the DVD provided in Attachment 1 include CTIP Checklists.**

**Note: The COR must correct and report any suspected violations or activities to the contracting officer (see FAR Subpart 22.17 and DFARS Subpart 222.17).**

**Note: CORs should not personally investigate suspected incidents of TIP, but should forward all reported or suspected violations to the contracting officer immediately.**

## **Transportation and Travel**

As a general rule, the Government must fund official travel of a Government employee. Therefore, sharing a vehicle with a contractor can pose a problem. Transportation is acceptable if it is included in a contract between the Government and a contractor. For example, contracts for onsite inspections can contain a provision requiring the contractor to make reasonable assistance available to the Government employee in carrying out those official duties.

## **Awards and Certificates**

Awards programs are based on statute. Military programs are covered in 10 U.S.C. Sections 1124–1125, and 5 U.S.C. Sections 4511–4513 address civilian contractors. There is no statutory authority for giving commander’s coins or similar nonmonetary incentive tokens to contractors; therefore, appropriated funds cannot be used to purchase coins that will be given to people other than Government employees. Furthermore, the Government cannot use certificates to recognize a contractor or individual contractor employees because this could complicate the source selection process on future contracts. Contractors may be recognized through a letter of commendation from the Government to the contractor organization, which can choose in turn to recognize an individual contractor employee.

## **Procurement Integrity**

The Procurement Integrity Act prohibits the Government (e.g., a COR) from disclosing contractor bid or proposal information (see FAR Subpart 3.104-3). This prohibition includes the following types of information:

- Cost or pricing data
- Indirect costs, direct labor rates, and overhead rates

- Proprietary information about manufacturing processes, operations, or techniques that is marked as such by the contractor.

Contractor bid or proposal information whose disclosure is not restricted or prohibited includes the following:

- Information already disclosed or made available to the public
- Information disclosed by contractors<sup>17</sup>
- Information disclosed pursuant to a proper request from Congress, the Comptroller General, or the Inspector General if certain conditions are met; see FAR Subparts 3.104-4(f) and 5.403.

These disclosure restrictions extend beyond contract award.

### **Compensation after Leaving Federal Employment**

The Procurement Integrity Act places a 1-year ban on accepting compensation from certain contractors after leaving Federal employment, as discussed in 41 U.S.C. Section 2104 and FAR Subpart 3.104-3(b). Procurement officials are required to report any employment contacts with contractors. If a member of the acquisition team (e.g., a COR) is participating personally and substantially in a competitive procurement valued in excess of the simplified acquisition threshold (SAT)—and if that person contacts or is contacted by a bidder or offeror in the procurement about employment—it is imperative that the Federal employee respond as follows:

- Promptly report the contact in writing to the employee's supervisor and ethics counselor.
- Either reject the offer or disqualify oneself from further involvement in the procurement.

---

<sup>17</sup> FAR Subpart 3.104 does not restrict or prohibit a contractor from disclosing its own bid or proposal information, nor does it restrict or prohibit the recipient from receiving that information.

## **Penalties**

Individuals who violate the Procurement Integrity Act<sup>18</sup> may be subject to criminal and civil penalties: imprisonment of as long as 5 years and up to a \$50,000 fine per violation plus twice the amount of compensation an individual or organization received (or was offered) for the prohibited conduct.

Under FAR Subpart 3.104-7, contractor penalties may include the following:

- Cancellation of the procurement
- Disqualification of an offeror
- Voiding or rescission of the contract
- Suspension or debarment of either the official or offeror
- Administrative or contractual remedy commensurate with the severity and effect of the violation
- Any other appropriate actions in the interests of the Government.

## **Personal Conflicts of Interest for Contractor Employees**

The Government's increased reliance on contracted technical, business, and procurement expertise has increased the potential for personal COIs. Unlike Government employees, contractor employees are not required to disclose financial or other personal interests to the Government that might conflict with the responsibilities they are performing on behalf of the Government. The risk associated with personal COIs is directly related to the supplies or services being acquired and the type of contract used to secure the supply or service. The risk increases when contractor employees are involved with subjective judgmental work.

Section 841 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 directed the Office of Federal Procurement

---

<sup>18</sup> 41 U.S.C. Section 2105(a) and FAR Subpart 3.104-3.

Policy (OFPP) to issue policy to prevent personal COIs by contractor employees performing acquisition functions closely associated with inherently governmental functions. DoD is following the policies and procedures of FAR Subpart 9.5.

### **Organizational and Consultant Conflicts of Interest<sup>19</sup>**

Government decisions in the procurement process must be objective in both fact and appearance. Favoritism or other improper motives have no place in the award or administration of public contracts. Thus, the Government, by statute and regulation, has prohibited activity that would improperly influence decision making or would appear to do so. Key areas of concern include organizational conflicts of interest (OCIs), bribery, gratuities, and gifts.

OCIs are defined as circumstances in which a contractor might have unequal access to Government information or might find its judgment biased because of conflicting roles—and either of these situations could lead to an unfair competitive advantage. OCIs can occur when a contractor is providing engineering and technical direction or advisory, analysis, assistance, and evaluation services; preparing specifications and work statements; or acting in a capacity that gives the contractor access to proprietary data. The potential for OCIs is a growing concern as the Government outsources more technical work to private companies and as the defense industry continues to consolidate. As the Government increasingly partners with industry, the opportunities for an OCI increase. Government personnel must ensure that perceived and actual OCIs do not occur.

---

<sup>19</sup> USD (AT&L) Memorandum, “Personal Conflicts of Interest of Contractors’ Employees,” November 24, 2009, <https://acc.dau.mil/CommunityBrowser.aspx?id=336117>.

## **Bribery**

The term “bribery” means offering or giving something of value to a Government official—or a Government official soliciting or receiving something of value—in return for preferential treatment. Bribery is a criminal offense.<sup>20</sup>

## **Anti-Kickback Act**

The Anti-Kickback Act of 1986 modernized and closed the loopholes of previous statutes that applied to Government contracts. The act does the following:

- Prohibits both attempted and contemplated kickbacks, including any money, fees, commissions, credits, gifts, gratuities, things of value, and compensation of any kind
- Makes illegal the acceptance of a kickback “for improperly obtaining or rewarding favorable treatment”
- Prohibits kickbacks to prime contractors, prime contractor employees, subcontractors, and subcontractor employees.

Congress intended for the act to embrace the full range of Government contracting.

**Note: “Any person who knowingly and willfully engages in conduct prohibited by the Anti-Kickback Act shall be imprisoned for not more than 10 years or shall be subject to a fine ... or both.”<sup>21</sup>**

**Note: CORs must never solicit gifts of any type, regardless of their nature or dollar value.**

---

<sup>20</sup> 18 U.S.C. Section 201.

<sup>21</sup> 41 U.S.C. Section 54 and Articles 92 and 134 of the Uniform Code of Military Justice.

A small number of contractors and potential contractors are willing to offer favors in exchange for business. CORs must understand that a bribe occurs when someone “directly or indirectly gives, offers, or promises anything of value to any public official, former public official, or person selected to be a public official, for or because of any official act performed or to be performed by such public official.” (Note that the value need not be monetary.) Giving or accepting a bribe is a crime punishable by a fine, imprisonment, or both.<sup>22</sup>

### **Gratuities**

Gratuities constitute a crime when they are offered or given to a Government official or when a Government official solicits or receives a gratuity, as addressed in 18 U.S.C. Section 201 and FAR Subpart 3.2. To be categorized as a gratuity, the item being offered must be a thing of value and must be presented with the intent of corruption. As a participant in the acquisition process, the COR must constantly be on guard against actions that are improper or can be construed as such.

### **Gifts**

The term “gift” includes any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value. It includes services as well as gifts of training, transportation, local travel, lodging, and meals—whether provided in kind, by purchase of a ticket, through an advance payment, or by reimbursement after the expense is incurred.

Contractor personnel may offer CORs welcome gifts upon arrival or souvenirs to take home (possibly in an attempt to gain favor) as long as the gift’s value is \$20 or less per source per occasion, not to exceed \$50 in aggregate from the same source in a calendar year.<sup>23</sup>

---

22 18 U.S.C. Section 201 and Articles 92 and 134 of the Uniform Code of Military Justice.

23 5 Code of Federal Regulations (C.F.R.) Section 2635.204.



FAR Subpart 3.101-2 specifies the overarching rule about accepting gifts from contractor personnel: do not accept any gratuity, gift, favor, entertainment, loan, or anything of value from a prospective or current contractor. In Government-contractor relationships, the COR must strictly avoid any COI or even the appearance of a COI.

Remember that a COR should not accept a gift in return for being influenced to perform an official act. When in doubt, the COR should call an ethics official about accepting a gift.

### **Reporting Gifts**

If a gratuity<sup>24</sup> is delivered to a COR (e.g., left on the COR's desk or car), the COR must return it. If a contractor insists on giving the COR a gratuity, the COR must take one of the following actions:

- Attempt to persuade the contractor to take back the gratuity. Explain to the contractor that CORs cannot accept gratuities, and note the repercussions if the gratuity is accepted.
- Pay the fair market value of the item, call the contracting office, or consult the legal office.
- As a last resort, if the contractor appears to be offended, do the following:
  - » Accept the gratuity.
  - » Contact legal counsel immediately.
  - » Safeguard the gratuity. If necessary, have the finance officer put the gratuity in a safe, and obtain a receipt from the finance officer.
  - » Turn the gratuity over to counsel.
  - » Write a memorandum for the record (MFR) that describes the circumstances and indicates the approximate value of the gratuity. Mention in the MFR that legal advice was obtained.

---

<sup>24</sup> FAR Subpart 3.203, "Reporting Suspected Violations of the Gratuities Clause," includes reporting procedures.

- » If the gratuity is perishable (e.g., food or flowers), share the gratuity within the office, or dispose of it. Be cautious when consuming food from unknown sources.

If there is any doubt about whether a gift should be accepted, the COR should consult either the ethics advisor or the legal office. If neither is available, the COR should contact the contracting officer.

**Note: Whenever a contractor delivers a gratuity (e.g., leaves the gratuity on the COR's desk, slides it under the door), the COR must return it. If that is not possible, the COR must document the incident and turn over the gratuity to the ethics adviser or legal office, with an explanation of the COR's suspicions. The COR must play it safe and be safe. Whenever in doubt, consult the ethics adviser or legal office.**

## **Protection of the Integrity of the Acquisition Process**

Private firms must be able to compete for the Government's business on a scrupulously fair basis. Fairness is a prerequisite of Government acquisition because of the Government's unique position as the representative of the citizens of the United States. Fairness also helps ensure that the Government will obtain its supplies and services at the best price available. Government personnel who are associated with the acquisition process have a responsibility to protect its integrity by maintaining fairness in the Government's treatment of all firms.

At numerous points in the acquisition process, the potential to lose or damage this fairness is elevated, as indicated in the following examples:

- **Pre-solicitation.** Giving a vendor (or vendors) access to information on a particular acquisition (especially the specification or work

statement) before such information is available to the business community at large can give the vendor receiving the information an unfair advantage over other vendors.

- **Specifications.** Intentionally writing an unnecessarily restrictive specification or work statement that would effectively exclude the products or services of a vendor (or increase the prospects for award to another vendor) is an obviously unfair practice. It not only gives an advantage to one or more vendors over others, but also restricts competition and makes it more likely that the Government will ultimately pay a higher price.

### **Chapter 4: Key Points**

1. When performing COR functions, each individual must adhere to the highest ethical standards.
2. The COR should contact the appropriate ethics attorney if questions or concerns arise regarding any dealings with contractors.
3. CORs must understand specific post-employment restrictions when performing as a COR.
4. Key ethics and integrity areas of concern include the following:
  - a. Procurement Integrity Act
  - b. Personal COIs
  - c. Gratuities, gifts, and the Anti-Kickback Act.



## CHAPTER CONTENTS

The Acquisition Team .....	71
Contracting Officer .....	71
Requiring Organization .....	71
Legal Counsel .....	72
COR .....	72
Quality Assurance Representative .....	73
Contractor .....	73
Government- Furnished Property .....	73
Framework for Team Success .....	74
The Acquisition Process ...	74
Chapter 5: Key Points .....	76

## Chapter 5 The Acquisition Team and Process



The acquisition team consists of all participants in the acquisition process, including the requiring organization/COR supervisor, contractor, finance personnel, contracting officer, legal counsel, COR, resource manager, quality assurance specialist (QAS), and others as applicable. No one person has all the skills necessary for successful contract management. It requires a team with members who each have specialized expertise and responsibilities. This chapter identifies and defines the roles of acquisition team members and the importance of team cohesion and cooperation to ensure the successful delivery of required supplies and services. Successful acquisition teams typically assign specific duties, develop performance measures and milestones, and hold team members individually and collectively accountable. Everyone ensures that the team has the target in sight. **Figure 2** illustrates the acquisition team functions involved in successfully completing the acquisition process.

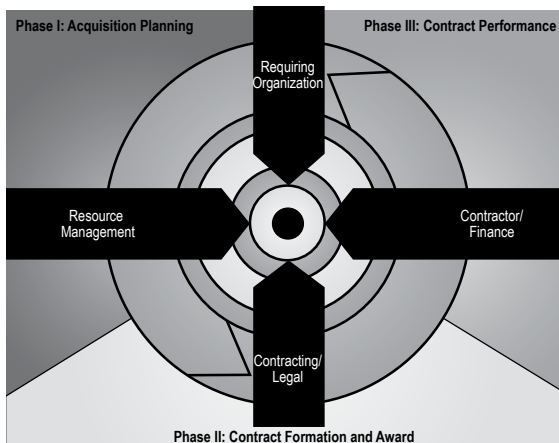


Figure 2. Acquisition Process

## **The Acquisition Team**

### **Contracting Officer**

The contracting officer is the only individual authorized to enter into, administer, change, and terminate a contract. Contracting officers are the only ones who can legally bind the Government, make changes to the contract, or terminate the contract. Contracting officers are responsible for ensuring that all contract actions comply with appropriate laws, executive orders, regulations and other applicable procedures, and approvals. Appointed or designated through a warrant with dollar limitations, contracting officers may bind the Government only to the extent of the authority delegated to them. The contracting officer is the only person authorized to designate CORs.

Depending on the nature of the effort and agency procedures, a contract might require the following different types of contracting officers:

- Procuring contracting officer, who handles all planning and contract actions up to and including award of a contract
- Administrative contracting officer, who assumes responsibility for administering day-to-day contractual activities after award is made
- Termination contracting officer (TCO), who assumes responsibility for negotiating any termination settlements with the contractor.

Sometimes all three responsibilities are vested in one person.

A contract specialist can also be assigned to assist with contract issuance and administration; however, the contract specialist does not hold the same authority as a contracting officer.

### **Requiring Organization**

The requiring organization is the entity that has a requirement for supplies or services and requests the initiation of the acquisition. The

requiring organization has personnel who are responsible for developing command resource requirements, identifying sources of funding, determining costs, acquiring funds, distributing and controlling funds, and tracking costs and obligations. CORs routinely interface among the requiring organization (which is most likely the COR's organization), contractor, and contracting officer.

### **Legal Counsel**

The legal counsel provides legal advice to the acquisition team and reviews acquisition documents for legal sufficiency.

### **COR**

As noted previously, the COR is critical in ensuring that the requiring organization will be able to meet its mission. The COR is nominated by the requiring organization and is designated in writing by the contracting officer. Both the COR and the COR supervisor shall acknowledge the COR appointment. The contracting officer shall notify the contractor about the COR assignment. The goal of the COR is to manage the contract and to ensure that contractor nonperformance is immediately brought to the attention of the requiring activity and the contracting officer. The COR is responsible for ensuring that the requiring activity receives the goods and services for which it paid. The COR, who will have technical expertise related to the requirement, shall monitor the technical or performance aspects of the contract and shall perform other duties specified by the letter of appointment/designation. Ideally, the COR participates in pre-award activities (such as defining the requirement) to become familiar with all aspects of the contract. The COR acts as the eyes and ears of the contracting officer. Appendix F furnishes additional information on COR qualifications and training.



**Quality Assurance Representative**

When a contract is delegated to the DCMA to administer, the COR will work closely with the quality assurance representative (QAR). The QAR ensures that the contractor complies with contractual requirements, evaluates and documents contractor performance, follows up with the contractor on documented deficiencies, and provides input for the ACO.

**Contractor**

After the contract is awarded, the contractor becomes a member of the acquisition team. FAR Subpart 46.105, “Contractor Responsibilities,” directs the contractor to be responsible under the contract for the following:

- Controlling the quality of supplies or services
- Tendering to the Government for acceptance only those supplies or services that conform to contract requirements
- Maintaining evidence that the supplies or services conform to required quality requirements, are within the expected cost, and are delivered on time
- Furnishing such information to the Government.

**Government-Furnished Property**

GFP must be identified in the contract. The contracting officer may assign management of GFP to the COR. If a Government property administrator is also assigned to the contract, the contracting officer, COR, and Government property administrator shall coordinate GFP responsibilities.

### Framework for Team Success

A successful contract often depends on a successful acquisition team. The key framework for a successful acquisition team is as follows:

- Partnership
- Informed decisions
- Sound planning
- Efficient execution.

**Note: The COR is responsible for bringing any issues or performance problems to the attention of the contracting officer.**

### The Acquisition Process

**Figure 3** depicts a generalized acquisition process and its relationship to the responsibilities of each member on the acquisition team. (For example, items in red boxes are the responsibility of the requiring organization.)

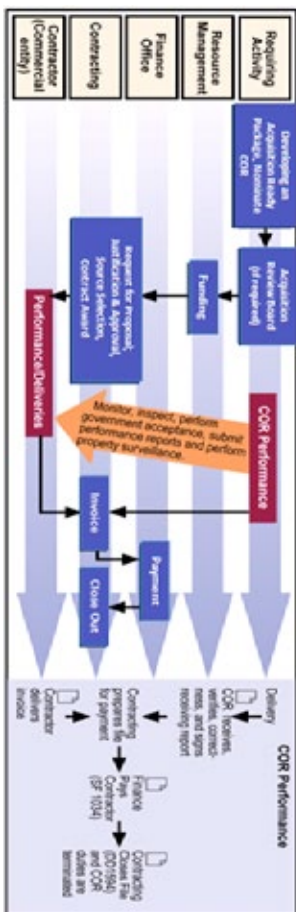


Figure 3. Acquisition Process by Organization<sup>25</sup>

<sup>25</sup> The Acquisition Review Board (ARB) normally is hierarchically located at or above the level of the requiring organization.

The acquisition process begins with acquisition planning (requirements definition and funding); proceeds to solicitation, source selection, and award; and continues to contract administration, which results in performance and deliveries. After COR acceptance of the supply or service (if the contracting officer authorizes that duty in the COR letter of appointment/designation), the acquisition process concludes with invoicing, payment, and closeout.

The COR's primary roles occur during the contract administration segment of the acquisition process. The COR should be fully engaged with the relevant leadership so that leaders are aware of any potential issues and problems. At the same time, the COR should also coordinate with the contracting officer to ensure that the contracting officer is fully engaged with any issues or concerns involving the contract. The COR monitors contractor performance, ensures quality, documents performance, supports the contracting officer with any options or modifications, and assists the contracting officer with contract closeout.

### **Chapter 5: Key Points**

1. The acquisition team consists of all participants in the acquisition process:
  - a. Contracting officer
  - b. Requiring organization
  - c. Legal counsel
  - d. COR
  - e. Quality assurance representative
  - f. Property administrator
  - g. Others, as applicable
  - h. Contractor.
2. The acquisition process includes the full spectrum of a procurement, including pre-award (e.g., developing the requirement) and post-award (e.g., managing the disposition of equipment, final payment, closeout) activities.

## CHAPTER CONTENTS

Categories and Types of Contracts.....	78
Categories of Contracts...	78
Types of Contracts .....	78
Fixed-Price Contracts .....	79
Cost-Reimbursement Contracts .....	80
Contracts for Commercial Items .....	80
Contract Structure .....	81
UCF Part I: The Schedule .....	82
UCF Part II: Contract Clauses .....	83
UCF Part III: List of Documents, Exhibits, and Other Attachments .....	85
UCF Part IV: Representations and Instructions .....	85
Order of Precedence .....	86
Contract Structure: Solicitations and Contracts for Commercial Items.....	86
Structure: Task Orders or Delivery Orders .....	87
Contract Language Rules....	87
Contract Numbers .....	88
Chapter 6: Key Points.....	89

## Chapter 6 Contract Structure



## Categories and Types of Contracts

**A**s noted in FAR Subpart 16.103(a), the objective of Federal contracting is to negotiate a contract type and price (or estimated cost plus fee or profit) that will result in a reasonable contractor risk and provide the contractor with the greatest incentive to perform efficiently and economically.

### Categories of Contracts

CORs deal with contracts for supplies, services, and construction. In addition to the general duties discussed in Chapter 5, each type of contract adds specifically related duties. The COR's duties vary with the category of contract as follows:

- **Supplies.** DoD contracts for supplies acquire an identifiable end item. The item may be an individual component (e.g., paint or lumber) or an entire system (e.g., a computer).
- **Services.** DoD contracts for services directly engage a contractor's time and effort to perform an identifiable task (e.g., transportation or latrine cleaning).
- **Construction.** DoD construction contracts acquire the construction, alteration, improvement, or repair of real property (e.g., buildings, airfields, and roads). COR duties tend to be the most complex for construction contracts.

Chapter 10 and Chapter 11 address COR duties specific to services and construction contracts, respectively.

### Types of Contracts

The Government uses different types of contracts to acquire the supplies and services needed to support mission objectives. The contract type depends on the requirement to be met. Contract types vary according to the following:

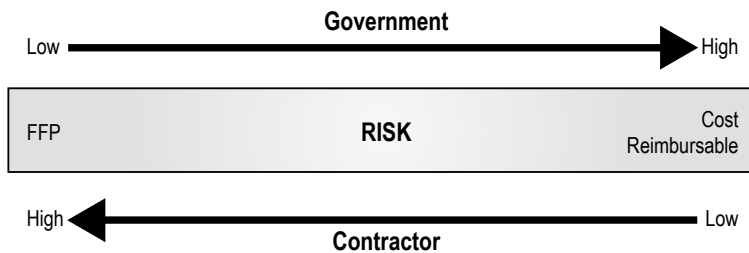
- Degree and timing of the responsibility that the contractor assumes for the costs of performance
- Amount and nature of the profit incentive offered to the contractor for achieving or exceeding specified standards or goals.

The contracting officer considers these factors along with the SOO, SOW, PWS, or specifications when deciding which contract type is best suited to a specific procurement. The contracting officer also considers the level of risk involved in performing the contract work, how much risk the contractor will assume (and the impact of that risk on price), and whether it is in the Government's best interests to assume part of the risk.

**Figure 4** compares the risks of firm-fixed-price (FFP) contracts with those of cost-reimbursement contracts. Each of these contract types is discussed in the rest of the sections in this chapter.

### ***Fixed-Price Contracts***

FFP contracts are the most common type of contract that CORs will encounter in a contingency environment. When the Government has a specific well-defined requirement (e.g., a need for certain office



**Figure 4. Risks of Firm-Fixed-Price Contracts versus Cost-Reimbursable Contracts**

supplies), it uses a fixed-price contract. The price remains fixed throughout the life of the contract unless the Government makes a change. The Government's only obligation is to pay the price agreed to in the contract at the time of award, regardless of whether the costs to the contractor increase or decrease during the period of performance (POP). When a product (e.g., petroleum) has a history of large price increases, the Government may use a fixed-price contract with an economic price adjustment (known as an EPA). The fixed price with EPA is still a fixed-price contract because the limits and conditions are specified in the contract.

### ***Cost-Reimbursement Contracts***

When the Government cannot provide sufficient detailed information about a requirement, it must assume some of the cost risk and use a cost-reimbursement contract. Instead of paying a predefined price, the Government reimburses the contractor for all allowable, allocable, and reasonable costs, defined as follows:

- **Allowable costs** are not prohibited by statute or regulation.
- **Allocable costs** add value and are directly related to a particular contract.
- **Reasonable costs** are expenses that a prudent business person would pay.

### ***Contracts for Commercial Items***

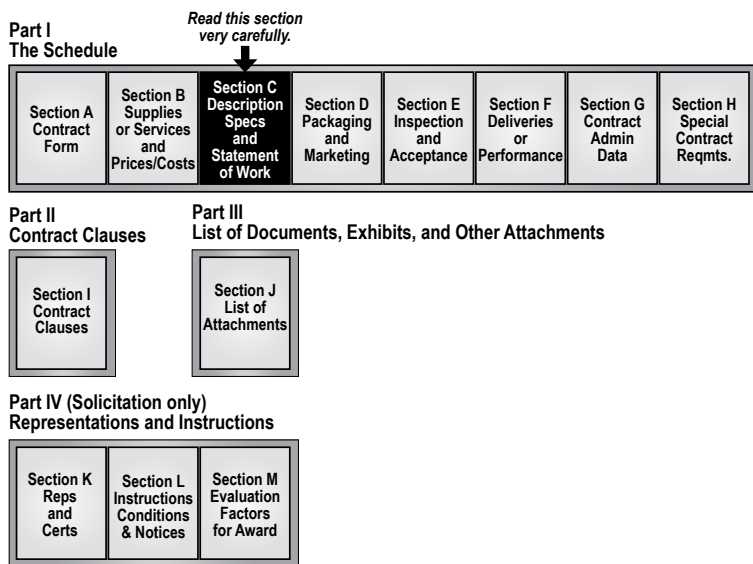
There is a Federal preference for acquisition of commercial items. FAR Part 12 establishes acquisition procedures that closely resemble those of the commercial marketplace to facilitate the acquisition of commercial items. Commercial items are defined as any item or service that is (1) customarily used by the general public or nongovernmental entities for purposes other than governmental purposes, and (2) has



been sold, leased, or licensed (or offered for sale, lease, or license) to the general public.

## Contract Structure

Government solicitations and contracts, other than those for commercial items, are generally organized in accordance with the Uniform Contract Format (UCF), which specifies the distinct sections of a contract as well as their sequence.<sup>26</sup> As shown in **Figure 5**, the contract is formatted into Parts I, II, III, and IV.



**Figure 5. Contract Structure**

<sup>26</sup> DFARS Subpart 204.70, “Uniform Procurement Instrument Identification Numbers,” and DFARS Subpart 204.71, “Uniform Contract Line Item Numbering System.”

**UCF Part I: The Schedule**

**Section A**, Solicitation/Contract Form, contains basic information such as the issuing office, address, and contract number. Normally, a Standard Form (SF) 33 is used as the solicitation, offer, and award page for sealed bids. An Optional Form (OF) 308 or SF 33 may be used for Requests for Proposals (RFPs). SF 33 can also be used as the face page of the contract.

**Section B**, Supplies or Services and Prices/Costs, contains a brief description of the supplies or services, quantity required, and associated prices. CORs should read this section very carefully.

**Section C**, Description/Specifications/Statement of Work, contains a detailed description of the required supplies or services. In contracts for services, Section C will contain the SOO, SOW, or PWS.

**Note: Section C of the contract (the SOW) defines the technical and performance requirements of the contract. CORs should read this section very carefully.**

**Section D**, Packaging and Marking, contains packaging, packing, preservation, and marking requirements.

**Section E**, Inspection and Acceptance, contains inspection, acceptance, quality assurance, and reliability requirements.

**Note: If inspection/acceptance is one of the COR's designated functions, the COR must inspect deliverables in accordance with the inspection plan to determine satisfactory compliance with the contract. The COR must verify that the contractor documents all required inspections in records that include, at a minimum, the nature and number of planned observations, number of actual observations made, and number and type of deficiencies found. The inspection records also must note the acceptability of the services and actions taken to correct the deficiencies. The COR must ensure that the contractor complies with this contract requirement. Remember, it is too late for the COR to reject deliverables after signing the receiving report.**

**Section F**, Deliveries or Performance, contains the time, place, and method of delivery or performance.

**Section G**, Contract Administration Data, contains the required accounting and appropriation data and the required contract administration information (or instructions other than those on the solicitation form).

**Section H**, Special Contract Requirements, contains a clear statement of any special contract requirements that are not included in Part I, Part II, or any other part of the contract (e.g., ordering details for task orders or delivery orders). This section requires very close reading by the COR.

## **UCF Part II: Contract Clauses**

**Section I** of Part II of the contract, although it is commonly viewed as standard information, cannot be overlooked because it contains clauses defining the rights and responsibilities of the contracting parties. Part II also contains clauses required by procurement regulations or laws

that pertain to the procurement. The more prominent clauses in Part II include the following:

- Changes clauses (FAR Subparts 52.243-1 through 52.243-4), which enable the Government to make changes to the contract during the POP as long as those changes fall within the contract's scope in one or more of the following:
  - » Drawings, designs, or specifications when the supplies to be furnished will be specially manufactured for the Government in accordance with the drawings, designs, or specifications
  - » Method of shipment or packing
  - » Place of delivery.

The contractor is entitled to an equitable adjustment to the contract if the change increases contract costs or lengthens performance time. These clauses are probably the most powerful clauses in the Government's arsenal of standard terms and conditions.

- Termination for Convenience clauses (FAR Subparts 52.249-1 through 52.249-7), which permit the Government to terminate the contract without cause (in part or in its entirety) at any time when doing so is in "the Government's best interest." When these clauses are exercised, the contractor is entitled to recover certain costs associated with its performance to date and with the timely and orderly ending of the terminated portion of the contract.
- Default clauses (FAR Subparts 52.249-8 and 52.249-9), which permit the Government to terminate a contract if the contractor breaches the contract by failing to (1) deliver the supplies or perform the services within the time specified in the contract; (2) make progress, thereby endangering performance of the contract; or (3) perform any other material provision in the contract. If the Government intends to exercise its right to terminate the contract under the second or third circumstance, the Government first must notify the contractor

in writing and allow the contractor to cure its deficient performance (if at least 10 days remain in the contract delivery schedule). If the performance deficiencies are not corrected, the contracting officer may terminate the contract for default. Under fixed-price contracts, the Default clauses entitle the Government to reprocure the supplies or services required under the terminated contract and to charge the excess costs to the terminated contractor.

- Contract Terms and Conditions, Commercial Items clause (FAR Subpart 52.212-4), which incorporates all major contract administration topics (i.e., changes, disputes, invoicing, payments, and termination).

### **UCF Part III: List of Documents, Exhibits, and Other Attachments**

**Section J**, List of Documents, Exhibits, and Other Attachments, in which the contracting officer lists the title of each exhibit or attachment included in Part III. The following attachments are the most common:

- SOO, SOW, or PWS (if not included under Section C)
- GFP inventory
- Contract Data Requirements List (CDRL)
- Security requirements
- Award/incentive fee plan.

### **UCF Part IV: Representations and Instructions**

Part IV appears only in the solicitation and is not transferred to the contract.

**Section K**, Representations, Certifications, and Other Statements of Offerors, contains solicitation provisions that require representations, certifications, or submission of other information by bidders, offerors, or quoters.

**Section L**, Instructions, Conditions, and Notices to Offerors or Respondents, contains information to guide bidders, offerors, or quoters in the preparation of bids, offers, and quotations, respectively.

**Section M**, Evaluation Factors for Award, contains the evaluation factors and significant subfactors that the Government will use to evaluate offers. It also specifies the relative importance of these evaluation factors and subfactors to the Government.

### **Order of Precedence**

In the event of an inconsistency in the contract, FAR Subpart 52.214-29, “Order of Precedence—Sealed Bidding,” or FAR Subpart 52.215-8, “Order of Precedence—Uniform Contract Format (UCF),” gives precedence in the following order:

- Schedule, excluding the specifications (Sections A through H)
- Representations and Other Instructions (Sections K through M)
- Contract Clauses (Section I)
- Other Documents, Exhibits, and Attachments (Section J)
- Specifications.

### **Contract Structure: Solicitations and Contracts for Commercial Items**

Solicitations and contracts for commercial items are significantly simpler than those for noncommercial items. The solicitation and contract format consists of the following elements:

- SF 1449, Solicitation/Contract/Order for Commercial Items (which can include a separate continuation sheet as needed)
- Prominent contract clauses, including the following:
  - » FAR Subpart 52.212-4, “Contract Terms and Conditions—Commercial Items,” by reference (see SF 1449, Block 27a)
  - » Any addendum to FAR Subpart 52.212-4
  - » FAR Subpart 52.212-5, “Contract Terms and Conditions Required to Implement Statutes and Executive Orders.”

- Any contract documents, exhibits, or attachments
- Prominent solicitation provisions, including the following:
  - » FAR Subpart 52.212-1, “Instructions to Offerors—Commercial Items”
  - » Any addendum to FAR 52.212-1
  - » FAR Subpart 52.212-2, “Evaluation—Commercial Items,” or other description of evaluation factor for award, if used
  - » FAR Subpart 52.212-3, “Offeror Representations and Certifications—Commercial Items.”

### **Structure: Task Orders or Delivery Orders**

Task orders or delivery orders may be placed by using any indefinite-delivery contract and must contain the following information:

- Date of order
- Contract number and order number
- For supplies and services, contract item number and description, quantity, and unit price (or estimated cost or fee)
- Delivery or performance schedule
- Place of delivery or performance (including consignee)
- Packaging, packing, and shipping instructions
- Accounting and appropriation data
- Payment and payment office information, if not specified in the contract.

### **Contract Language Rules**

Some terms used in contracts have specific meanings, such as the following:

- “Includes” means including, but not limited to.
- “May” means is permitted to or is authorized to.
- “May not” means is not permitted to or is not authorized to.
- “Shall,” used in the mandatory and imperative sense, means the contractor **must** perform the specified action.

## Contract Numbers

Because the COR will frequently reference the contract, it is important to be familiar with the structure of a contract number, also called a Procurement Instrument Identification (PII) number. A contract number (e.g., N00062-90-C-0001) consists of 13 alphanumeric characters grouped to convey the following information:

- **Positions 1 through 6** constitute the DoD Activity Address Code (DoDAAC), which identifies the department/agency and office issuing the contract.<sup>27</sup>
- **Positions 7 and 8** are the last two digits of the fiscal year in which the PII number is assigned.
- **Position 9** is a letter indicating the type of instrument, as follows:
  - » A: blanket purchase agreement
  - » C: contracts of all types
  - » D: indefinite-delivery contract
  - » F: order against a Federal Supply Schedule (FSS) or other contract awarded by a non-DoD Federal agency
  - » P: purchase order.<sup>28</sup>
- **Positions 10 through 13** represent a four-digit serial number assigned by the contracting activity. Numbers are assigned sequentially.
- **Supplementary numbers** follow the basic PII number and identify the following:
  - » Amendments to solicitations
  - » Modifications to contracts and agreements, including provisioned item orders

---

27 DoDAAC is described at [http://www2.dla.mil/j-6/dlms0/elibrary/Documents/AssignedDoDAAC\\_RoutingIdentifierCode\\_RIC.html](http://www2.dla.mil/j-6/dlms0/elibrary/Documents/AssignedDoDAAC_RoutingIdentifierCode_RIC.html).

28 DFARS Subpart 204.7003, “Basic PII Number,” includes additional codes, if needed.



- » Calls or orders under contracts, basic ordering agreements, or blanket purchase agreements that are issued by the contracting office or by a DoD activity other than the contracting office, including DoD orders against an FSS.<sup>29</sup>

### **Chapter 6: Key Points**

1. The Government uses different contract types, depending on the following:
  - a. Degree and timing of the responsibility assumed by the contractor for the costs of performance
  - b. Amount and nature of the profit incentive offered to the contractor for achieving or exceeding the specified standards or goals.
2. Performance risk is higher for the Government under an FFP contract, while cost-reimbursable contracts assign a higher cost risk to the Government. The inverse is true for contractors under these two broad contract types (i.e., performance risk is lower for the contractor under FFP contracts, while cost-reimbursable contracts assign a lower cost risk to the contractor).
3. The UCF is used for contracts awarded under FAR Parts 14 and 15. The UCF provides a structured, logical, and standardized approach for developing the contract documentation and administering the subsequent contract. DFARS Subparts 204.7003 and 204.7004 discuss the numbering conventions for solicitations, contracts, amendments, modifications, and task orders and delivery orders.
4. Some contract principles relate to contract interpretation and the force and effect of certain words (e.g., “may” and “shall”).

---

<sup>29</sup> DFARS Subpart 204.7003 includes a more complete explanation of supplementary numbers.



## CHAPTER CONTENTS

Post-Award Orientation (Kickoff) Meeting.....	94
Conducting the Post-Award Orientation Meeting .....	95
Topics for Discussion at the Post-Award Orientation Meeting .....	95
Contractor/System Compliance.....	96
Contractor Accountability through SPOT.....	96
Government Property .....	97
Property Responsibilities .....	98
Reporting, Reutilization, and Disposition of Government Property ...	99
Performance Monitoring.....	99
Contract Modifications.....	100
Reasons for Contract Modifications .....	100
Types of Contract Modifications .....	100
Contract Options.....	101
Contract Changes.....	102
Risks to CORs .....	103
Constructive Changes .....	103
Unauthorized Commitments .....	104

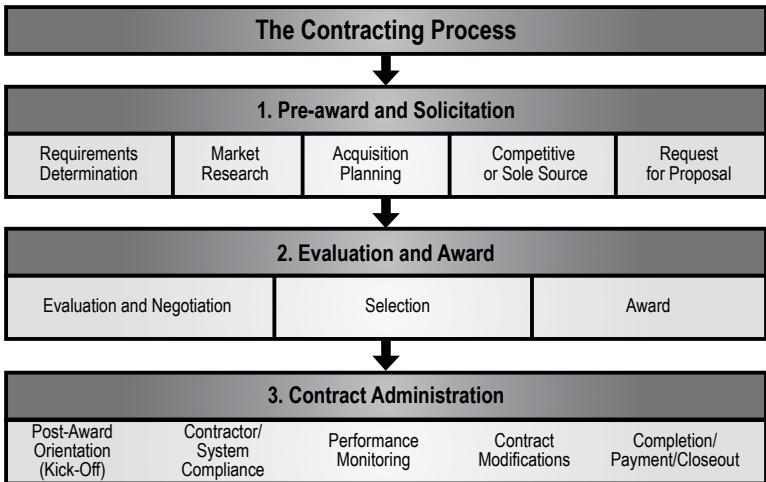
## Chapter 7 Contract Administration



**CHAPTER  
CONTENTS (CONT.)**

- Ratification of  
Unauthorized  
Commitments ..... 106
- Ratification Process.... 107
- Technical Evaluation..... 108
- Cost/Price Evaluation ..... 108
- Completion  
and Payment ..... 109
  - Acceptance..... 109
- Documentation  
of Acceptance ..... 110
- Wide Area Workflow ..... 110
- Nonconformance ..... 111
  - Remedies for  
Nonconformance ..... 111
  - Acceptance of  
Nonconforming  
Supplies or Services... 112
- Invoice and Payment..... 113
  - Content of a  
Valid Invoice ..... 114
  - Voucher and  
Invoice Review ..... 115
- Overtime ..... 117
- Interest Penalties..... 117
- Warranties ..... 118
  - Implied Warranties..... 118
  - Express Warranties .... 118
- Contract Closeout..... 119
- Do's and Don'ts:  
Contract  
Administration ..... 120
- Chapter 7: Key Points..... 121

Contracting is usually carried out in three stages: contract planning (pre-award and solicitation), contract formation (evaluation and award), and contract management (contract administration). **Figure 6** depicts the major phases of the entire contracting process. The COR (or the COR nominee) might become involved in all stages of this process. For example, even before the contracting officer prepares the COR letter of appointment/designation, management might ask a nominee to provide technical expertise to the Pre-Award and Solicitation Phase and the Evaluation and Award Phase of the process. (Appendix D includes further discussion of the COR nominee’s involvement in these two phases.) The Contract Administration Phase begins the official duties of a COR and is the focus of this chapter.



**Figure 6. The Contracting Process**

Contract administration comprises the activities performed by Government officials after a contract is awarded. Contract administration encompasses all dealings between the Government and the contractor, from contract award until the work is completed and accepted by the Government, payment is made, any disputes are resolved, and contract closeout is completed.

The focus of contract administration is obtaining supplies and services of the required quality, on time and within the expected cost. Although the contract's legal requirements take precedence, the COR is essential to ensuring that the Government is getting what it paid for and also that the requiring organization can fulfill its mission through the contract vehicle that the COR is overseeing. Any ambiguities, disputes, or disagreements between the COR and the contractor must immediately be brought to the attention of the contracting officer because the COR does not have the authority to make any changes to the contract that affect price, quantity, or delivery. The skill and judgment of the contracting officer and the COR often are required to protect the Government's interests during the contract administration process.

### **Post-Award Orientation (Kickoff) Meeting**

Before a contractor begins working on the contract, the contracting officer must ensure that the contractor understands the following:

- Contract terms and conditions
- Security requirements
- Value engineering provisions
- Inspection, acceptance, and invoicing procedures
- Authority, responsibilities, and limitations of the COR.

The best way to ensure that the contractor and the Government have a complete understanding of their roles is for the contracting officer to conduct a post-award orientation (also called a kickoff meeting). At this

meeting, all interested parties, including the COR, discuss the contract and the SOO, SOW, or PWS. This discussion helps both the contractor and the Government to (1) achieve a clear and mutual understanding of contract requirements, terms, and conditions and (2) identify and resolve potential or actual problems. However, a post-award orientation is neither a substitute for a contractor that fully understands the requirement nor a means to alter the final agreement resulting from any negotiations leading to contract award.

The decision to conduct a post-award orientation is up to the contracting officer, in accordance with FAR Part 42. The contracting officer can convene a meeting of the multifunctional team to outline individual roles and responsibilities, which might have changed slightly since contract award. In some circumstances, a letter or other form of written communication to the contractor may be adequate in lieu of a full post-award orientation. Such a letter should identify the Government representative responsible for administering the contract and should cite any unusual or significant contract requirements.

### **Conducting the Post-Award Orientation Meeting**

The orientation should be held as soon as possible after contract award, but always before work begins. Normally, the orientation should be scheduled at a date and time acceptable to the contractor and then should be arranged with other attendees. Government attendees should include any personnel who have a vested interest in the successful completion of the contract.

### **Topics for Discussion at the Post-Award Orientation Meeting**

The post-award orientation gives everyone the opportunity to clear the air about any questions concerning the contract. The meeting demonstrates to the contractor that the Government expects to receive

the supplies or services covered by the contract, that the contractor is responsible for delivering the supplies or services, and that the Government will commit people and resources to ensure compliance with the contract. After the meeting, the contracting officer prepares a report that summarizes (for the record) the issues discussed, optionally using DD Form 1484, Post-Award Conference Record. This meeting can also be used to ensure that everyone clearly understands the roles and authorities of all Government participants during contract performance. For example, all personnel must understand that the contracting officer is the only individual authorized to make changes to the contract.

In addition, the post-award orientation meeting is an ideal setting for discussing formal or informal partnering agreements, use of contractor metrics, and importance and use of past performance information. The contractor must understand that it is part of the multifunctional team and that it has roles and responsibilities, just like any other member of the team.

## **Contractor/System Compliance**

In preparation for contract monitoring, the COR must be aware of the contract requirements and regulatory standards that relate to the supply or service being acquired.

### **Contractor Accountability through SPOT**

The Synchronized Predeployment Operational Tracker (SPOT)<sup>30</sup> is a web-based joint database used to track contractor personnel who accompany the U.S. Armed Forces. SPOT is the system currently mandated for tracking contractor personnel movements within the forward area and for validating individual contractor personnel, authorization for access to specific DoD facilities, and individual

---

30 The SPOT database can be accessed at <https://spot.altess.army.mil>.



eligibility for specific DoD support services. SPOT is the authoritative source for near-real-time reporting on globally deployed personnel—by name, by location, and by contract. SPOT also supports tracking the use of, and accountability for, DoD equipment in the custody of contractors. Contractors are responsible for entering employee data in SPOT. The database continues to evolve and ultimately will incorporate secure functionality and web services with additional authoritative data sources.

Currently, DoD, the Department of State, and the U.S. Agency for International Development use SPOT in Iraq and Afghanistan. If SPOT reporting is required in the contract, CORs should work with the contractor to ensure timely and accurate reporting, assuming that the duty is authorized by the contracting officer in the COR's letter of appointment/designation.

All contractors must have a letter of authorization (LOA). SPOT generates the LOA, which is digitally signed by the appropriate Government agency's contracting officer or COR (if authorized by the contracting officer). LOAs can be retrieved and printed in portable document format (.pdf) files. LOAs are supplied to contingency contractor personnel, who carry and present them to obtain Government-furnished services in the area of operations to which the personnel are assigned. Such contractor personnel must present official identification with the LOA. Appendix B includes a sample LOA.

## **Government Property**

Government property is defined as all property owned or leased by the Government and includes both GFP and contractor-acquired property (CAP) to which the Government holds title. Normally, contractors furnish all equipment and materials necessary to perform Government contracts. However, sometimes the best interests of the Government lie in providing GFP to the contractor for performance of a contract.

## Property Responsibilities

In many situations, a certified property administrator, industrial property management specialist, or plant clearance officer acts on behalf of the contracting officer to oversee Government property in the possession of a contractor. In such instances, a COR might be assigned to help manage GFP used by the contractor, often acting as a communication liaison among the contracting officer, Government property personnel, and the contractor. This approach does not mean that all contracts encompassing Government property and assigning no property administrator require the COR to fulfill that function; the contracting officer or cognizant ACO might accomplish that function.

If a certified property administrator is *not* assigned, a COR might be assigned to help the contracting officer manage GFP used by the contractor. This approach is often used for posts, camps, and stations or related base support contracts. In this instance, the COR's duties might be limited to the following functions:

- Ensuring that the contractor receives the GFP identified in the contract
- Alerting the contracting officer about any delays in GFP being provided to the contractor (or other instances where GFP-related issues might impact contractor performance or delivery schedule)
- Following up on Government directions for the contractor to report loss, theft, damage, or destruction (LTDD) of GFP during contract performance to the contracting officer
- Confirming that the contractor carries out the disposition instructions from the contracting officer for the disposal of Government property.

If a COR is assigned GFP management functions that involve property in the possession of the contractor, but outside of a Government installation (including at the contractor's plant), the COR must be Level I certified in contract property management to perform specific

property administration detailed by the contracting officer, including the following:

- Reviewing the contractor property management procedures and advising the contracting officer about deficiencies and recommendations
- Ensuring that the contractor reports LTDD of GFP during contract performance to the contracting officer
- Ensuring that the contractor complies with disposition instructions from the contracting officer for the disposal of Government property.

### **Reporting, Reutilization, and Disposition of Government Property**

Upon contract closeout, Government property typically is transferred, abandoned, destroyed, donated, or sold to relieve the contractor of stewardship responsibility. A great deal of experience and training is needed to determine the correct disposition procedures for Government property that will not be transferred to a follow-on contract. The contracting officer and appointed plant clearance officers have the inherent fiduciary responsibility to correctly identify the avenues and priorities that will be used to dispose of excess Government property. With these concerns in mind, it is imperative that only minimal duties are delegated to the COR unless that COR has the appropriate training and experience commensurate with the tasks noted in FAR Subpart 45.6.

### **Performance Monitoring**

The COR must document contractor performance, review and evaluate progress reports, review invoices, and perform site visits. Chapter 8 includes a detailed discussion of this topic.

## **Contract Modifications**

Many things can affect a contract once it is awarded. The requiring organization might need to reduce or increase the supplies or services; performance levels could change; or any number of unanticipated events could occur. A contract modification is a written change in the terms of the contract. Only contracting officers acting within the scope of their authority can execute contract modifications on behalf of the Government.

### **Reasons for Contract Modifications**

A contract modification might be necessary to take actions such as the following:

- Add or remove funding
- Correct a mistake
- Exercise an option
- Change a delivery or POP date
- Change terms and conditions in any part of the contract (including attachments)
- Add or delete in-scope supplies or services
- Change what is needed or where it is needed (incorporate new requirements)
- Suspend the work or partially terminate it.

In **all** cases, the COR must get approval from the contracting officer before any change is made. Remember, the contracting officer is the only one who can make changes to the contract...**the COR cannot.**

### **Types of Contract Modifications**

There are two types of contract modifications, as follows:

- **Unilateral modification.** A unilateral contract modification is official upon signature by the contracting officer; it does not require

the contractor's signature or other assent. A unilateral modification may be used to do the following:

- » Issue change orders
  - » Execute incremental funding actions
  - » Implement terms or conditions previously authorized in the contract (e.g., exercise of options, stop-work orders, termination)
  - » Make administrative changes, which are simple changes to the contract that have no impact on the terms and conditions or price of the work (e.g., updating a payment office or correcting a fund citation).
- **Bilateral modification.** A bilateral contract modification is signed first by the contractor and then by the contracting officer. This type of modification is used to make negotiated equitable adjustments resulting from the issuance of a change order and reflects other agreements of the parties that modify the terms and conditions of contracts. A bilateral modification may be used to do the following:
    - » Change the terms and conditions of a contract
    - » Negotiate equitable adjustments
    - » Execute a supplemental agreement that reflects other agreements between the parties modifying the terms<sup>31</sup>
    - » Definitize change orders.

## Contract Options

Options provide the Government with the ability to order additional quantities of supplies or additional periods of service beyond those established in the initial contract. Normally, contract options establish

---

<sup>31</sup> A supplemental agreement is a contract modification based on the parties' previous agreement regarding a change. It incorporates an equitable adjustment to the contract cost, schedule, or both as a result of the change. Supplemental agreements often involve contractor submission of a proposal and detailed negotiations.

the quantity, price, and delivery schedule for these additional supplies or services. The Government uses options when (1) there is a defined quantity, quantity range, or additional requirement for the supplies or services beyond the purchases under the basic contract; and (2) such an additional requirement may be finalized and funded during the performance period of the basic contract. Options are executed by unilateral modification. Contract options may be exercised in the following circumstances:

- After the contractor is notified of the Government's intent to exercise the option
- Only by a contract modification issued by the contracting officer
- When the option fulfills an existing need, already priced on the contract
- When funds are available
- When exercising the option is determined to be advantageous to the Government.

**Note: The COR's role in options is to make the need for them known before contract award.**

When exercising an option, the COR may assist the contracting officer by assessing the available options, assessing the continuing need, determining whether the option is in the Government's best interests, and conducting market research on current pricing.

### **Contract Changes**

The Changes clauses—FAR Subparts 52.243-1 through 52.243-4—distinguish Government contracts from other contracts. These clauses allow the contracting officer to order a change within the general scope of the contract in the areas of (1) specifications (for supplies) or description

of required services (for services contracts), (2) place of delivery or performance, or (3) method of shipment or packing (for supplies) or time of performance (for services). Legally, a change outside the scope of the contract is a new procurement that the contracting officer is **not** authorized to execute and that the contractor is **not** obligated to perform under the Changes clauses.

### **Risks to CORs**

Constructive changes, unauthorized commitments, and ratifications represent risks for the COR.

#### **Constructive Changes**

Statements, acts, or inaction by employees who are not authorized to make contractual changes can be deemed constructive changes. Such acts can contractually bind the Government if the result is the contractor performing work beyond that required by the contract. A constructive change is an oral or written act (or failure to act) by the Government official (in a position of authority) that the contractor construes as having the same effect as a written change order. Constructive changes can arise from situations such as the following:

- Inadequate or defective requirements documents
- Disagreement over contract requirements
- Failure of the Government to cooperate during contract performance (e.g., not responding in a timely manner to requests or not being present to receive a service)
- Defective or improperly interpreted specifications and misleading information
- Overly strict inspection
- Failure to recognize Government-caused delays
- Improper technical direction
- Acceleration of contract performance to finish sooner than the date specified in the contract schedule.

The COR may play a role in helping the contracting officer resolve a constructive change by performing the following:

- Providing all pertinent documentation to the contracting officer
- Identifying the actual contract changes that have been made
- Preparing a technical analysis/evaluation if the contractor submits a proposal based on the change
- Helping the contracting officer with negotiations
- Educating the contractor regarding proper notification and handling of changes.

**Note: CORs who are “following the boss’s orders” are the primary source of unauthorized commitments or constructive changes. The Government may not be liable for unauthorized acts of its employees. CORs making unauthorized commitments or constructive changes may be financially responsible for their actions.**

## **Unauthorized Commitments**

Under contracts in the private sector, a company may be bound by the acts of agents with apparent authority or with authority based on the individual’s position or title. In Federal procurement, the Government may be legally bound only by the actions of personnel with actual authority—the contracting officers. Disputes between the Government and the contractor often occur when the Government representative who ordered a change did not have the authority to do so. This circumstance places a burden on the contractor to ensure that the official ordering a change has the actual appropriate authority.

Government employees who are not contracting officers do not have the authority to order or authorize contract changes. A great deal of litigation is based on the actions of Government personnel who are



not contracting officers, but make contract changes. In some cases, personnel who are not contracting officers have limited authority to represent the contracting officer (e.g., to inspect the services being provided to the Government).

FAR Subpart 1.602-3(a) defines an unauthorized commitment as “an agreement that is not binding solely because the Government representative who made it lacked the authority to enter into that agreement on behalf of the Government.” Unauthorized commitments violate Federal law, Federal regulations, Government-wide Standards of Conduct for Federal Employees, and DFARS.

Examples of unauthorized commitments include the following:

- A contractor is instructed to borrow a cherry picker from another contractor because the Government is supposed to supply the equipment, but did not have it available.
- Someone from the command group asks for the grass to be mowed before a big event, but the contractor has already mowed the grass to specification for the period.
- The contract on a copy machine expires, and a new unit is delivered. The contractor is told to leave the old copier in place because it is important to the mission.

The COR should immediately report any perceived unauthorized commitments to the contracting officer. At the same time, CORs themselves must take great care not to instruct a contractor to perform a task that might be outside the scope of the contract. CORs are reminded that they, or any unwarranted Government official, may be financially obligated for any costs or damages incurred as a result of their exceeding the scope of their authority and directing contractor performance.

If a COR exceeds designated authority, the circumstances of the action and the procedures in FAR Subpart 1.602-3 concerning ratifications will dictate the action that should be taken. The contracting

officer may decide to revoke the COR's appointment. The revocation shall be in writing and shall be provided to the contractor and other appropriate officials. The contracting officer will also take other actions required by law or regulation.

### **Ratification of Unauthorized Commitments**

In some cases, an unauthorized commitment may be subsequently adopted or ratified (see FAR Subpart 1.602-3). This long and time-consuming process involves, among other things, preparing statements and summaries of facts and investigating relevant documents, recommendations, and approvals, in accordance with individual agency procedures.

Only an action that would otherwise be proper can be ratified. The Anti-Deficiency Act prohibits authorizing or incurring obligations or expenditures in excess of amounts apportioned by the Office of Management and Budget or in excess of amounts permitted by agency regulations. An unauthorized commitment could potentially be a violation of the Anti-Deficiency Act, subject to fines and other penalties. If it is determined that the price is not fair and reasonable, then the price must be renegotiated.

Cases that cannot be ratified under FAR Subpart 1.602-3 may be subject to resolution as authorized by FAR Subpart 33.2, "Disputes and Appeals." If the approving official does not elect to use available discretion to reimburse the contractor for acts exceeding the COR's authority, then the COR may be held personally liable for any costs or damages incurred by the contractor or the Government. In fact, the consequences for all parties involved with an unauthorized commitment are severe. Regardless of the dollar amounts involved, unauthorized commitments can result in disciplinary or administrative action against the individual making the unauthorized commitment, especially if the violations are flagrant or repetitive.

## **Ratification Process**

As the first step in the ratification process, the person responsible for making the unauthorized commitment must draft a statement of actions detailing the circumstances and addressing, at a minimum, the following questions:

- Why were normal procedures not followed?
- What steps are being taken to preclude recurrence?
- Were funds available at the time of the action?

Next, the contracting officer, legal counsel, and requiring organization officials must review the statement of actions leading to the unauthorized commitment. Once satisfied, they must determine whether the following conclusions are valid:

- The Government received benefit.
- The Government has (or had) a bona fide need for the supplies or services.
- The steps to be taken to prevent recurrence are adequate.
- Proper disciplinary action was taken, or the reasons for no action are explained.
- The contract would otherwise be proper (e.g., funds are available, and the requirement is legitimate).
- The commitment should be ratified.

The contracting officer then must provide the ratifying authority with a written determination and finding, addressing the facts (including a complete purchase description and funding for the ratification) and determining whether the following conclusions are valid:

- The commitment was not made to evade normal statutes and regulations, but rather was the result of an urgent requirement or a mistake of fact by Government personnel.
- The contractor reasonably relied on apparent authority.
- The contractor has no other remedy to obtain relief.

- The contract would otherwise be proper (e.g., funds are available, and the requirement is legitimate).
- The contract price will be fair and reasonable.

The ratifying official shall review the file, and if ratification is proper, sign the determination and findings, authorizing the contracting officer to ratify the unauthorized commitment.

### **Technical Evaluation**

After receiving a contractor's proposal for a modification (including ratification of an unauthorized commitment), the COR may be requested to prepare a documented analysis of the technical aspects of the proposal. The contracting officer will use this document to support negotiations and documentation of the change to the contract. For a technical evaluation, the COR should perform the following:

- Assess the technical validity of the change.
- Determine whether the proposed solution is necessary.
- Consider the technical merit that will meet the Government's requirement.
- Assess cost and delivery implications versus technical merit (impact).
- Review the proposed basis of estimate.
- Review labor type, profile, and amount proposed.
- Analyze other direct costs (ODCs), such as travel or materials.
- Conduct a trade-off analysis to evaluate technical merit versus proposed costs.

### **Cost/Price Evaluation**

The contracting officer will analyze the cost/price proposal for accuracy and allowability and, after receiving the technical evaluation, will develop a prenegotiation objective.

## **Completion and Payment**

### **Acceptance**

The acceptance of a supply or service is typically delegated to the COR, who is viewed as the best person to determine whether the requiring activity truly received what the contract required. The COR must remain vigilant before accepting any goods or services on behalf of the requiring activity. Acceptance can take place before, at the time of, or after delivery. However, supplies or services ordinarily should not be accepted before completion of Government contract quality assurance actions. Before services or supplies furnished by the contractor can be accepted, the COR must determine acceptability by performing a review or inspection. Final acceptance by the contracting officer of supplies received (or services rendered) concludes performance by the contractor, except for administrative details relating to contract closeout. After final acceptance, the contractor can no longer be held responsible for unsatisfactory effort unless otherwise specified in the contract. Therefore, the COR must ensure that the work performed under the contract is measured against the contract terms and quality requirements. If performance does not meet contract quality requirements, it is incumbent on the COR to identify deficiencies and advise the contracting officer. Acceptance is executed and evidenced by a signature on an acceptance certificate that is part of an inspection or receiving report form (or by a signature on a commercial shipping document or packing list).

Exceptions to final acceptance include the following:

- Latent defects
- Fraud
- Gross mistakes amounting to fraud.

A latent defect is not readily noticeable during a reasonable inspection at the time of acceptance. The burden is on the Government

to prove that defective materials or workmanship was the probable cause of product failure. Latent defects can also apply to design and manufacture contracts; in such cases, the contractor might have to replace the designed product at no charge to the Government.

### **Documentation of Acceptance**

CORs are often the designated officials who are authorized to accept supplies or services for the Government (as noted in the COR letter of appointment/designation for delegated duties and authorities). Acceptance before payment is accomplished in one of the following ways:

- COR signature on DD 250 (discussed in Chapter 10)
- COR signature on DD 1155 (discussed in Chapter 10)
- COR signature on SF 1449 (discussed in Chapter 10)
- COR electronic signature in the Wide Area Workflow (WAWF) system.

### **Wide Area Workflow**

The 2001 Defense Authorization Act established the requirement for all contract invoicing to be performed electronically. DoD implemented this requirement via WAWF. The WAWF system<sup>32</sup> is a secure web-based system that allows Government contractors and authorized DoD users to generate, capture, and process receipt and payment documents. WAWF enables the electronic submission of both contractor invoices and Government inspection and acceptance documents.

The WAWF system creates a virtual folder to combine the three documents required to pay a contractor (i.e., contract, invoice, and receiving report). Authorized DoD users are notified of pending actions by e-mail and are sent a collection of the documents required to process the contracting or financial action.

---

32 The WAWF system is available at <https://wawf.eb.mil>.

WAWF is envisioned as ultimately the single DoD system for all contractor invoicing and Government acceptance actions (as required). Processing invoices electronically will reduce the likelihood that the Government will have to pay an interest penalty; however, it is still important for the COR to understand the COR role in processing these invoices. WAWF training is required before appointment as a COR. A copy of the training certificate should be provided to the contracting office before the appointment and should be saved in the CORT Tool.

## **Nonconformance**

Nonconformance occurs when the contractor submits a deliverable to the Government that does not conform to the contract requirements.

### **Remedies for Nonconformance**

Remedies for nonconformance include the following:

- Invoking the related contract clause (Stop-Work, Cure Notice, Show-Cause, Liquidated Damages, Warranty, or Termination)
- Withholding or reducing award and incentive fees
- Invoking inspection clauses (to reject the noncompliant work or allow rework)
- Suspending progress payments
- Declining to extend the term of the contract (e.g., by not exercising an option or award term)
- Modifying the contract
- Addressing claims or considerations
- Taking legal recourse
- Using alternative dispute resolution (ADR) techniques
- Documenting the issue in the past performance database.

Monitoring represents the COR's key role related to remedies. Heavy reliance is placed on the COR's observations and documentation. The

COR must keep thorough records and promptly notify the contracting officer about any noncompliance issues. In addition, the COR should be prepared to suggest appropriate remedies to the contracting officer.

### **Acceptance of Nonconforming Supplies or Services**

Only the contracting officer can authorize acceptance of nonconforming supplies or services. The Government may deal with noncompliance in one of the following ways:

- Require the contractor to correct the nonconforming items or services.
- Accept the nonconforming supplies or services. This approach is useful only if the deficiencies are minor. Remember that the COR cannot accept nonconforming supplies or services; only the contracting officer can make this decision. Although the contractual rights of the Government cannot be waived—and a contract may not be modified for the convenience of a contractor—the Government may decide that its best interests are served by **not** rejecting the supplies or services because of considerations such as the following:
  - » Urgency of the need for the supplies or services and the period of time required to obtain them from other sources (compared with the time required for delivery from the contractor)
  - » Availability of the supplies or services from other sources
  - » Any other pertinent facts and circumstances.
- If the Government wants to accept work that essentially meets its needs, but does not conform to contract requirements, the COR must furnish the contracting officer with a documented recommendation to accept the work, a description of all respects in which the work fails to meet contract requirements, and an estimate of the time required for the contractor to complete performance. The contracting officer may extend the contract completion date by formal modification to allow the contractor to correct deficient work.



- Reject the noncompliant supplies and services and terminate the contract. Only the contracting officer—**not** the COR—can terminate a contract.

### **Invoice and Payment**

Cash flow is the lifeblood of any company. Contractors need to be paid for the supplies and services they have provided so that they can pay their own bills and employees. Timely payment of contractors also encourages them to continue doing business with the Government. Recognizing the importance of timely payments, Congress passed the Prompt Payment Act, which specifies that if the Government does not pay a valid contractor invoice within a specified period of time, the Government is liable to pay interest, computed at the Federal funds rate.

**Note: The COR should ensure that invoices receive prompt attention and are reviewed for accuracy and consistency with contract terms.**

The following important terms refer to invoice and payment procedures:

- **Invoice.** The invoice is the billing statement for supplies or services accepted by the Government.
- **Invoice payment.** The invoice payment is the Government disbursement of funds for supplies or services accepted by the Government.
- **Prompt payment.** All solicitations and contracts must specify payment procedures, payment due dates, and interest penalties for late invoice payment. The contractor is entitled to payment for accepted partial deliveries of supplies (or partial performance of services) that comply with all applicable contract requirements and

for which prices can be calculated based on the contract terms—unless such payment is specifically prohibited by the contract.

The contractor may request payment by submitting an invoice, SF 1449, or DD Form 1155. (Appendix B contains a sample SF 1449.) In reviewing the payment request, the COR should be familiar with the following:

- Contract number or order number
- Office locations and points of contact (POCs)
- Contract line item number (CLIN) structure (where each CLIN identifies a separate supply or service to be required under the contract)
- Inspection and acceptance
- SOO, SOW, or PWS
- Period of performance and delivery dates.

### **Content of a Valid Invoice**

According to FAR Subpart 32.905, the following are the minimum requirements for a valid invoice:

- Complete contract number, including delivery order or task order number (if applicable)
- Name and address of contractor
- Invoice date
- Invoice number
- Description of services or supplies provided
- Quantity of services or supplies provided
- Unit of issue, as specified in the Schedule of Supplies
- Manufacturer part number (as applicable), as specified in the contract
- Unit price and extended total (for each line item)
- Invoice total

- Shipment number (as applicable)
- Postage and transportation (as applicable), if authorized by the contract to ship Prepay and Add, including the transportation cost (e.g., parcel post, United Parcel Service) as a separate line
- Required certification, as specified by the contract (e.g., certification of conformance, ACO approval)
- Taxpayer Identification Number (TIN) if not required to be registered in the Central Contractor Registration (CCR)
- Registration in the CCR, when applicable
- Electronic funds transfer (EFT) and banking or remittance information for foreign contractors that are exempt from CCR, when applicable
- Any other contract-directed requirements.

Inaccurate or invalid invoices must be returned within 7 days.

DFARS Subpart 252.232-7003 requires contractors to submit payment requests electronically, but the clause lists exceptions. For a contingency contract, the following two exceptions are key:

- DoD is unable to receive a payment request or provide acceptance in electronic form.
- The contracting officer administering the contract has determined (and documented in writing) that electronic submission would be unduly burdensome to the contractor.

## **Voucher and Invoice Review**

The contracting officer is responsible for monitoring invoice payments according to the terms and conditions of the contract as well as local policies and guidance.

CORs can approve invoices on fixed-price contracts. However, for cost reimbursement, time and materials (T&M), and labor-hour

contracts, CORs can review—but **not** approve—invoices. Only the contracting officer can approve final payment requests.

**Note: CORs must understand local finance office procedures and requirements for proper invoicing. CORs should ask their contracting officers for additional details.**

**Note: Payment to a contractor implies that work is progressing according to the contract. Therefore, CORs must ensure that the Government is receiving the services or supplies for which it is paying. CORs must monitor contractor performance by reviewing monthly reports, making onsite visits, and performing surveillance reviews. It is vital that CORs review billing statements thoroughly and on time.**

**Note: If problems are identified in performance of the contract or during the COR's review of invoices, the COR must communicate the issues to the Defense Contract Audit Agency (DCAA) through the contracting officer so that the issues can be appropriately considered during the auditor's voucher approval process.**

COR approval of a voucher or invoice implies that, to the best of the COR's knowledge, the nature, type, and quality of effort (or the materials being expended) are in accordance with the progress of work under the contract. In other words, the COR supports the contracting officer by ensuring that payments are made for performance in accordance with the contract terms and conditions.

Typical problems that can be found on invoices include the following:

- Inflated or unrealistic labor hours
- Unsupported ODCs (e.g., poor descriptions that cannot be tied to specific tasks)
- Unauthorized overtime charges
- Incorrect or unrealistic labor category
- Management hours that are disproportionate to the hours of the personnel performing the work
- Duplicate invoice or wrong invoice
- Mathematical errors
- Wrong contract number or task order number
- Wrong price (e.g., proposed versus negotiated)
- Wrong CLIN or sub-CLIN
- No POC for defective invoices
- No date
- Incorrect or missing shipment information
- No remittance address
- Prompt pay discounts that are not offered.

### **Overtime**

OT cannot be paid unless specifically authorized by the contract. Only the contracting officer can authorize the use of OT. When reviewing a contractor's OT claims, the COR should consider whether the OT was necessary and approved in advance and, if so, whether additional funds were approved to fund the OT.

### **Interest Penalties**

The COR must process invoices promptly. If the Government fails to make payment by the due date, the designated payment office must automatically pay an interest penalty. The due date is the later of two

events, either the 30th day after the designated billing office receives a proper invoice from the contractor or the 30th day after Government acceptance of supplies delivered (or services performed). Specific due dates are as noted in each individual contract.<sup>33</sup>

## **Warranties**

A warranty is a promise or affirmation given by a contractor to the purchaser regarding the nature, usefulness, condition, or performance of the supplies or services to be delivered under the contract.

### **Implied Warranties**

There are two types of implied warranties: a warranty of merchantability and a warranty of fitness for a particular purpose. The warranty of merchantability implies that supplies must be fit for the ordinary purposes for which such supplies are normally used. This type of warranty is incorporated into the contract unless stated otherwise. The warranty of fitness for a particular purpose implies special protection for a buyer that relies on the seller's expertise in selecting suitable supplies.

### **Express Warranties**

An express warranty can be purchased to cover the risk of a product defect. Express warranties are based on the following:

- Any promise or affirmation of facts that become part of the bargain
- A description of supplies that is part of the basis for the bargain
- Any sample or model that is part of the basis for the bargain.

Because express warranties must be purchased, the costs must be weighed against the need for protection against known (or unknown) risks.<sup>34</sup>

---

<sup>33</sup> FAR Subpart 32.9 and DFARS Subpart 232.9 include prompt payment discussions.

<sup>34</sup> DFARS Subpart 246.704, "Authority for Use of Warranties," includes more information.

The warranty takes effect at time of delivery. If an item is delivered for storage or later use, the warranty identifies a starting time after delivery. The length of the warranty period must be specified. Warranties can be enforced when a defect under the warranty scope arises during the warranted period.

### **Contract Closeout**

Contract closeout actions are primarily the responsibility of the contracting officer, but COR assistance might be required. Moreover, COR help is indispensable when disputes or litigation is involved.

A contract is not completed until it is closed out. Timely contract closeout accomplishes the following:

- Allows all affected activities to concentrate on current and future requirements
- Accommodates deobligating excess funds
- Identifies the need for additional funds.

The COR will physically transfer records to become part of the official contract file. The contracting officer, with the assistance of the COR, must ensure that the following actions are accomplished:

- Services have been rendered.
- Articles have been delivered and accepted.
- Payments and collections have been made.
- The disposition of property and classified information has been completed.
- Releases from liabilities, obligations, and claims have been obtained from the contractor.
- The contractor has executed assignments of refunds, credits, and the like.
- Administrative actions have been accomplished.
- Excess funds have been deobligated.
- The contract file has been properly documented.

## Do's and Don'ts: Contract Administration

**Table 2** summarizes contract administration activities that should be performed (and those that should not).

**Table 2. Do's and Don'ts for Contract Administration**

<b>Contract Administration</b>	
<b>Do</b>	<b>Don't</b>
<ul style="list-style-type: none"> <li>• Remember that the COR is an agent of the U.S. Government and has only the authority delegated by the contracting officer.</li> <li>• Get the names of contractor personnel who are authorized to represent the contractor.</li> <li>• Find out the specific authority of contractor personnel (e.g., who has the authority to obligate the contractor).</li> <li>• Confirm that all Government approvals or consents are timely.</li> </ul>	<ul style="list-style-type: none"> <li>• Accept less than the services or supplies required by the contract.</li> <li>• Assume an interpretation of ambiguous contract language that would be favorable to the Government. Remember: if the contractor's interpretation is reasonable, it will prevail.</li> <li>• Hold up payment unless performance is deficient or defective.</li> <li>• Accept supplies or services without a complete inspection.</li> <li>• Make any changes, modifications, deletions, or additions to the contract requirements. Instead, work through the contracting officer.</li> <li>• Automatically consider all contractor claims to be unreasonable. Remember to be fair and impartial.</li> </ul>



## **Chapter 7: Key Points**

1. Contract administration is the primary focus area where CORs generally spend most of their time.
2. After contract award, a post-award orientation (kickoff) meeting is critical to successful contract performance. This meeting will highlight the roles, responsibilities, and expectations of all interested parties. The contracting officer will prepare minutes of the meeting and will provide copies to all interested parties, including the COR.
3. Contractor personnel deploying to a contingency area must be registered in the SPOT database.
4. Monitoring of contractor performance is the key to performing contract oversight and ensuring compliance with the contract.
5. The COR must be familiar with the following key contract administration concepts:
  - a. **Changes clauses.** These FAR clauses offer the flexibility to make in-scope changes to the contract without affecting contractor performance while allowing the contractor an equitable adjustment. Contract changes include the following:
    - i. **Unilateral change.** The Changes clauses allow the Government to issue a modification (under three specific criteria) without first requesting a proposal from the contractor.
    - ii. **Bilateral change.** When a unilateral change is not possible, the Government can request a proposal from the contractor so that a supplemental agreement can be negotiated and signed by the contractor and the Government.
  - b. **Options clause.** Many contracts for recurring requirements may contain option clauses that give the Government the ability to order additional quantities of supplies or an additional period of services beyond those in the initial contract.
  - c. **Constructive change concept.** When a contractor performs work

that is not part of the contract scope, but the contractor relied on some degree of Government direction, then a constructive change might have occurred that will result in a contractor submitting a request for equitable adjustment.

- d. **Unauthorized commitments.** If a Government representative who does not have the authority binds the Government to a commitment, it is an unauthorized commitment.
  - e. **Ratification process.** Each component or agency has established procedures for ratifying unauthorized commitments, so the COR must refer to local procedures for additional guidance.
  - f. **Technical evaluation.** The contracting officer might ask the COR to help validate proposed contract changes, develop an Independent Government Cost Estimate (IGCE), and evaluate the contractor's proposed costs for reasonableness.
  - g. **Contract closeout.** The COR's documentation is key to ensuring successful contract closeout. It is important that the COR understands both the steps associated with closeout and the COR's role in closeout. Contract closeout is the contracting officer's responsibility, but COR support might be required.
  - h. **Invoices and payment.** CORs will often review invoices and vouchers to verify that charges for the delivered supplies or services are reasonable and in accordance with the terms and conditions of the contract.
6. Clear communications among the requiring activity, contractor, and contracting officer are critical.
  7. A COR might be required to administer warranty terms and conditions, so it is important for CORs to understand warranty basics.

## CHAPTER CONTENTS

Contractor Progress Reports .....	126
Assessment of Performance .....	127
Contractor Performance Assessment Review ...	129
Acceptable Inspection Methods.....	129
Random or Stratified Sampling .....	130
100 Percent Inspection .....	131
Periodic Inspection or Planned Sampling...	131
User Feedback .....	132
Documentation of Performance .....	133
Remedies for Poor Contract Performance.....	135
Do's and Don'ts: Remedies .....	137
Delays.....	137
Identifying and Verifying a Delay .....	137
Notifying the Contracting Officer about the Technical Impact of a Delay .....	138
Assistance for the Contracting Officer in Evaluating the Contractor's Response.....	139

## Chapter 8 Monitoring the Contractor



**CHAPTER  
CONTENTS (CONT.)**

Fraud ..... 139

    COR  
    Responsibilities ..... 140

Contract Termination ..... 141

    Termination for  
    Convenience  
    of the Government..... 141

    Termination for  
    Cause/Default..... 142

Disputes..... 143

COR Working File ..... 144

Do's and Don'ts:  
Contract Monitoring ..... 147

Chapter 8: Key Points..... 147

**T**o properly monitor the contractor, the COR must know and understand the requirements of the contract, as specified in the SOO, SOW, or PWS in Section C of, or an attachment to, the contract. The COR should have a copy of the SOO, SOW, or PWS readily available to check that the contractor is verifying and enforcing contract requirements in the SOO, SOW, or PWS. Interpreting the contract requirements can be difficult if the SOO, SOW, or PWS is poorly written and displays weaknesses such as a lack of technical knowledge, inadequate planning or research, lack of communication, differing interpretations, and carelessness. With the proper SOO, SOW, or PWS and performance-based metrics, contract performance is more likely to be successful.

**Note: The COR monitors the contractor based on the contract requirements specified in the SOO, SOW, or PWS and according to the COR letter of appointment/designation from the contracting officer.**

The COR must notify the contracting officer in a timely manner, orally **and** in writing, if the contractor is not performing well (i.e., if contractor performance deviates from the SOO, SOW, or PWS). The contracting officer—and only the contracting officer—is responsible for giving verbal or written directions to the contractor. These directions should be added to the record in the official contract file. The requiring organization should not attempt to interpret the SOO, SOW, or PWS for the contractor and may not direct changes or accept substitute performance. Many personnel have improperly cost the Government (or themselves) money by making seemingly nonchalant remarks asking the contractor to act outside the scope of the contract.

## **Contractor Progress Reports**

The contract may require the contractor to provide progress reports. Contractor progress reports provide the first early warning of issues such as potential changes, delays, or other problems in contractor performance. Submitted by the contractor, these reports summarize progress since the preceding report, so earlier reports are summarized, subsumed, and superseded by the new report. The reports vary from a single-page memorandum or letter to several hundred pages of detail by task, with supporting graphs and tables. Progress reports normally address the following topics:

- Project status
- Measurement of achievements against objectives
- Problems encountered
- Actions taken to correct deficiencies
- Percentage of work completed
- Acceptability of the work
- Work remaining
- Evaluation.

Progress reports do not relieve the contractor of a separate obligation to report anticipated or actual delays to the COR and the contracting officer.

For indefinite-delivery contracts, each delivery order or task order must be covered by a separate progress report, although one report per contract may be used to identify those orders on which no work was performed during the reporting period.

The contractor must forward the progress reports in accordance with the instructions of the contracting officer.

The COR must ensure that each progress report is factually accurate and complete and should check each progress report to determine the following:

- Will the contractor meet the delivery dates? Are any problems foreseen?
- Are the expenditures in line with the work performed and with the work planned?
- How does the percentage of work completed compare to the funds expended?
- How does the status of the deliverables (e.g., reports, designs, texts) compare to the progress report?
- Have nonconformances been documented? Have appropriate and effective corrective actions been taken?

The COR should discuss and document any ambiguities or discrepancies with the contractor and contracting officer. The COR should document related discussions with the contractor and should keep a copy of this document in the COR file. The COR should also inform the contracting officer about any ambiguities or discrepancies in the progress report.

The Government should not expect a one-to-one correlation between the expenditures identified in the progress report and those detailed in the invoice. The coverage dates might be different, and the progress reports might not reflect lags in accounting system activities.

### **Assessment of Performance**

The contractor has primary responsibility for the quality control and timeliness of its supplies or services. However, the COR must assess the contractor's performance to ensure that the delivered supplies or services conform to contract requirements. Unsatisfactory performance under a contract can jeopardize a project or can directly affect an organization's ability to perform its mission.

The COR must continually monitor the contractor's performance, both formally and informally, throughout the contract. The COR should consider the following:

- How well the contractor is doing
- Whether performance, quality, schedule, and cost requirements are being met
- Whether the requiring organization is satisfied
- Whether the processes are working
- If and where improvements are necessary.

The following are key assessment factors:

- **Cost control.**
- **Timeliness (schedule/delivery).** Is the contractor on schedule to meet contractual requirements? Did the contractor meet the contractual delivery requirements? Does the contract include a reward for early delivery or a penalty for late delivery?
- **Quality.** Do the supplies or services meet the requirements? Do they conform to the contract specifications; standards; SOO, SOW, or PWS; and Quality Assurance Plan (QAP)?
- **Business relations.** Is the contractor responsive, professional, and courteous?
- **Management of key personnel.** Are technical experts highly qualified and effective in performing the required services? Do they meet the skill levels specified in the contract? Is the number of personnel assigned to the project appropriate? Do delivered supplies reflect the quality and standardization required by the user?
- **User satisfaction.** Will the requiring organization be satisfied with the cost, quality, and timeliness of the delivered supplies or services? What percentage of the deliverables meets the user's expectations? How long has the contractor taken to address any user complaints? How many user complaints have been reported?
- **Compliance.** Has the contractor complied with relevant regulations (e.g., Occupational Safety and Health Administration, Environmental Protection Agency, and Department of Labor regulations or local standards)?



## **Contractor Performance Assessment Review**

The Government relies on past performance data to help make award decisions. Therefore, to support future acquisition efforts, the performance of contractors under current contracts should always be documented. The COR is tasked with collecting and reporting contractor performance information. The COR should be fair in assigning a performance rating and should provide a narrative explaining the reasons for the rating.

Contractor performance information is entered into the Contractor Performance Assessment Reporting System (CPARS) at intervals specified in the contract, when contractor performance warrants reporting, and at the end of the contract. CPARS documents the following aspects of the contractor's performance:

- Conformance to contracting requirements and standards of good workmanship
- Forecasting and control of costs
- Adherence to contract schedules
- History of reasonable and cooperative behavior as well as commitment to customer satisfaction
- Business-like concern for the interests of the customer.

The Government's CPARS assessment should reflect the contractor's performance as documented by the COR during the monitoring process. Appendix A provides a sample contractor performance assessment checklist.

## **Acceptable Inspection Methods**

The assessment of quality is particularly important because if the quality of a supply or service does not meet contract requirements, the safety of the requiring organization's personnel could be jeopardized. The Government has the right to inspect all contract deliverables

at any time before acceptance. Inspections can be announced or unannounced, but they must not unduly delay work, and they must not include directions that would change the contract. The Government also has the right to reject a deliverable that does not meet contract requirements.

For acquisitions of commercial items, FAR Subpart 46.202-1 requires the Government to rely on contractors' quality assurance systems as a substitute for Government inspection and testing before the items are tendered for acceptance (unless customary practices for the supplies being acquired include in-process inspection). Any in-process inspection by the Government must be consistent with commercial practices.

For services, the COR can monitor contractor performance by using a variety of inspection methods. Before an inspection, the COR should check the contract for specific inspection and testing requirements. The COR should use a systematic approach and should ensure that the inspection methods do not interfere with the contractor's progress—or at least disrupt that progress only when absolutely necessary and as minimally as possible. The most common inspection methods and their effective use are briefly described below.

### **Random or Stratified Sampling**

With random sampling, services and deliverables are sampled to determine whether the level of performance is acceptable. Random sampling works best when the number of supplies or service deliveries is very large, allowing a statistically valid sample to be obtained. Stratified sampling focuses on sampling selected parts of all contractor output. Computer programs might be available to help establish sampling procedures. This random or stratified sampling is the preferred surveillance method because it is an efficient way to obtain an unbiased, comprehensive evaluation of the contractor's performance.

The COR only needs to make a relatively few observations to project the quality of the entire lot. In addition, the contractor does not know which service output will be observed. Consequently, all outputs must be properly produced. The advantage of this approach is that the results can be projected to the lot without inspecting the entire output.

### **100 Percent Inspection**

The 100 percent inspection method is too expensive to use in most cases. As the name implies, the inspector observes all outputs in the designated lot. For example, with a service requirement for required reports, the inspector would examine all reports listed in the lot for acceptance. The Government uses 100 percent inspection for stringent performance requirements concerning health and safety.

### **Periodic Inspection or Planned Sampling**

Periodic inspection or planned sampling evaluates tasks that are not selected randomly or entirely (i.e., via random sampling or 100 percent inspection, respectively). Periodic sampling is normally used to check the contractor's quality control system to ensure that it is capable of meeting the Government's quality requirements. Because defects detected as a result of planned sampling cannot be considered statistically valid for evaluating the entire work lot, monetary deductions for performance that is not satisfactory are limited to only the work specifically found to be defective. For this reason, planned sampling should not be the only method of surveillance.

When planned sampling is used, work process outputs are selected in accordance with subjective criteria established in the QASP. These criteria should be documented and applied consistently throughout the observation period and from one period to the next. Surveillance consistency enables the inspector to detect trends in performance and requires less time to retrain inspectors and to document and

report revisions. The advantages of this method are that Government inspectors can focus their attention on known problem areas and that the contractor or in-house workforce has a greater incentive to improve deficient areas that they know will be observed. The disadvantage of this method is that comparisons of quality cannot be made between the sampled outputs and the lot because the observations are not selected randomly.

### **User Feedback**

The user feedback method requires documentation and is not usually a primary surveillance method. However, user feedback is a valuable supplement to more systematic surveillance methods. The performance to be observed is not selected by the COR, but rather is based on user complaints (submitted in writing or via telephone). After receiving a complaint, the COR will investigate and, if it is a valid complaint, will document it as a contractor performance deficiency.

Additional guidance on these surveillance tools is included in OFPP Pamphlet 4, “A Guide to Best Practices for Performance-Based Service Contracting,” and Chapter 5 of the pamphlet, “Quality Assurance Plan and Surveillance Plan.”<sup>35</sup>

The COR should notify the contracting officer whenever supplies or services do not meet requirements and should provide the contracting officer with documentation on the number of observations made, number and type of problems, actions taken to notify the contractor, and corrective actions already taken by the contractor. A COR can use the receiving report (or other method provided by the contracting officer) to document the reasons for rejecting a deliverable.

Contractors will reply to a notice of rejection by taking one of the following actions:

---

35 The OFPP Pamphlet is available at [http://georgewbush-whitehouse.archives.gov/omb/procurement/pbsa/guide\\_pbsc.html](http://georgewbush-whitehouse.archives.gov/omb/procurement/pbsa/guide_pbsc.html).

- Submitting a proposal to repair or correct the deficiencies
- Offering to provide an adjustment to cost or price as a basis for accepting nonconforming services
- Challenging the deficiency assessment.

If authorized to reject supplies or services, the COR may approve a contractor's proposed course of action to repair or correct deficiencies. However, only the contracting officer may approve courses of action that require a change in the contract (e.g., a price reduction) or result in a dispute (e.g., the contractor challenging the assessment). The COR must forward these cases to the contracting officer for resolution.

The contracting officer normally consults with the COR when considering the contractor's reply. The COR can provide advice on the appropriateness of the contractor's corrective action plan, impact of accepting nonconforming services, and validity of the contractor's rebuttal.

## **Documentation of Performance**

An important part of the performance assessment process is documenting how well a contractor performs on a contract. When documenting contractor performance, the COR should follow a number of guidelines, discussed in the rest of this section.

**CORs** should handle their comments as follows:

- Submit comments regularly.
- Compose contractually based and professional comments.
- Apply comments to the monthly reporting period.
- Base comments on performance.
- Develop specific, fully detailed, and standalone comments.
- When possible, base comments on information gathered during audits.
- Produce comments that are supported by the checklist comments.

**COR comments** should **not** have the following characteristics:

- Comments should not be beyond the scope of the contract.
- Comments should not request information that is not applicable to the contract.
- Comments should not request data on contractor personnel actions (e.g., hiring, firing, or disciplinary actions).
- Comments should not be personal (all comments are seen by senior managers).
- Comments should not simply be copied and pasted from one month to the next without verifying whether the condition still exists.

The samples that follow illustrate poorly written comments and improved versions of those comments.

***Sample Comment 1***

Poor: “Contractor met the Class I requirements this month.”

Better: “During October, the contractor exceeded the Class I requirement for all incoming rations and bottled water to be placed into inventory within 24 hours. The daily average to place stock into inventory was only 4 hours.”

***Sample Comment 2***

Poor: “Contractor was late in meeting the link-up time.”

Better: “On 12 October 06 at 2130 hours, the contractor team linked up with the military escorts at East ECP 1 hour after notification. This timing did not meet the contractual requirement for linking up within 40 minutes, as provided in Section C.”

***Sample Comment 3***

Poor: “Contractor management was especially responsive this month.”

Better: “On 12 October 06, the contractor responded within 2 hours to a DCMA request for dining facility (DFAC) statistics. This response enabled a quick turnaround to the user for a high-visibility area.”

**Sample Comment 4**

Poor: “My audit for MHE showed that several of the guys weren’t certified for the forklifts.”

Better: “On 23 October 06, an audit revealed that three employees operating 9K forklifts did not have a forklift drivers license when asked. Their badge numbers are XXX, YYY, and ZZZ.”

**Note: The COR must always ensure that all comments relate to a specific contract requirement. Contractor performance is judged solely on the basis of contract requirements.**

**Note: When possible, it is helpful for a COR to use a digital camera to document deliveries of supplies and services.**

### **Remedies for Poor Contract Performance<sup>36</sup>**

The contracting officer has several remedies available to address supplies or services that do not conform to contract requirements. The contracting officer will rely heavily on the COR’s observations and documentation on supplies or services that do not conform to contract requirements. When unsatisfactory contract performance is identified, the COR should promptly notify the contracting officer so that remedial steps can be taken. The contractor could interpret the Government’s silence as acceptance of substandard supplies or services. Such situations could adversely affect the Government’s right to withhold payments, terminate for cause or default, or otherwise exercise certain rights under the contract.

---

<sup>36</sup> This section is on contract performance, not the business system rule. DFARS specifies the business system rule.

Depending on an evaluation of the seriousness of the unsatisfactory performance, the contracting officer may perform the following:

- Send a letter or hold a meeting to bring the particular deficiency to the attention of the contractor and obtain a commitment for appropriate corrective action.
- Extend the contract schedule if excusable delays in performance are involved (e.g., combat situations or extreme weather conditions).
- Withhold contract payments if the contractor fails to comply with delivery or reporting provisions of the contract.
- Terminate the contract for cause or default.

After a complete review of the situation, the contracting officer may send an official notice of failure of performance to the contractor. This notice requires the contractor to inform the contracting officer of the cause of the delinquency so that a proper determination can be made about continuing or terminating the contract. In some cases, liquidated damages can be assessed against the contractor performing the service. Liquidated damages are amounts agreed to in advance that reflect the financial damage that the Government might incur if the contract is not completed on time.

**Note: COR records are vital for determining the amount of money that the contractor may be entitled to if a suspension is determined to be unreasonable.**



## Do's and Don'ts: Remedies

**Table 3** summarizes do's and don'ts for remedies.

**Table 3. Do's and Don'ts for Remedies**

<b>Remedies</b>	
<b>Do</b>	<b>Don't</b>
<ul style="list-style-type: none"><li>• Exercise Government rights, such as warranties. Make sure to deal with any problems before the warranty period runs out.</li><li>• Work with contractor personnel to prevent problems before they arise.</li><li>• Take actions to protect Government rights before delivery is due.</li></ul>	<ul style="list-style-type: none"><li>• Act without consulting the contracting officer. Instead, work with the contract administration team and contracting officer.</li><li>• Allow interim or final delivery dates to be waived.</li></ul>

## Delays

The COR is required to notify the contracting officer about any delay in the delivery or performance schedule. Specifically, the COR must (1) identify and verify the delay, (2) notify the contracting officer of the technical impact of the delay, (3) assist the contracting officer in evaluating the contractor's response, and (4) notify the chain of command. The COR should be able to correctly identify the cause of a delay and work with the contracting officer for resolution. The technical analysis should be sufficient to support the action taken by the contracting officer to address the delay.

### Identifying and Verifying a Delay

A delay occurs when the contractor fails to meet the delivery or performance schedule in the contract or when the Government causes the contractor to stop performing. The COR should review the contract for applicable clauses and modifications to ensure that the contracting officer did not previously extend the performance or delivery schedule.

The COR can confirm the delay by performing the following:

- Obtaining feedback from Government officials responsible for monitoring the performance or delivery schedule
- Reviewing the contractor's notice and supporting documents regarding the delay
- Reviewing the contractor's claim regarding the delay.

The contractor might not be liable for any excess costs if the failure to perform the contract arises from causes beyond the control—and without the fault or negligence—of the contractor. For instance, the delay might have been caused by the Government, hostile actions, or natural disasters.

### **Notifying the Contracting Officer about the Technical Impact of a Delay**

After a delay is confirmed, the COR should prepare documentation to help the contracting officer develop the Government's position on the delay. Documentation should include facts and relevant information about the delay, such as the following:

- List of people with factual knowledge about the delay
- Description of the delay
- History of performance, indicating when work under the contract began, when work deviated from expected performance, and when work stopped.

The following issues also might be covered in a technical analysis:

- Information that would support whether the delay was excusable
- Contractor progress to date and remaining obligations
- Estimate of a reasonable period of additional time to perform
- Potential alternatives and resolutions
- Pros and cons of each alternative (e.g., price, quantity, and quality).

## **Assistance for the Contracting Officer in Evaluating the Contractor's Response**

The COR might be asked to help the contracting officer evaluate the contractor's response. The contracting officer may ask the contractor to perform the following:

- Substantiate the evidence of the delay.
- Substantiate costs associated with the delay.
- Demonstrate that the delay was unreasonable.
- Demonstrate that the delay was void of any concurrent or commingled delays.

Before the contractor can recover costs as a result of the delay, the contractor's response must provide verifiable documentation of the expenses incurred. The contracting officer, with the help of the COR, must review each expense and determine whether the contractor should receive compensation. Such compensation can be in the form of money or time extensions.

### **Fraud**

Fraud is the intentional presentation of a falsehood as a truth, with the intent of causing someone to part with something of value. Various types of improper contractor activities fall under the general heading of procurement fraud and can lead to criminal and civil punishment. Only the U.S. Department of Justice may prosecute and resolve fraud cases on behalf of the U.S. Government. However, that approach does not mean that CORs should ignore suspicions of fraud or other dubious conduct. DoD has an obligation to administer its contracts effectively and efficiently for the U.S. taxpayer. DoD has the ability, with appropriate coordination with the relevant criminal investigative organizations, to take contractual and administrative remedies (e.g., suspension and debarment) as appropriate to address

contractor misconduct while criminal investigators work to punish the misconduct. This strategy requires a coordinated approach to assessing and dealing with procurement fraud indicators.

Primary procurement fraud indicators include the following:

- Gratuities (e.g., gifts, travel, entertainment)
- Duplicate documentation
- Payments made to addresses other than the firm's official address
- Subcontractor or supplier complaints of nonpayment
- Errors in invoices or contractor data
- Actions beyond the normal scope of duties
- Irregular typeface on invoices
- Payment without receiving a receipt
- Little progress, but significant charging
- Multiple payments to the same supplier in similar amounts
- Shifting of costs between contracts
- Failed tests or inspections
- Bid information that is available before opening
- Poor quality
- Price discrepancies.

### **COR Responsibilities**

- CORs are not investigators and should not personally investigate suspected cases of fraud. CORs are responsible for alerting the following stakeholders about fraud indicators or suspected fraud:
- Contracting officer
- COR supervisor
- Cognizant legal office
- Cognizant defense criminal investigative agency (e.g., the local Defense Criminal Investigative Service, Air Force Office of Special Investigations, Naval Criminal Investigative Service, or Army Criminal Investigation Command agent).

**Note:** If local agents are not readily available, the COR may report suspicion of procurement fraud to the following hotline:

Department of Defense Inspector General, Hotline (general hotline):  
800-424-9098, DSN 664-8799  
<http://www.dodig.mil/HOTLINE>

CORs must keep a record of **all** suspected fraud communication.

### **Contract Termination**

There are two types of contract termination: termination for convenience of the Government and termination for cause/default.

#### **Termination for Convenience of the Government**

Under the Termination for Convenience clause, the Government has the right to cancel a contract when doing so is in the best interests of the Government, notwithstanding the contractor's ability and readiness to perform. The Government may terminate a contract for convenience if the supply or service is no longer needed, the contract is no longer affordable, it is impossible for the contractor to perform as specified in the contract (through no fault of the contractor), or the requirement has changed radically.

A termination for convenience allows the contractor to submit a settlement proposal for the work that has been accomplished under the contract up to the effective date of the termination, including costs associated with work in progress. The contracting officer and the contractor then negotiate a settlement agreement. The contractor is entitled to be reimbursed for costs incurred for work completed.

**Termination for Cause/Default**

The Government may, by written notice, terminate the contract if the contractor does **not** do the following:

- Deliver supplies or perform services within a specified time frame
- Make progress, thereby endangering contract performance
- Perform any provisions of the contract.

Because the Government is not liable for work not accepted, a termination for cause/default has a greater adverse impact on contracts for supplies than on contracts for services.

A termination for cause/default is improper if the contractor does not receive the required notice and opportunity to cure the situation. There must be at least 10 days remaining on the contract delivery schedule to use the Cure Notice.

Another type of delinquency notice is the Show-Cause Notice. This notice is used to discover an excusable cause/default associated with the contractor's failure to perform. The Show-Cause Notice is used when there are fewer than 10 days remaining on the contract delivery schedule.

The following examples illustrate excusable failures to perform:

- Acts of God
- Acts of a public enemy
- Acts of Government
- Natural disasters such as fires, floods, and earthquakes
- Epidemics
- Quarantine restrictions
- Strikes
- Freight embargoes.

**Note: The COR's responsibilities are essentially the same in terminations for convenience or cause/default. Specifically, CORs must (1) keep the contracting officer informed, (2) provide recommendations to the contracting officer and the requiring organization, (3) review settlement proposals, and (4) document the file.**

## **Disputes**

Disputes between a contractor and the Government can occur when a controversy develops about interpreting the contract terms. Differences of opinion between the contractor and the Government should not interfere with the timely performance of the contract. All contracts contain a Disputes clause (FAR Subpart 52.233-1) that details the procedures to be followed in case of an unresolved disagreement between a contractor and the contracting officer. The COR will play a key role in advising the contracting officer about the intent of contract specifications or provisions that might be the subject of dispute. Consequently, the COR should understand the contract and should create and maintain the documentation required to state a position, in writing, to help the contracting officer. For each dispute received, the contracting officer must respond promptly with a written decision, including the reasons for the decision. Unless appealed within certain time limits, the contracting officer's decision becomes final and is not subject to review. Because the Government must pay interest on claims that are in dispute, the COR must promptly provide the contracting officer with the necessary documentation. DFARS Subpart 233.2 includes specific instructions concerning disputes, contracting officer decisions, and appeals.

CORs should be prepared to submit various forms of documentation and correspondence developed during the course of a contract. CORs also should be prepared to give verbal testimony before the GAO, the General Services Administration Board of Contract Appeals (GSBCA), the Armed Services Board of Contract Appeals (ASBCA), or a court of the judicial system in connection with disputes or other contractual matters. The completeness, accuracy, and currency of the COR's records may determine who prevails—the Government or the contractor.

The following warning signs can indicate potential disputes:

- Failure to meet performance deadlines
- Repeated safety violations
- Repeated incidents of poor quality work
- Complaints from site workers
- Prolonged delays
- Persistent complaints regarding Government employees or inspectors
- Complaints from subcontractors.

Disputes often can be resolved through an alternative dispute resolution process, which offers the following advantages:

- Reduced settlement time
- Expertise and objectivity of a neutral adviser
- Privacy
- Reduced costs.

The COR supports the ADR process by providing surveillance documentation and reports supporting the Government's position.

### **COR Working File**

The COR is required to maintain a working file—in hard copy, electronically, or both—containing records relating to COR duties during the life of the contract and to dispose of those records as



directed by the contracting officer. In addition, the COR is charged with safeguarding all procurement sensitive, business sensitive, and proprietary information in the files. The contents of the COR working file will vary according to the size and complexity of the contract. At a minimum, the file must contain (1) a copy of the contracting officer's letter of appointment/designation and other documentation describing the COR's duties and responsibilities and (2) documentation of actions taken in accordance with the letter of appointment/designation as well as any other documentation required by the contracting officer and referenced in the COR's letter of appointment/designation. Appendix A includes a checklist of minimum COR file contents. However, good judgment and experience on the part of the COR will determine the necessary information that CORs must maintain in their files.

**Note: The COR working file is business sensitive and must be safeguarded appropriately.**

The COR working file is part of the official contract file and must be maintained according to the contracting officer's instructions. The following key procedures are related to the COR file:

- Maintain a separate, current COR working file for each contract and for each delivery order or task order.
- As a matter of practice, prepare a memorandum for the record no later than 1 business day after significant meetings or discussions with the contractor or the contracting officer, including telephone conversations and trip reports.
- Clearly index all documents and file them by category and in chronological order in a suitable folder. Examples of document categories are memoranda for the record, inspections, trip reports, and minutes of meetings and conferences. The goal is to organize

the records so that rapid access to information by the COR and inspection by the contracting officer (and other authorized officials) are enabled.

- Forward to the contracting officer any correspondence received from the contractor and retain a copy in the COR working file.
- Send copies of all COR-prepared correspondence to the contracting officer.
- Clearly mark the contract number on all documents and file folders.
- Make the COR working file available for review by the contracting officer and other authorized officials. The contracting officer will schedule an appointment with the COR for review of the COR file. At a minimum, the contracting officer should review the COR file annually and should annotate the file with the results of the review, including findings and recommended actions (if any).
- Retain records that pertain to unsettled claims, open investigations, cases under litigation, or similar matters until final clearance or settlement.
- After completion or termination of the contract (or as otherwise directed by the contracting officer), forward the COR working file to the contracting officer for retention in the official contract file.
- After termination of a COR appointment/designation, promptly transfer the COR files to the successor COR or forward them to the contracting officer, as instructed by the contracting officer.

**Note: The COR should receive the contract-related working file from the contracting officer during COR training. If key documents are missing from the file, the COR should contact the contracting officer to obtain copies.**

## Do's and Don'ts: Contract Monitoring

**Table 4** summarizes do's and don'ts for contract monitoring.

**Table 4. Do's and Don'ts for Contract Monitoring**

<b>Contract Monitoring</b>	
<b>Do</b>	<b>Don't</b>
<ul style="list-style-type: none"><li>• Set a level of monitoring that is consistent with the type of contract, complexity of the supplies or services, and importance of the contract to the overall program.</li><li>• Read progress reports and immediately act on problems that they reveal.</li><li>• Confirm that the contractor complies with every requirement of the contract.</li><li>• Immediately contact the contracting officer when deficiencies or delinquencies are noted.</li><li>• Use the contractor's invoices to help monitor technical progress.</li></ul>	<ul style="list-style-type: none"><li>• Assume that no news is good news.</li><li>• Wait until a delivery is due or overdue to check progress.</li><li>• Take independent action against a delinquent contractor. Instead, the COR should work through the contracting officer.</li><li>• Order, request, or even suggest that the contractor do work that is not called for by the contract.</li><li>• Act as if the COR is the contractor's personnel manager. Remember that the COR reviews and approves or disapproves; the contractor supervises contractor personnel.</li><li>• Assume that contractor billings are correct.</li></ul>

### Chapter 8: Key Points

1. To properly monitor the contractor, the COR must know and understand contract requirements, as specified in the SOO, SOW, or PWS.
2. The COR monitors the contractor based on the contract requirements specified in the SOO, SOW, or PWS and according to the COR letter of appointment/designation from the contracting officer.

3. The COR must notify the contracting officer, orally and in writing, if the contractor is not performing well (i.e., if contractor performance deviates from the SOO, SOW, or PWS).
4. The contracting officer—and only the contracting officer—has the authority to give verbal or written directions to the contractor.
5. When applicable to a contract, progress reports are critical in monitoring contractor performance, especially for gauging early warning signs of potential changes, delays, or other problems in contractor performance.
6. The contractor has the primary responsibility for quality assurance and for the timeliness of its supplies or services. However, the COR must assess contractor performance to ensure that the delivered supplies or services conform to contract requirements.
7. For services, the COR can monitor contractor performance by using a variety of inspection methods, including the following:
  - a. Random sampling or stratified sampling
  - b. 100 percent inspection for stringent performance requirements concerning health and safety
  - c. Periodic inspection or planned sampling to evaluate tasks selected on a basis other than a 100 percent inspection or random sampling
  - d. User feedback, which is a valuable supplement to more systematic surveillance methods.
8. An important part of the performance assessment process is documenting how well a contractor performs on a contract.
9. The contracting officer has the following available remedies to address supplies or services that do not conform to contract requirements:
  - a. Bring the particular deficiency to the attention of the contractor by sending a letter or holding a meeting and obtain a commitment for appropriate corrective action

- b. Extend the contract schedule if excusable delays in performance are involved (e.g., combat situations or extreme weather conditions)
  - c. Withhold contract payments if the contractor fails to comply with delivery or reporting provisions of the contract
  - d. Terminate the contract for cause or default.
10. The COR is required to notify the contracting officer about any delay in the delivery or performance schedule.
  11. CORs are not investigators. CORs should not personally investigate suspected cases of fraud. Rather, CORs should determine the facts of the questionable circumstances and occurrences and then advise the contracting officer, commander, COR supervisor, or cognizant defense criminal investigative agency.
  12. According to the United Nations, human trafficking “is a crime against humanity. It involves an act of recruiting, transporting, transferring, harboring or receiving a person through a use of force, coercion or other means, for the purpose of exploiting them.” CORs must be diligent in ensuring that contractors and contractor personnel are not trafficking in persons.
  13. If a dispute over, or request for, equitable adjustment occurs, CORs should be prepared to submit documentation developed during the course of contract performance in support of the contracting officer.
  14. The COR is required to maintain a working file (in hard copy, electronically, or both) containing records relating to COR duties during the life of the contract and to dispose of those records as directed by the contracting officer. The COR working file should be considered confidential and should be safeguarded appropriately. If key documents are missing from the file, the COR should contact the contracting officer to obtain copies.



## CHAPTER CONTENTS

QASPs for Services Contracts .....	153
QASP Composition and Method.....	155
Contract Surveillance Checklist.....	157
Deficiency Identification .....	157
Automated Requirements Roadmap Tool .....	160
Chapter 9: Key Points.....	161

## Chapter 9

### Developing a Quality Assurance Surveillance Plan



The development of a QASP is one of the most important roles of the COR during acquisition planning and the Pre-Award Phase.

This document defines the process that the Government uses to evaluate the contractor's execution of the PWS or SOW. The QASP is developed in conjunction with PWS or SOW development and must be entirely consistent with that document. It is extremely important for the COR to be involved early in the process to ensure that the QASP is developed correctly. Measurable objectives and standards must be included in the PWS so that the COR can develop an effective and practical QASP. Involving the COR in this process will ensure that measurable objectives are identified. The COR will develop the QASP based on the Performance Requirement Summary (PRS) and deliverable schedule in the PWS. The QASP explains the following:

- What will be monitored
- How monitoring will take place
- Who will conduct the monitoring
- How monitoring efforts and results will be documented.

The QASP does not detail how the contractor should accomplish the work. Instead, the QASP is created on the premise that the contractor is responsible for management and quality control actions to meet the terms of the contract. The Government is responsible for being objective, fair, and consistent in evaluating performance. In addition, the QASP should recognize that unforeseen and uncontrollable situations might occur, such as acts of God (e.g., bad weather or earthquakes) or situations resulting from a combat environment.

The QASP should be treated as a living document, and the COR should regularly review it and refer to it. If the COR concludes that the QASP requires or would benefit from revision, the COR should coordinate with the contracting officer on any suggested changes to the document. Only the contracting officer has the authority to make



formal changes to the QASP. Updates might be called for to ensure that the QASP remains a valid, useful, and enforceable document. Both the contractor and the CORs who are implementing the surveillance activities must receive copies of the original QASP and any subsequent revisions.

### **QASPs for Services Contracts**

The QASP is an important tool that the COR can use as a guide for systematically and effectively monitoring the quality of the services received and their compliance with the terms of the contract. The QASP also is used as a guide for determining if and when the Government needs to (1) intercede and possibly terminate a contract or (2) exercise contract options. (Options should be exercised after assessing the incumbent's performance under the current contract and testing the market to ensure a fair and reasonable price for conduct of services.) In FFP contracts, the purpose of surveillance is to identify any factors that might delay performance, particularly when it becomes necessary for the Government to accept performance shortfalls from contractually established standards.

Typically, the requiring organization that drafts the SOO, SOW, or PWS also develops the QASP and surveillance methods, tailoring them to meet specific contract requirements and operating conditions. The QASP details how and when the Government will survey, observe, test, sample, evaluate, and document contractor performance. The QASP shall include procedures to monitor the contractor's performance regarding CTIP so that noncompliance with FAR Subpart 52.222-50, "Combating Trafficking in Persons," is brought to the immediate attention of the contracting officer.<sup>37</sup> The QASP also outlines the corrective procedures to be taken against the contractor for deficient

---

<sup>37</sup> FAR Subpart 22.17, DFARS Subpart 222.17, and DCMA Instruction 226-1.

performance—for example, issuing discrepancy reports that require corrective action responses, taking deductions from payments in FFP contracts (if such provisions were made), and submitting recommendations to the contracting officer about the nature and significance of any performance shortfalls. The QASP may be adjusted to address contract risks that were not originally anticipated or no longer threaten contract success. The PRS can be released to the contractor, but the QASP is an internal Government document.

Not every contract, delivery order, or task order requires a QASP. However, such a plan is mandatory for any contract, task order, or delivery order for services that exceed the simplified acquisition threshold. Therefore, contracts for services—including T&M contracts and labor-hour contracts—must include QASPs to facilitate the assessment of contractor performance. These plans must be prepared in conjunction with the preparation of the SOO, SOW, or PWS and should be tailored to address performance risks inherent in the specific contract type and the work effort addressed by contract.

The purpose of contract surveillance is to monitor contractor performance to ensure that the services received are consistent with the contract quality requirements and are received in a timely manner. The objective of contract surveillance is to address any issues with contractor performance and related factors **before** serious performance issues arise. To be effective, contract surveillance requires appropriate and immediate onsite monitoring of the services being performed. Onsite monitoring should include periodic verification and analysis of the services performed. Each inspection made by Government inspectors must be scheduled, and the results must be documented and filed for future reference, audit, and proof of inspection.

The effectiveness of contract surveillance depends on keeping the contracting officer informed in a timely manner about deviations from the contractual requirements. Working with the COR and other relevant

staff and management, the contracting officer will determine if and when to intercede and terminate a contract, when to take other appropriate corrective actions, and if and when to exercise contractual options.

The surveillance procedures in the QASP must be discussed at the post-award orientation meeting (if held) to ensure full understanding by all parties. The procedures will specify a schedule of inspections, but will allow at least some unannounced inspections. For example, scheduled inspections might be described as follows: “Once every month [*task*] will be inspected to assess the quality of work and progress toward completion. Random sampling will be done as work progresses. Near contract completion, a 100 percent inspection will be performed.”

Because it is developed and used by the Government, the QASP can be modified at any time. The decision to change the plan depends largely on the contractor’s demonstrated capability to effectively implement its Quality Control Plan. Surveillance should be increased if the contractor begins to experience problems or difficulties in its performance, financial strength, management, quality assurance, or accounting system.

### **QASP Composition and Method**

The QASP should address the following topics:

- Purpose of the plan
- Roles and responsibilities
- Procedures
- Methods of assessment
- Successful performance and remedies
- Certification of services
- Sample of a contract discrepancy report
- Corrective Action Process (CAP)<sup>38</sup>

---

<sup>38</sup> Suppliers must adequately identify and correct assignable causes of nonconformity in accordance with DCMA Instruction 226-1.

- Complaint procedures and training instructions
- Receipt of customer complaints
- Documentation
- Abbreviations.

At a minimum, the QASP should accomplish the following:

- Provide a schedule for periodic onsite inspections, floor checks, and audits of contractor billings to ensure that costs charged to the contract are legitimate and reasonable. Specify how often (e.g., weekly, monthly) inspections will occur.
- Identify what will be checked during an inspection, how it will be checked, and what type of sample will be used (e.g., random, 100 percent). For example, describe the scope of the inspection as follows: “Once every month, technical bulletin revisions will be inspected to assess the quality of work and progress toward completion. The revisions will be read for quality and accuracy. Random sampling will be done as work progresses. Near contract completion, a 100 percent inspection will be performed.”
- Describe the method that will be used for checking cost-type contract invoices to ensure that only those labor categories used for performance of a task or project are invoiced to the Government. Describe how materials or supplies will be delivered and accepted under a cost or fixed-price contract. Identify the frequency of inspections of timecards and payroll records. Specify the policy for delivery and acceptance procedures.
- For cost-type contracts, explain how the contracting officer will ensure that the prime contractor has obtained adequately competitive bids when acquiring materials. For example, note in the QASP that competitive acquisition of materials by the contractor will be checked for charges that exceed a certain dollar amount.
- Explain how the contracting officer will ensure that progress

payments on fixed-price contracts do not exceed the quality and quantity of work completed and that payment is made in accordance with the progress payment clause. For example, note that the quantity and quality of work will be inspected to determine whether the work completed to date justifies the amount of the payment to be made.

Effective use of the QASP, in conjunction with the contractor's Quality Control Plan, will allow the Government to evaluate contractor success in meeting the specified contract requirements. Surveillance should be increased if the contractor begins to experience problems or difficulties in its performance, financial strength, management, quality assurance, or accounting system.

Each Government inspection must be scheduled, and the results must be documented and filed for future reference, audit, and proof of inspection. User complaints, unsatisfactory contract performance, equipment breakdown, meetings, and the like also should be documented and filed. This documentation could be in the form of a contract deficiency report, minutes of meetings, annotations on tally checklists, correspondence, and so forth.

A sample QASP template and a COR Checklist Memorandum are included on the DVD in Attachment 1.

## **Contract Surveillance Checklist**

The COR should use a contract surveillance checklist to ensure correct performance of COR duties. Appendix A includes a checklist for contract surveillance.

## **Deficiency Identification**

Effective contract surveillance relies on two methods for identifying unacceptable performance—Contractor Identified Discrepancies (CIDs) and Government Identified Discrepancies (GIDs).

CIDs are generated when contract employees detect discrepancies during performance of routine daily services or through the contractor's quality program. Relevant quality assurance personnel review CIDs and perform the following:

- Review corrective actions taken by the contractor to resolve a discrepancy.
- Determine whether the discrepancy has been corrected. If the discrepancy has been resolved, review the corrective action and any applicable procedures that the contractor has established to preclude recurrence of the problem.
- Document the discrepancy as well as the contractor's corrective action in the end-of-month Certificate of Service (COS) report or the Receiving Report (DD 250) that is provided to the contracting officer. Also include the documentation in the surveillance activity checklist.
- If a CID has not been resolved and the contractor has established an estimated completion date (ECD) for resolution of the discrepancy, monitor the contractor's efforts in resolving the discrepancy. In addition, the discrepancy will be noted in the COS report or DD 250 until the discrepancy is closed.
- If the ECD for resolution of the discrepancy is excessively delayed based on the nature of the discrepancy, notify the quality assurance specialist, who can then evaluate the recommendation to identify the appropriate course of action.

GIDs are generated as a result of quality assurance personnel inspections of contractor performance that detect noncompliance with contractual requirements. The QAS will record each GID on a Contractor Performance Evaluation Report (CPEP). Before a CPEP is generated, the contractor will have the opportunity to show whether the deficiency has already been identified and is being addressed. If

available documentation substantiates that the contractor's quality program has identified the deficiency and that timely corrective action is being taken to address the deficiency, a CPER will not be issued.

Customer complaints are also a critical source of surveillance information. To facilitate customer feedback, when appropriate, the following steps may be taken:

- Educate customers about the services being provided by the contractor by sending an e-mail or posting the inspection checklist in public parts of the facility. The checklist should include the contractor's name, contractor's POC, Government POC, telephone numbers for both POCs, contract number, and performance objectives, including at a minimum the objectives in the QASP that rely on customer feedback.
- If appropriate, make customer feedback forms available at the same location as the posted inspection checklist. The customer feedback form shall include clear and simple instructions for the customer on recording comments. The form should allow both positive and negative comments.
- If an immediate response to a complaint is needed, provide the customer with instructions on how to proceed. The COR will gather all completed customer feedback forms and evaluate the validity of any negative comments, investigating as appropriate. If the COR concludes that the negative comment is not valid, the customer will be informed about the reasons, with an invitation for further correspondence if the customer so desires.
- For validated negative comments or GIDs, notify the contractor's quality control inspector (QCI) to create the opportunity for investigation and comment. The COR will also notify the customer about the corrective action taken by the contractor, if applicable.
- Conduct a trend analysis of validated negative comments (performed by the COR, with assistance from the QAS).

## Automated Requirements Roadmap Tool

The Automated Requirements Roadmap Tool (ARRT) is a job assistance tool used to write performance-based requirements, following the requirements roadmap process. With ARRT, the user can create a PWS, QASP, and PRS. ARRT is developed in Microsoft Office applications and generates Microsoft Word documents for use in an acquisition. The tool's embedded methodology produces better requirements. Its step-by-step approach guides the user through questions, using the answers to create documents. ARRT is available for download through the DAU Service Acquisition Mall at [http://sam.dau.mil/Content.aspx?currentContentID=arrt\\_downloadables#ARRT\\_Download](http://sam.dau.mil/Content.aspx?currentContentID=arrt_downloadables#ARRT_Download).<sup>39</sup> Figure 7 shows a sample screenshot from ARRT.

---

<sup>39</sup> Additional information on ARRT is available at <http://sam.dau.mil/Content.aspx?currentContentID=arrt>.



The screenshot shows a web application interface for project management. At the top right, the user is logged in as 'Accounts Requirements Team/1041 - ARRT'. A navigation menu on the left contains four items: '1. Name / Vision', '2. High Level Objectives', '3. Tasks/ Deliverables', and '4. Work Products'. Below the menu are buttons for 'Projects', 'Process Flow', and 'Review Progress'. The main content area is titled 'Project: Maintain the Clark River Channel' and includes a 'Choose a document below to edit' prompt. There are four document selection boxes:

- PWS Performance Work Statement**: Your PWS is 92% complete. The Performance Work Statement (PWS) clearly describes the project requirements, mission, scope, tasks, and standards.
- QASP Quality Assurance Surveillance Plan / Surveillance Matrix**: Your QASP is 82% complete. The Quality Assurance Surveillance Plan (QASP) is the document government personnel use to determine if the contractor is meeting the performance standards contained in the contract. The QASP identifies what is going to be inspected, the inspection process, and who will do the inspecting. The results of those inspections will then be used to document contractor performance.
- PRS Performance Requirement Summary**: The Performance Requirements Summary (PRS) is the combination of tasks and standards that defines the requirements for the contractor.
- DOCS Related Documents**: Related Documents are a list of documents that are associated with a Project. These might include published documents referenced as compliance standards, official policy relevant to the PWS, and other necessary external document references.

Figure 7. ARRT Sample Screen Shot

### **Chapter 9: Key Points**

1. The development of a QASP is one of the most important roles that the COR plays in acquisition planning and the Pre-Award Phase.
2. The QASP does not detail how the contractor will accomplish the work. Instead, the QASP is created on the premise that the contractor is responsible for the management and quality control actions necessary to meet the terms of the contract.
3. The QASP should be treated as a living document, and the COR should regularly review it and refer to it.
4. The COR can use the QASP as a guide for systematically and effectively monitoring the quality of the services received and their compliance with the terms of the contract.
5. In conjunction with the contractor's quality control plan, effective use of the QASP will enable the Government to evaluate the contractor's success in meeting the specified contract requirements.
6. The COR should use a contract surveillance checklist to ensure correct performance of COR duties.
7. Effective contract surveillance relies on two methods for identification of unacceptable performance, CIDs and GIDs.
8. The ARRT is a job assistance tool used to write performance-based requirements, following the requirements roadmap process.

## CHAPTER CONTENTS

Personal and Nonpersonal Services ....	164
Contractor Inspection Clauses for Services Contracts .....	166
Performance Work Statements for Services Contracts .....	167
Incident Reporting .....	167
Contract Work Hours and Safety Standards Act .....	168
Logistics Civil Augmentation Program Contracts .....	168
Planning .....	169
Management .....	170
Chapter 10: Key Points...	170

## Chapter 10 Monitoring Services Contracts



## Personal and Nonpersonal Services

A services contract can provide for either personal services or nonpersonal services. Such contracts can also cover services performed by either a professional or nonprofessional entity, whether an individual or an organization. A personal services contract, by its express terms or as administered, makes the contractor personnel appear to be, in effect, Government employees.

Personal services are characterized by the employer-employee relationship created between the Government and contractor personnel. Obtaining personal services by contract rather than by direct hire circumvents and violates civil service laws unless Congress has specifically authorized acquisition of the services by contract. (Agencies may not award personal services contracts unless specifically authorized by statute.<sup>40</sup>) An employer-employee relationship under a services contract occurs when—as a result of express contract terms or the manner of their administration during performance—contractor personnel are subject to the relatively continual supervision and control of a Government officer or employee and the contractor personnel appear to be, in effect, Government employees. The following characteristics are typical of a personal services contract:

Performance is onsite.

- The Government furnishes principal tools and equipment.
- Services directly support the integral effort of an entity to accomplish its assigned function or mission.
- Civil service personnel perform comparable services that meet comparable needs in the same agency (or similar agencies).
- Performance addresses inherently governmental functions. The inherent nature of the services, or the manner in which they are

---

40 5 U.S.C. Section 3109.

provided, reasonably requires direct or indirect Government direction or supervision of contractor employees to perform one of the following:

- » Adequately protect the Government's interests
- » Retain control of the function involved
- » Retain full personal responsibility for the function supported by a duly authorized Federal officer or employee.

FAR Subpart 2.101 defines a nonpersonal services contract as “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.” Stipulating contractor employee duty hours, requiring contractor personnel to report to a Government official, requiring contractor employees to complete certain Government forms, maintaining contractor personnel records such as timecards, and granting leave requests are examples of actions that are grounds for the nonpersonal services contractor to initiate a claim against the Government. The post-award administration of a nonpersonal services contract is a critical time to use caution to prevent nonpersonal services contracts from becoming personal services contracts. The COR must be vigilant because this critical area exposes the COR and the Government to liability. The solution is to write a thorough SOO, SOW, or PWS that specifies the duty hours and the contractor's arrangement for supervising its employees.

When contracting for services, Government policy is to use performance-based contracting methods and to contract for nonpersonal services rather than personal services to the maximum extent practicable.

**Contractor Inspection Clauses for Services Contracts**

FAR Subpart 52.246-1 addresses contractor inspection requirements as follows:

The Contractor is responsible for performing or having performed all inspections and tests necessary to substantiate that the supplies or services furnished under this contract conform to contract requirements, including any applicable technical requirements for specified manufacturers' parts.

The related clauses specific to services contracts include the following:

- FAR Subpart 52.246-4, "Inspection of Services—Fixed-Price," FAR Subpart 52.246-5, "Inspection of Services—Cost-Reimbursement," and FAR Subpart 52.246-6, "Inspection—Time-and-Material and Labor-Hour," require the contractor to provide and maintain an inspection system acceptable to the Government that covers the services to be performed under the contract, to keep complete records of contractor-performed inspections, and to make such records available to the Government during the life of the contract.
- FAR Subpart 52.246-14, "Inspection of Transportation," requires the contractor to furnish Government representatives with free access and reasonable facilities and assistance as required to accomplish their inspections and tests.

At a minimum, contractor records must indicate the nature of the observations, number of observations made, and number and type of deficiencies found. The inspection records also must note the acceptability of the services and actions taken to correct deficiencies. The COR must ensure that the contractor complies with this contract requirement.

## **Performance Work Statements for Services Contracts**

The PWS defines the contract performance requirements (i.e., the work to be accomplished). Defining the performance requirements includes identifying required outputs, key performance indicators or performance characteristics, and acceptance standards.

There is no standard template or outline for a PWS. The contracting officer will provide specific guidance on developing a PWS. The DAU Service Acquisition Mall<sup>41</sup> furnishes tools and templates to help create a PWS. FAR Subpart 37.602 requires that, to the maximum extent practicable, agencies perform the following:

- Describe work in terms of required results rather than specifying how the work will be done or noting the number of hours to be provided
- Enable the assessment of work performance against measurable performance standards
- Rely on measurable performance standards and financial incentives in a competitive environment to encourage innovation and cost-effective methods of performing the work.

### **Incident Reporting**

It is important for CORs to know that contractors are required to report alleged offenses committed by or against contractor personnel to the appropriate investigative authorities, and CORs might need to help the contractor locate the appropriate authority. Victim and witness protection (and assistance for contractor personnel in connection with alleged offenses) will be provided. Appendix A includes a sample critical incidents checklist with instructions. The DVD included in Attachment 1 provides a blank version and a completed example of the checklist.

---

<sup>41</sup> The DAU Service Acquisition Mall website is available at <http://sam.dau.mil/>. DAU also provides Service Acquisition Mall training workshops.

## **Contract Work Hours and Safety Standards Act**

Depending on the nature of the contract and the COR's letter of appointment/designation, the COR may participate in reviews of the contractor's time charges. The Contract Work Hours and Safety Standards Act (40 U.S.C. Sections 327–333) requires that certain contracts contain a clause (FAR Subpart 52.222-4, "Contract Work Hours and Safety Standards Act—Overtime Compensation") specifying that no laborer or mechanic doing any part of the work covered by the contract can be required or permitted to work more than 40 hours in any work week unless all additional hours are compensated at not less than 1.5 times the basic rate of pay.

Violations of the act can be detected during a labor interview. Part of the interview requires the employee to divulge the total number of hours worked during the previous week. Contractors and subcontractors in violation of this contract provision must pay the back wages owed to the employee plus liquidated damages per day per affected employee. This amount can be withheld from monies owed to the contractor under the contract or from payments owed under any other contract that the contractor has with the Government. Approval for the use of overtime may only be granted by an authorized agency approving official (i.e., the contracting officer) after a determination in writing that OT is necessary.

## **Logistics Civil Augmentation Program Contracts**

The Logistics Civil Augmentation Program (LOGCAP) is an Army program for augmenting the forces by providing a services capability to meet externally driven operational requirements for rapid contingency augmentation support. LOGCAP personnel plan for and execute contracted support services, working in conjunction with the Army Field Support Brigade and Contract Support Brigade for the



deployed forces performing missions directed or supported by DoD during global contingency operations. In general, LOGCAP provides logistics services and minor construction support for operations of any scale. The LOGCAP contracts are designed to provide general logistics and minor construction support to deployed Army, joint, multinational, and interagency forces. The Army is currently managing the fourth contractual iteration of LOGCAP. LOGCAP IV differs from LOGCAP I through III because it now has one support and three performance contractors instead of just one contractor.

## **Planning**

The LOGCAP Program Management Office (PMO) supports requiring activities by engaging in deliberate strategic planning. LOGCAP planners participate in designated planning conferences and prepare both general and operationally specific plans. In conjunction with various operational commands, the LOGCAP PMO has created a library of plans that cover a range of scenarios, from support plans for contingency operations in various developed and undeveloped countries to plans supporting specific regional contingency plans or operation plans across the range of potential military operations. Event planning can begin after the initial discussion between a requiring organization and the LOGCAP PMO. This discussion is generalized; entails an initial assessment of scope, location, and duration; and helps both the LOGCAP PMO and the requiring organization in deciding whether LOGCAP activities are an appropriate course of action. After the decision is made to use LOGCAP—and is approved by the Deputy Chief of Staff for Logistics (DCS G4)—focused planning begins, involving the LOGCAP PMO, Army Contracting Command–Rock Island (ACC-RI), requiring organization, and LOGCAP contractors.

## **Management**

The Army LOGCAP is a Headquarters, Department of the Army (HQDA) program. The HQDA Office of the Deputy Chief of Staff for Logistics (G4) holds primary responsibility for program policy, guidance, and direction and also serves as the LOGCAP Management Decision Evaluation Package (MDEP) program manager proponent and approval authority for the use of LOGCAP services. The U.S. Army Materiel Command, through its subordinate Army Sustainment Command, serves as the principal agent responsible for LOGCAP administration, management, and execution. The Army component's Field Support Brigade, augmented by a Team LOGCAP Forward consisting of a LOGCAP deputy program manager and planning team—including DCMA, DCAA, U.S. Army Corps of Engineers, elements of the LOGCAP PMO, LOGCAP support contractors, and an element of the LOGCAP Support Group—gives the joint forces commander and Army forces commander a single focal point for centrally managing LOGCAP planning and execution in the Theater of Operation. Within the operational area, Team LOGCAP Forward helps incorporate LOGCAP requirements into operation plans and fragmentary orders and will provide other assistance to requiring activities with validated LOGCAP requirements.

### **Chapter 10: Key Points**

1. The majority of Government services contracts are for nonpersonal services.
2. A personal services contract, by its express terms or as administered, makes the contractor personnel appear to be, in effect, Government employees.
3. The acquisition regulation inspection clauses are key to giving the COR the statutory authority with the contractor to allow the COR to oversee contract performance.

---

## **Chapter 10**

### Monitoring Services Contracts

4. The PWS is a critical document that defines the contract's performance requirements.
5. To help the COR ensure that the contractor is meeting performance requirements, a QASP is used (and is included in the contract). The QASP establishes the metrics that the COR will use to assess successful contract performance.



## CHAPTER CONTENTS

Performance and Payment Bonds .....	174
Contractor Inspection Clauses.....	174
COR Compliance Checking.....	175
Correction of Deficiencies .....	175
Liquidated Damages.....	176
Differing Site Conditions.....	177
Contractual Rights of the Government.....	177
Progress Payments .....	178
Suspension of Work .....	180
Chapter 11: Key Points...	181

## Chapter 11 Monitoring Construction Contracts



## **Performance and Payment Bonds**

**T**he Miller Act requires contractors to furnish performance and payment bonds for construction contracts worth more than \$150,000. Bonds are similar to an insurance policy. A bond is a written instrument between the contractor and a third-party surety to ensure fulfillment of the contractor's obligation to the Government and to suppliers of labor and material for a given project. Performance bonds protect the Government from default by the prime contractor and are required in the amount of 100 percent of the original contract price for construction contracts (FAR Subpart 52.228-15, "Performance and Payment Bonds—Construction"). Payment bonds protect suppliers of labor and materials if the prime contractor does not reimburse those subcontractors. Payment bonds are required because construction subcontractors do not have the legal right to place mechanic's liens against real property of the Government. However, subcontractors in a civil contract can place such liens against real property if the prime contractor does not reimburse the subcontractors.

## **Contractor Inspection Clauses**

When construction contracts are worth more than the simplified acquisition threshold, the contractor is required to maintain an inspection system, as noted in FAR Subpart 52.246-12, "Inspection of Construction":

The Contractor is responsible for performing or having performed all inspections and tests necessary to substantiate that the supplies or services furnished under this contract conform to contract requirements, including any applicable technical requirements for specified manufacturers' parts.

The contractor must make its inspection records available to the Government. At a minimum, the contractor's records must document

the nature of the observations, number of observations made, and number and types of deficiencies found. The records also must indicate the acceptability of the work and the actions taken to correct deficiencies. The COR must ensure that the contractor complies with this contract requirement.

### **COR Compliance Checking**

The **COR** must perform the following compliance checks for construction contracts:

- Review the contractor's certified payrolls.
- Check work sites for required postings.
- Conduct labor standard interviews.
- Compare payrolls and onsite interviews.
- Resolve discrepancies or violations.

### **Correction of Deficiencies**

In accordance with the Inspection of Construction clause, the contractor must replace materials—or must correct the inspection system, inspection methods, or workmanship—if they do not conform to the contract requirements. The contractor must make such corrections at no additional cost to the Government. In addition, the contractor is subject to the liquidated damages specified in the contract or the actual damages incurred by the Government. If the contractor fails to correct deficiencies, the general provisions of the contract include specific actions to be taken by the contracting officer, as follows:

- Replace or correct the item (or the work) at the contractor's expense. This action may be accomplished by awarding a new contract or by using the Government's own resources.
- Accept the items with a reduction in price. This action is accomplished by formal modification to the contract. The reduced price is based

on the reasonable value of the item, taking into account the possible cost of correcting the item.

- Terminate the contract for default. This action is taken only as a last resort. If the item or work must be reprocured, the contractor is normally liable for excess costs incurred by the Government.

The COR may not take any of these specified actions, but must ensure that the contracting officer receives timely notice of the deficiencies.

### **Liquidated Damages**

Liquidated damages are required in DoD construction contracts worth more than \$500,000, but also may be used in contracts that fall under this threshold if the contracting officer concludes that the Government might suffer a loss if the project is not completed on time. Liquidated damages are amounts agreed to in advance to avoid litigation. They are based on the damage that one party might incur if the other does not complete the contract on time. Because liquidated damages are determined before contract award, they can be only estimates and might not accurately represent the actual damages that the Government ultimately incurs. The specified liquidated damages do not equal the exact damages that might be incurred, but must show some reasonable relationship to anticipated damages. If there is no reasonable relationship to anticipated damages, liquidated damages will be categorized as a penalty and will not be enforced. The contract must contain a clause limiting the amount of liquidated damages that can be assessed against a contractor. The Government is entitled to the amount of liquidated damages agreed to in advance unless the contractor has encountered an excusable delay.

The COR must keep accurate notes and records. For example, contractors normally dispute the number of days that have been assessed, not the liquidated damage rate. Consequently, the COR must



keep adequate daily records of weather or other relevant conditions that might affect the completion of the contract. Contracting officers have final authority to decide whether they will enforce liquidated damages if the delay is not excusable.

### **Differing Site Conditions**

One of the major risks of construction projects is the type of subsurface or other latent physical condition that will be encountered. If bidders were required to assume the full risk of these conditions, they would have to either examine the site extensively or include contingencies in their bids to protect themselves against potential unfavorable conditions. On the other hand, the Government normally has obtained information concerning site conditions during its design of the project before soliciting bids—and it wants to avoid the disruption and bidding expense involved in each bidder performing borings or other extensive investigations. In response to this situation, the Government has made its information about the site available to bidders, admonished bidders to make reasonable site investigations, and relieved the contractor from the risk of certain types of unexpected unfavorable conditions while protecting the Government if conditions actually are more favorable than expected. The contractor has an affirmative duty to notify the Government when it encounters a site condition that differs from the expected condition.

### **Contractual Rights of the Government**

A contractual right of the Government cannot be waived, and a contract may not be modified for the convenience of a contractor. However, it might be in the best interests of the Government not to reject the materials or services delivered under a construction contract because of consequences such as resultant utilities shutoff, downtime of equipment or facilities, excessive inconvenience to users or occupants,

or other reasons unique to the contract—all costs that might not be recoverable from the contractor as damages. If the Government wants to accept work that essentially meets its needs, but does not conform to the requirements of the contract, the COR must furnish the contracting officer with recommendations to accept the work as well as findings on all points in which the work fails to meet contractual requirements and an estimate of the time required (and the cost decrease because of penalties, if applicable) for the contractor to complete performance. The contracting officer may extend the contract completion date by formal modification to allow the contractor to correct deficient work.

### **Progress Payments**

FAR Subpart 52.232-5, “Payments Under Fixed-Price Construction Contracts,” provides that, as the work proceeds, the contractor is entitled to progress payments monthly or at more frequent intervals as determined by the contracting officer. This clause further permits a maximum retention of 10 percent of the amount of the payment until satisfactory progress is achieved (unless the contracting officer approves a lower retention percentage). For progress payments, the contracting officer should advise the contractor before onsite work begins to furnish a breakdown of the total contract price, showing the price for each principal category of work. Such a breakdown should be as detailed as requested by the contracting officer, providing a basis for processing progress payments. The work categories in the contractor request for progress payment may be the same as those in the progress schedule approved by the contracting officer (in accordance with FAR Subpart 52.236-15, “Schedules for Construction Contracts”), which is included in all construction contracts that have a performance period exceeding 60 days. A detailed breakdown is not needed for final payments under a contract line item.

FAR Subpart 52.232-5 also requires the following:

Along with each request for progress payments, the contractor shall furnish the following certification, or payment shall not be made: I hereby certify, to the best of my knowledge and belief, that (1) The amounts requested are only for performance in accordance with the specifications, terms, and conditions of the contract; (2) Payments to subcontractors and suppliers have been made for previous payments received under the contract, and timely payments will be made from the proceeds of the payment covered by this certification, in accordance with the subcontract agreements and the requirements of 31 U.S.C. Section 39; and (3) This request for progress payments does not include any amounts that the prime contractor intends to withhold or retain from a subcontractor or supplier in accordance with the terms and conditions of the subcontract. This certification is not to be construed as final acceptance of a subcontractor's performance.

The COR must screen each invoice for progress payments and the certification just described and then compare the total amount invoiced with the progress reports to ensure that the percentage of the amount invoiced is not excessive relative to the percentage of work accomplished. The COR must ensure that all receipts and acceptance documents accurately state quantities, percentage of work completed, list of materials delivered to the job site, and monetary amounts. The COR must forward to the contracting officer—and concurrently forward to the paying office—a copy of each receipt and acceptance document processed in connection with progress or final payments. The COR is responsible for ensuring that payments to the contractor are processed promptly.

## **Suspension of Work**

The Government includes the Suspension of Work clause in all fixed-price construction contracts and in architect-engineer contracts.<sup>42</sup> This clause allows the contracting officer to suspend a contractor's performance for a reasonable period of time. If the suspension is unreasonable, the contractor may be entitled to reimbursement of certain costs that can be attributed to the delay. Ordered suspensions covered by the Suspension of Work clause are eligible for compensation only if they result in unreasonable delay. A suspension of work differs from a stop-work order, which is used in negotiated contracts for supplies and services.

The CORs must maintain adequate records for actions taken under the Suspension of Work clause. Adequate records might indicate that the contractor contributed to the suspension, the contractor was not damaged by the suspension, or the Government's suspension was reasonable. COR records are vital in determining the level of compensation that the contractor could be entitled to (if the suspension is unreasonable).

As specified in FAR Subpart 42.1305(a), the contracting officer must insert the following Suspension of Work clause in solicitations and contracts when a fixed-price construction or architect-engineer contract is considered:

The Contracting Officer may order the Contractor, in writing, to suspend, delay, or interrupt all or any part of the work of this contract for the period of time that the Contracting Officer determines appropriate for the convenience of the Government.

---

42 FAR Subpart 42.1305 (a), "Contract Clauses," and FAR Subpart 52.242-14, "Suspension of Work."

If the performance of all or any part of the work is suspended, delayed, or interrupted for an unreasonable period of time—by an act of the contracting officer in the administration of the contract or by the contracting officer’s failure to act within the time specified in the contract (or within a reasonable time if not specified)—an adjustment must be made for any associated increase in the cost of performance of the contract (excluding profit). In addition, the contract must be modified accordingly in writing. However, no adjustment may be made under this clause for any suspension, delay, or interruption if that performance issue could be attributable to another cause (including the fault or negligence of the contractor) or if an equitable adjustment is provided for (or excluded) under any other term or condition of the contract. A claim under this clause must not be allowed (1) for any cost incurred more than 20 days before the contractor has notified the contracting officer in writing about the relevant act (or failure to act), but this requirement may not apply to a claim resulting from a suspension order; and (2) unless the specific claim and amount are asserted in writing as soon as practicable after the termination of the suspension, delay, or interruption, but no later than the date of final payment.

### **Chapter 11: Key Points**

1. Performance and payment bonds are critical tools for ensuring satisfactory contractor performance on construction contracts that exceed the SAT.
2. The acquisition regulations inspection clause for construction is key in giving the COR the authority to oversee contract performance.
3. The COR must ensure that the contractor is complying with the terms and conditions of the contract and must correct any contractor-caused deficiencies in a timely manner.
4. Liquidated damages are another key tool for construction contracts, acting as a motivator to ensure timely completion. Liquidated

damages cannot be considered a penalty, but must adequately reflect the costs that the Government will incur if the project is not completed according to the contract schedule.

5. Because of the unique nature of construction, some condition will be discovered during performance that differs from the original contract documentation. These changes are addressed through two types of differing site conditions (Category I and Category II). The Changes clauses process is used to definitize these actions.
6. Progress payments are typically made under a construction contract because of the length of time it takes to complete a project as well as the incremental nature of the costs incurred under a construction contract.
7. It is imperative for the COR to maintain good records if a suspension of work is issued. The COR records might be vital in determining the compensation that the contractor may be entitled to if the suspension is deemed unreasonable.

## CHAPTER CONTENTS

Domestic Trade ..... 184

International Trade..... 184

Acquisition and  
Cross-Servicing  
Agreements ..... 184

Prohibited Sources ..... 185

U.S. Domestic  
Preference Legislation.... 186

The Buy  
American Act ..... 186

Coverage of the  
Buy American Act ..... 186

Exceptions to the  
Buy American Act ..... 187

The Berry  
Amendment ..... 187

Chapter 12: Key Points... 189

## Chapter 12 Foreign Acquisition and International Relationships



## Domestic Trade

**M**any countries, including the United States, have established domestic preference laws to protect the domestic economy and industry. However, in today's global economy, no individual country is immune from the economic benefits of international trade.

## International Trade

International trade is the exchange of capital, goods, and services across international borders. In general, however, international trade is more expensive than domestic trade because of factors such as tariffs, time costs because of border delays and packaging requirements, and costs directly related to differences in language, culture, and legal requirements. In addition, factors of production such as capital and labor are more mobile within a country than across borders. To offset the increased costs of international trade, countries often enter into trade agreements, which eliminate tariffs, import quotas, and domestic preferences for most goods and services traded.

### Acquisition and Cross-Servicing Agreements<sup>43</sup>

Acquisition and Cross-Servicing Agreements (ACSAs) are bilateral international agreements that provide cooperative logistics support under the authority granted in 10 U.S.C. Sections 2341–2350. The ACSA statute was enacted to simplify exchanges of logistics support, supplies, and services between the United States and other North Atlantic Treaty Organization (NATO) forces. The act was subsequently amended in 1994 to permit ACSAs with the governments of eligible non-NATO countries that require equal value exchanges; allow ACSAs with United Nations organizations; and authorize the loan or lease of equipment. Key ACSA elements include the following:

---

43 Under Department of Defense Directive (DoDD) 2010.9.



- Transactions may be cash reimbursements, equal value exchanges, or replacements in kind of logistics support, supplies, and services.
- The kinds of logistics support that may be exchanged are food; billeting; transportation; petroleum, oil, and lubricants (POL); communications services; nonaccredited training; ammunition; emergency medical services; and base operations.
- Categories of support that may never be exchanged are guided missiles and kits, major end items, chemical or nuclear munitions, formal accredited course training, official uniforms, and major construction projects.

Additional information on ACSA is available at [https://www.intelink.gov/wiki/Acquisition\\_and\\_Cross-Servicing\\_Agreements\\_\(ACSA\)](https://www.intelink.gov/wiki/Acquisition_and_Cross-Servicing_Agreements_(ACSA)). Under ACSAs, host nation support agreements, and international agreement arrangements, the U.S. Government and the Allied force supply sources agree to acquire and reimburse each other for logistics support, supplies, and services, including food, water, ice, billeting, transportation (except cooperative airlift), ground fuel, POL, utilities (e.g., electricity), clothing, communication services, medical services, base operations support (and minor associated construction), storage services, use of facilities, operational training services, spare parts and components, repair and maintenance services, and airport and seaport services. The servicing legal office has additional information on ACSAs and other international agreements.

### **Prohibited Sources<sup>44</sup>**

DoD is prohibited from awarding contracts or allowing subcontracts to a firm (or a subsidiary) of a terrorist country. Currently, the Department of State lists Cuba, Iran, Sudan, and Syria as terrorist countries.

---

<sup>44</sup> Additional information about policies toward foreign countries and the export of defense articles and defense services is available at [http://www.pmdtc.state.gov/embargoed\\_countries/index.html](http://www.pmdtc.state.gov/embargoed_countries/index.html).

## U.S. Domestic Preference Legislation

### The Buy American Act

The Buy American Act (BAA) is the major domestic preference statute governing procurement by the Government. Essentially, the BAA protects domestic labor by declaring a preference for domestic goods in Government purchases. The place of mining, production, or manufacture is the determining factor in whether goods are American. The nationality of the contractor is not considered when deciding whether a product is of domestic origin. The BAA does not apply to articles procured for use outside the United States or to procurements below the micropurchase threshold (as defined in FAR Subpart 2.101).

The Trade Agreements Act of 1979 authorizes the President to waive any otherwise applicable “law, regulation or procedure regarding Government procurement” that would accord foreign products less favorable treatment than that given to domestic products. Other treaties and agreements also place limitations on the application of the act and must be considered when looking at any BAA question.

### ***Coverage of the Buy American Act***

BAA applies to all Federal procurements, but has separate provisions for supply contracts and construction contracts. Most of the rules and definitions used in applying BAA are specified in FAR Part 25 and DFARS Part 225, not in the act itself.

BAA differentiates between manufactured and unmanufactured articles. An unmanufactured article is deemed a domestic end product or construction material if it is mined or produced in the United States. Manufactured articles are domestic if they are manufactured in the United States from components that are substantially all mined, produced, or manufactured in the United States. In this context, “substantially all” is defined as the cost of foreign components not exceeding 50 percent of the cost of all components.

***Exceptions to the Buy American Act***

The primary exceptions to BAA are characterized as follows:

- Inconsistent with the public interest
- Unreasonable cost
- Not produced or manufactured in the United States in sufficient and reasonably available commercial quantities and not of satisfactory quality.

**The Berry Amendment**

The Berry Amendment is a statutory requirement that restricts DoD from using appropriated funds (or otherwise available funds) for the procurement of food, clothing, fabrics, fibers, yarns, other made-up textiles, and hand or measuring tools that are not grown, reprocessed, reused, or produced in the United States. This restriction includes foreign military sale transactions and purchases by a DoD buying activity on behalf of another agency. Likewise, any purchase on behalf of DoD by another agency, such as the General Services Administration (GSA), must also comply. The Berry Amendment rules apply even if the DoD-funded purchase is not under a DoD-awarded contract. The Berry Amendment essentially follows the funds; if DoD funds are sent to another Federal agency, the Berry Amendment still applies.

The Berry Amendment applies to **both** end items and components. The requirement for domestic origin flows down through all the tiers of suppliers (e.g., it does not stop with the item manufactured or assembled by the prime contractor). The prime contractor is responsible for verifying the source of all materials and components from subcontractors.

If an acquisition involves items covered by the Berry Amendment and the contractor cannot locate a domestic source, a Domestic Non-Availability Determination (DNAD) might be appropriate. The prime contractor must request a DNAD through the contracting

## Foreign Acquisition and International Relationships

officer. DFARS PGI Subpart 225.7002-2(b) establishes the process for requesting a DNAD.

In accordance with DFARS Subpart 225.7002-2(b), the Secretaries of the Military Departments and the Director of the Defense Logistics Agency, without power of redelegation, have authority to approve DNADs for their respective requirements. USD (AT&L) is the DNAD approval authority for the other defense components.

A comparison of the Berry Amendment and BAA is shown in **Table 5**.

**Table 5. Comparison of Berry Amendment and Buy American Act**

Name	Ref. Law	Application	Flow-Down	Covered Items	Thresholds	Domestic Content	Commercial Exception?	Qualifying Country Exception	Where Contract Performed
Berry	10 U.S.C. Section 2533a	DoD	All tiers of contractors	Specified in law	Greater than simplified acquisition threshold	100%	No	Applies to chemical warfare protective clothing (all qualifying countries) and par-aramid fibers (Netherlands only)	Anywhere
BAA	41 U.S.C. Sections 10a-10d	Gov't-wide	End item only	Supply purchases	Greater than micro-purchase threshold	50%	Yes, for IT	Applies to all items	United States only

**Chapter 12: Key Points**

1. BAA applies to acquisitions by any agency or organization of the Federal Government. BAA applies to end products only, not to components. It does not flow down to subcontractors, and there are many exceptions. Two of the most common exceptions used by DoD are the exception for 21 qualifying countries and the exception for items not reasonably available in commercial quantities and of satisfactory quality.



---

## Appendix A

### COR Checklists

The checklists in this appendix are designed to assist you during performance of designated COR responsibilities. These checklists are representative of the functions normally designated. Some functions might be designated that are not addressed in this set of checklists. It is recommended that you become familiar with the format of these checklists and, if necessary, develop checklists to cover the functions delegated. The DVD in Attachment 1 provides full-size copies of these checklists.

**Note: Refer to the letter of appointment/designation from the contracting officer to identify all of the functions that you are assigned to perform.**

### Content

- A.1 Do's and Don'ts: Contract Administration and Remedies
- A.2 Checklist for Contents of a COR Working File
- A.3 COR Surveillance Checklist
- A.4 Do's and Don'ts: Contract Monitoring and Pre-Award and Solicitation Phase
- A.5 Do's and Don'ts: Evaluation and Award Phase
- A.6 Performance Work Statement Checklist Questions
- A.7 Contractor Performance Assessment Checklist
- A.8 Contractor Delay Assessment Checklist
- A.9 Checklist for COR Compliance—Surveillance of Construction Contracts
- A.10 Quality Assurance Surveillance Plan Checklist

A.11 Payment Approval with (and without) Wide Area Work Flow

A.12 PWS Drafter's Checklist

A.13 Critical Incident Report

A.14 Combating Trafficking in Persons Checklist

### **A.1: Do's and Don'ts: Contract Administration and Remedies**

<b>Contract Administration</b>	
<b>Do</b>	<b>Don't</b>
Remember that the COR is an agent of the U.S. Government and only has the authority delegated by the contracting officer.	Accept less than what is required by the contract.
Get the names of contractor personnel authorized to represent the contractor.	Assume an interpretation of ambiguous contract language that would be favorable to the Government. Remember: if the contractor's interpretation is reasonable, it will prevail.
Find out the specific authority of contractor personnel. Confirm that you are dealing with a person who has the authority to obligate the contractor.	Hold up payment unless performance is deficient or defective.
Confirm that all Government approvals or consents are timely.	Accept supplies or services without a complete inspection.
	Make any changes, modifications, deletions, or additions to the contract requirements. Instead, work through the contracting officer.
	Automatically consider all contractor claims to be unreasonable. Do be fair and impartial.



<b>Remedies</b>	
<b>Do</b>	<b>Don't</b>
Exercise Government rights (e.g., warranties). Make sure to deal with any problems before the warranty period runs out.	Act without consulting the contracting officer. Instead, work through the contract administration team.
Work with the contracting personnel to prevent problems before they arise.	Allow interim or final delivery dates to be waived.
Take actions to protect Government rights before delivery is due.	

## **A.2: Checklist for Contents of a COR Working File**

	Copy of the COR letter of appointment/designation from the contracting officer; copies of any changes to that letter; and a copy of any termination letter
	Copy of the contract, delivery order or task order, and all contract modifications
	Copy of the contract data requirements lists (CDRLs) submitted to the COR as required by the contract; COR's analysis of the CDRLs and any resulting actions taken
	Copy of the QASP and a record of each individual surveillance conducted, the results, and any actions taken
	Notice of award or notice to proceed
	Copy of the required training certificates
	Names and position titles of contractor personnel who serve on the contract
	All correspondence between the COR and the contractor, contracting officer, or other parties about performance of the contract (and English translations of all correspondence written in a foreign language)
	Copies of all data, reports, and other documentation furnished by the contractor, the COR's analysis of those items, actions taken, and date of each action

	Copy of the trip report of every visit to the contractor's facility, which must be provided to the contracting officer within 7 days after each visit and must identify people contacted, dates, items discussed, and actions taken
	Memoranda for the record of minutes (including persons present, dates, matters discussed, and actions taken) of any meetings, site visits, telephone conversations, and other discussions with the contractor or others about the contract or contract performance
	Records relating to the contractor quality control system and plan and the results of the quality control effort
	Copy of the surveillance schedule, progress schedules, and schedule of cumulative payments approved
	List of Government-furnished property
	Copy of all approvals (which must be for a COR-designated authority) that the COR has given to the contractor
	Documentation pertaining to the COR's receipt and acceptance (or rejection) of services performed or supplies delivered, including receipts, reports, and other data
	Copies of all DD 250s, invoices, vouchers, and receipt documents processed, including COR recommendations relating to them
	Samples, photographs, witness statements, and other factual data to support documentation
	Records of all weather conditions, which is particularly important for administering construction contracts and other contracts that call for outdoor performance, where severe weather or bad weather conditions could delay contract performance or completion
	Records of any Government actions that affected or influenced contractor performance
	Applicable laboratory test reports
	Copies of deficiency reports
	Copy of each COR monthly report
	Any other documentation and data necessary to provide a complete history of all actions taken by the COR under, or in connection with, the contract

### A.3: COR Surveillance Checklist

	Is the COR maintaining a separate file for each contract?
	Is the file clearly indexed to enable ready access to pertinent records?
	Has the COR been trained within the past 3 years, and is the certificate present?
	Is a copy of the COR's letter of appointment/designation in the file?
	<ul style="list-style-type: none"> <li>• Does the COR file include the following items?</li> <li>• Copy of the contract</li> <li>• All modifications</li> <li>• All invoices</li> <li>• All DD 250s</li> <li>• Deficiency reports</li> <li>• Copy of QASP</li> <li>• Copy of required regulations</li> <li>• Memoranda for the record and other correspondence and e-mails</li> <li>• Surveillance checklist</li> <li>• Surveillance schedule</li> <li>• Environmental Plan</li> <li>• Maintenance Plan</li> <li>• Work Plan</li> <li>• GFP inventory</li> <li>• Safety Plan</li> <li>• Test reports</li> <li>• GFP validation</li> </ul>
	Has the COR reported contractor full-time equivalents (CFTEs) or validated the contractor's input? <sup>45</sup>
	If the COR is responsible for contractor performance reporting, has the COR completed CPARS report inputs?
	Has the COR performed contractor surveillance and site visits?
	Are the results of the surveillance and inspections documented?
	Does the COR complete a periodic contract performance report and forward it to the contracting officer?

<sup>45</sup> OSD Memorandum "Guidance for the Submission and Review of the FY 2011 Inventory of Contracts for Services," December 29, 2011

### A.4: Dos and Don'ts: Contract Monitoring and Pre-Award and Solicitation Phase

<b>Contract Monitoring</b>	
<b>Do</b>	<b>Don't</b>
Set a level of monitoring consistent with the type of contract, complexity of the supply or services, and importance of the contract to the overall program.	Assume that no news is good news.
Read progress reports and immediately act on problems they reveal. Make sure that the contractor complies with every requirement of the contract.	Wait until delivery is due or overdue to check progress.
Immediately contact the contracting officer when deficiencies or delinquencies are noted. Use the contractor's invoices to help monitor technical progress.	Take action against a delinquent contractor on your own. Instead, work through the contracting officer.
	Order, request, or even suggest that the contractor do work that is not specifically required in the contract.
	Act as if you are the contractor's personnel manager. Remember that the COR reviews and approves (or disapproves) while the contractor supervises contractor personnel.
	Assume that contractor billings are correct.

<b>Pre-Award and Solicitation Phase</b>	
<b>Do</b>	<b>Don't</b>
Use market research.	Write vague specifications, assuming that the contractor will do whatever is necessary to satisfy the Government.
Look for commercial solutions.	Write design specifications, describing in detail what materials should be used and how the work should be performed.
Promote full and open competition.	Ask for progress reports, test samples, or other items from the contractor unless they are needed for the program or for efficient administration and monitoring.
Think about contract administration requirements while writing the SOO, SOW, or PWS or the performance-based or functional specifications.	
Use performance-based or functional (rather than design) specifications to describe an objective or standard to be achieved, allowing the contractor to exercise ingenuity in achieving that objective or standard, selecting the means, and assuming corresponding responsibility.	
Limit use of restrictive provisions to satisfy agency needs.	
Limit use of specifications and instead focus on function, performance, and physical characteristics.	

<p>In the SOO, SOW, or PWS or the specifications, separate the discussion of administrative and progress reporting requirements from the discussion of required procedures and deliverables.</p>	
--	--

### A.5: Do's and Don'ts: Evaluation and Award Phase

Evaluation and Award Phase	
Do	Don't
<p>Carefully review the contract, especially the technical requirements.</p>	<p>Divulge budget information.</p>
<p>Develop or obtain from the contractor a detailed schedule of performance.</p>	<p>Assume without reading it that the SOO, SOW, or PWS is complete, clear, and fully understandable.</p>
<p>Work with the contracting officer and the contractor to clear up any misunderstandings and to establish organized contract administration and monitoring procedures.</p>	<p>Allow planning to become an end in itself. Remember that the goal is to get results, not just produce charts showing the plan.</p>
<p>Ensure that contract employees are in SPOT if required.</p>	<p>Forget to update plans and schedules as the situation changes.</p>
<p>Monitor TIP.</p>	<p>Overlook or ignore contract requirements for GFP, timely reviews and approvals, and technical assistance and direction.</p>

## A.6: Performance Work Statement Checklist Questions

<b>Considerations for the Performance Work Statement</b>	
	Does the PWS describe the outcomes (or results) rather than how to do the work?
	Does the PWS avoid specifying the number of contract workers required to perform the work (except when absolutely necessary)?
	Does the PWS avoid specifying the educational or skill level of the contract workers (except when absolutely necessary)?
	Can the contractor implement new technology to improve performance or to lower cost?
	Can the contractor use lower-cost materials and still meet the performance standards?
	Are the situations documented when tightly controlled materials or supplies are essential?
	Are commercial performance standards used?
	Do the performance standards address quantity, quality, and timeliness?
	Are the performance standards objective, easy to measure, and timely?
	Is the assessment of quality a quantitative or qualitative assessment?
	Would two different evaluators come to the same conclusion about the contractor's performance (based on the performance standards)?
	Are acceptable quality levels clearly defined?
	Is the time period for the acceptable quality level clearly defined?
	Are the people who will perform the evaluations identified?
	Are the acceptable quality levels realistic and achievable?
	Will the user be satisfied if the acceptable quality levels are exactly met? (Alternatively, will they be satisfied only at a higher quality level?)
	Do the acceptable quality levels allow for improvement?
	Is the value of evaluating the contractor's performance on a certain task worth the cost of surveillance?

	Has random sampling or periodic sampling been used in the QASP?
	Has user feedback been incorporated into the QASP?
	Does the PWS make use of the contractor's own Quality Control Plan and management information systems to reduce costs?
	Are there incentives to motivate the contractor to improve performance or to reduce costs?
	Are there negative incentives to handle poor performance?
	Will the contractor focus on continual improvement?

### A.7: Contractor Performance Assessment Checklist

<b>Contractor Performance Assessment</b>	
	Cost control. Are cost controls in place?
	Timeliness (schedule/delivery). Is the contractor on schedule to meet contractual requirements? Has the contractor met the contractual delivery requirements to date? Does the contract include a reward for early delivery or a penalty for late delivery?
	Quality. Do the supplies or services meet the requirements? Do they conform to the contract specifications; standards; SOO, SOW, or PWS; and Quality Assurance Plan?
	Business relations. Is the contractor responsive, professional, and courteous?
	Management of key personnel. Are technical experts highly qualified and effective in performing the required services? Do they meet the skill levels specified in the contract? Is the number of personnel assigned to the project appropriate? Do delivered supplies reflect the skill and standardization required by the customer?
	Customer satisfaction. Will the customer be satisfied in terms of the cost, quality, and timeliness of the delivered supplies or services? What percentage of the deliverable meets the customer's expectations? How long has the contractor taken to answer any customer complaints? How many customer complaints have been recorded?
	Compliance. Has the contractor complied with Occupational Safety and Health Administration, Environmental Protection Agency, Department of Labor, and other pertinent regulations?



## A.8: Contractor Delay Assessment Checklist

Before making a final decision that a delay is excusable, the COR must be certain that the contractor (1) had little or no control over the circumstances that caused the delay and (2) could not have taken any preemptive action to reduce the negative consequences of the delay. If the organization can prove these two assertions, then a Yes answer to any of the following questions means that the delay is probably excusable.

1. Was the delay caused by a labor strike?

If No, go to 2.

If Yes, did the contractor:

- File a charge with the appropriate labor relations board to seek injunctive relief in court?
- Use other available Government procedures or private boards or organizations in an attempt to settle or arbitrate disputes that caused the strike?

2. Was the delay caused by Government interference or disruption?

If No, go to 3.

If Yes, did the Government:

- Delay making payments because of the contractor?
- Deliver the GFP late?
- Fail to reply to a contractor request for clarification?
- Fail to disclose all facts applicable to performance?
- Cite or misrepresent conditions that were different from those portrayed?
- Experience scarcity of supplies because Defense Production Act priorities outranked commercial or nonrated orders?
- Delay issuing a required notice to proceed?
- Delay issuing changes?
- Delay performance by other Government contractors?
- Experience delays because of an interested party protesting the contract award?
- Delay making the site available?
- Delay providing funding?
- Delay inspection or acceptance?
- Delay because of defective or ambiguous specifications?
- Delay granting approvals?

	<p>3. Was the delay caused by a subcontractor? If No, go to 4. The answer is No if either of the following occurred: Did a dispute between the subcontractor and the prime contractor cause the delay? Were subcontracted products or services available from other sources in time for the prime contractor to complete performance?</p>
	<p>4. Was the delay caused by any other occurrence that is specifically characterized in the Default or Excusable Delays clause (or other clauses) as generally excusable? If No, go to 5. If Yes, was the delay caused by: Acts of the Government in either its sovereign or contractual capacity? Acts of God or a public enemy? Fire? Flood? Unusually severe weather? Epidemics? Quarantine restrictions? Labor disputes resulting in strikes? Freight embargoes? Common carrier delays?</p>
	<p>5. Was the delay caused by other circumstances not previously mentioned? If Yes, did the contractor: Not cause the delay? Not have any control over the circumstances that caused delay?</p>

## A.9: Checklist for COR Compliance—Surveillance of Construction Contracts

<b>COR Compliance—Surveillance of Construction Contracts</b>	
	Ensure contract employees are in SPOT if required.
	Review the contractor's certified payrolls.
	Check work sites for required postings.
	Conduct labor standard interviews.
	Compare payrolls and onsite interviews.
	Resolve discrepancies and violations.
	Ensure that the contractor has records of all inspections performed.
	Ensure that contractor records comply with FAR requirements.
	Monitor TIP.

## A.10: Quality Assurance Surveillance Plan Checklist

Primary Topics to Be Covered	Issues and Topics to Be Addressed	Addressed in Plan (check)	Not Addressed in Plan (check; always comment)	Comments
What will be monitored?	Describe the purpose of the contract.			
How will monitoring take place?  <i>Procedures</i>	Describe types and frequency of monitoring procedures as follows: <ul style="list-style-type: none"> <li>• Methods of assessment</li> <li>• Frequency (e.g., weekly, monthly) that the following are scheduled:               <ul style="list-style-type: none"> <li>✓ Periodic onsite inspections</li> <li>✓ Floor checks</li> <li>✓ Audits of contractor billings to ensure that costs being charged to the contract are legitimate and reasonable</li> </ul> </li> <li>• What will be checked during an inspection, how it will be checked, and type of sample that will be used (e.g., random, 100 percent).</li> </ul>			

Primary Topics to Be Covered	Issues and Topics to Be Addressed	Addressed in Plan (check)	Not Addressed in Plan (check; always comment)	Comments
<p>How will monitoring take place?</p> <p><i>Statutory and Regulatory Requirements</i></p>	<p>The Project Officer must notify the contracting officer if there are any potential or actual noncompliance issues with Federal statutes, laws, or regulations. Only the contracting officer can resolve noncompliance issues related to law or regulation.</p> <p><b><i>Include the following steps for monitoring statutory, regulatory, and legal compliance with contract:</i></b></p> <ul style="list-style-type: none"> <li>• Identification of contract requirements and clauses involving statutory or regulatory compliance, such as those involving the following:               <ul style="list-style-type: none"> <li>✓ Labor law (Department of Labor wage determinations)</li> <li>✓ Equal Employment Opportunity (Civil Rights Act of 1964)</li> <li>✓ Privacy Act of 1974</li> <li>✓ Drug-Free Workplace</li> <li>✓ Hazardous or recovered materials, safety, and environmental requirements. (Executive Orders 13423 and 13514)</li> <li>✓ Nondomestic materials</li> </ul> </li> <li>• Monitoring of compliance and responding to notices involving compliance</li> <li>• Identification of any insurance or bonding issues</li> <li>• Monitoring of intellectual property issues</li> <li>• Monitoring of compliance with the approved Small Business Subcontracting Plan</li> <li>• Monitoring of compliance with CTIP regulations in FAR Subpart 22.17 and DFARS Subpart 222.17.</li> </ul>			

## Appendix A COR Checklists

Primary Topics to Be Covered	Issues and Topics to Be Addressed	Addressed in Plan (check)	Not Addressed in Plan (check; always comment)	Comments
<p>How will monitoring take place?</p> <p><i>Financial Condition of the Contractor</i></p>	<p>Financial monitoring means detecting and acting on changes in a contractor's financial condition that have the potential for endangering contract performance.</p> <p><b><i>Include the following steps for monitoring the financial condition of the contractor:</i></b></p> <ul style="list-style-type: none"> <li>• Identification of any indication that the contractor is in financial trouble (e.g., articles or news clips from reputable news agencies)</li> <li>• Discussion of how contractor financial difficulties could adversely affect the Government</li> <li>• Identification of possible proactive steps that the Government could take to protect its interests (e.g., stop-work order, schedule changes, scope changes, termination)</li> <li>• Notification of the contracting officer when conditions might warrant intervention by the Government, which may include changes that affect the contract's terms and conditions or that result in alert notices pertaining to the award of new contracts with the contractor during periods of financial instability, where the Government may make a determination of nonresponsibility.</li> </ul> <p>FAR Subpart 9.1, "Responsible Prospective Contractors":  <a href="https://www.acquisition.gov/far/current/html/Subpart%209.1.html#wp1084058">https://www.acquisition.gov/far/current/html/Subpart%209.1.html#wp1084058</a></p>			

Primary Topics to Be Covered	Issues and Topics to Be Addressed	Addressed in Plan (check)	Not Addressed in Plan (check; always comment)	Comments
<p>How will monitoring take place?</p> <p><i>Technical and Schedule Compliance</i></p>	<p><b><i>Include the following steps for monitoring contractor technical and schedule compliance:</i></b></p> <ul style="list-style-type: none"> <li>• Identification of potential contractor deficiencies or delinquencies</li> <li>• Identification of problems with quality and nonconformance with contract quality standards</li> <li>• Identification of the need for Government assistance or intervention</li> <li>• Warning of actual or anticipated default.</li> </ul>			
<p>How will monitoring take place?</p> <p><i>Costs</i></p>	<ul style="list-style-type: none"> <li>• Include the following steps for monitoring costs:</li> <li>• Inspect timecards and payroll records</li> <li>• Note discrepancies detected between the contractor's financial systems as approved versus actual operation</li> <li>• Analyze invoice support documentation to verify accuracy and completeness</li> <li>• Periodically analyze data obtained from the contractor through periodic reports</li> <li>• Review Government reports</li> <li>• Make site visits</li> <li>• Request cost-incurred audits with the contracting officer and the Office of the Inspector General.</li> <li>• For cost-reimbursement contracts, indicate that payments based on incurred costs for labor, materials, ODCs, and indirect costs are proper and allowable, as follows:</li> </ul>			

## Appendix A

### COR Checklists

Primary Topics to Be Covered	Issues and Topics to Be Addressed	Addressed in Plan (check)	Not Addressed in Plan (check; always comment)	Comments
Costs	<ul style="list-style-type: none"> <li>• <b>Reasonable</b>, or not exceeding that which would be incurred by a prudent person conducting business in a competitive marketplace</li> <li>• <b>Allocable</b>, or properly assigned to one or more cost objectives under the contract</li> <li>• <b>Consistent with applicable cost accounting standards</b> and prohibitions on the allowability of certain costs  FAR Part 31, "Contract Cost Principles and Procedures":  <a href="https://www.acquisition.gov/far/current/html/FAR-TOCP31.html#wp253693">https://www.acquisition.gov/far/current/html/FAR-TOCP31.html#wp253693</a></li> <li>• <b>For cost-type contracts</b>, explanation of how the contracting officer will ensure that the prime contractor has obtained adequate competition when acquiring materials (e.g., state in the QASP that contractor acquisition of materials by competition will be checked for charges that exceed a certain dollar amount)</li> <li>• <b>For fixed-price contracts</b>, explanation of how the contracting officer will ensure that progress payments do not exceed the quality and quantity of work completed and that payment is made in accordance with the Progress Payment clause (e.g., state that quantity and quality of work will be inspected to determine whether the work completed to date justifies the amount of the payment to be made.</li> </ul>			

Primary Topics to Be Covered	Issues and Topics to Be Addressed	Addressed in Plan <small>(check)</small>	Not Addressed in Plan <small>(check; always comment)</small>	Comments
Who will conduct the monitoring?	Identify roles and responsibilities for each COR and for other Government personnel monitoring the contractor.			
What is successful performance?	Identify successful performance and remedies, using achievable standards.			
How will materials and supplies be delivered under a cost or fixed-price contract?	Describe the process and responsibilities for acceptance.			
How will materials and supplies be delivered under a cost or fixed-price contract?	<p><b><i>Include the following compliance checks for construction contracts:</i></b></p> <ul style="list-style-type: none"> <li>• Review the contractor's certified payrolls</li> <li>• Check work sites for required postings</li> <li>• Conduct labor standard interviews</li> <li>• Compare payrolls and onsite interviews</li> <li>• Resolve discrepancies and violations.</li> </ul>			
Abbreviations	Include a list of all abbreviations used in the plan and their meanings.			



### **A.11 Payment Approval with (and without) WAWF**

This checklist should be used to ensure that an invoice is approved only after the consideration of all relevant factors. The checklist is annotated for use with cost or fixed-price contracts and for use when Wide Area Workflow (WAWF) is available or is not.

Invoice Number:

Total Amount of Invoice (when WAWF is not available):

Vendor Name (when WAWF is not available):

Contract Number:

Task Order Number:

Modification Number:

Agency/Office Code (when WAWF is not available):

Date Invoice Received By Payment Office (when WAWF is not available):

<b>Compliance Question</b>	<b>Yes</b> (insert checkmark)	<b>No</b> (make comment for follow-up with contractor or describe why invoice should still be paid) For deductions, describe next to relevant question
<p>Is the invoice document in compliance with contract requirements?</p> <p>a. Is the identifying information correct (e.g., contract and task order number, CLIN or sub-CLIN number)?</p> <p>b. Is the invoice dated?</p> <p>c. Is the billing period correctly stated, with no overlaps with other invoices?</p> <p>d. Is adequate shipping information included?</p> <p>e. Is the remittance address included?</p> <p>f. Are prompt pay discounts offered (when payments are subject to prompt pay, usually for a cost-reimbursement contract rather than a fixed price contract)?</p> <p>g. Is a point of contact identified?</p>		

Compliance Question	Yes (insert checkmark)	No (make comment for follow-up with contractor or describe why invoice should still be paid) For deductions, describe next to relevant question
Has the contractor submitted required deliverables for this invoice period? Were they delivered on time?		
Is the quality of the deliverables or services acceptable and in compliance with the terms of the SOO, SOW, or PWS?		
<p><b><i>For cost contracts or cost elements of mixed-type contracts:</i></b></p> <ul style="list-style-type: none"> <li>• Are the labor hours, travel, subcontract, equipment, and ODCs (detailed below) reasonable and commensurate for the type and nature of work completed during the invoice period?</li> </ul> <p><b>Labor Hours</b></p> <ul style="list-style-type: none"> <li>• Are the skills and labor categories needed for the work performed?</li> <li>• Is the level of expertise billed consistent with the work performed (neither too little nor too much experience)? (Compare to the contract and proposal. If the agency is paying for too high a level of expertise than that needed for the job, funds will likely run out before the work is completed. If the level of expertise is too low, performance will suffer.)</li> <li>• Is any OT authorized in writing in the contract?</li> <li>• Are management hours disproportionate to worker hours?</li> </ul> <p><b>Travel</b></p> <ul style="list-style-type: none"> <li>• Is the travel authorized by the contract?</li> <li>• Are the mode and class of travel consistent with contract terms?</li> <li>• Was any required prior approval obtained?</li> </ul> <p><b>Subcontracts</b></p> <ul style="list-style-type: none"> <li>• Are subcontracts consistent with the Subcontract Plan and subcontract approval requirements in the contract?</li> </ul>		

## Appendix A

### COR Checklists

Compliance Question	Yes (insert checkmark)	No (make comment for follow-up with contractor or describe why invoice should still be paid) For deductions, describe next to relevant question
<b>Equipment</b> <ul style="list-style-type: none"> <li>• Is any purchased equipment required for performance of the contract?</li> <li>• Has the equipment been properly reported (if required for tracking purposes) consistent with the agency's reporting requirements?</li> </ul> <b>ODCs</b> <ul style="list-style-type: none"> <li>• Are all ODCs clearly described and tied to a task performed in the billing period?</li> </ul>		
Is the math obviously not correct (DCAA performs final math check)?		
Are you aware of any current or future problems that might adversely affect contractor performance?		
Are there any funding issues? Are funds available to cover the invoice? Are the unexpended funds sufficient to complete the work required for this project? Is the rate of spending consistent with performance?		

CURRENT AMOUNT DUE: \$

\_\_\_ I APPROVE PAYMENT \_\_\_ I DO NOT APPROVE PAYMENT

REASON FOR DISAPPROVAL (short summary of relevant comments and information provided above):

HOLD-BACK AMOUNT (under terms of contract<sup>46</sup>): \$

**Complete the following when WAWF is not available:**

COR Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Contracting Officer Signature: \_\_\_\_\_ Date: \_\_\_\_\_

<sup>46</sup> For instance, FAR Subpart 52.232-5, "Payment under Fixed-Price Construction Contracts," permits a maximum retention of 10 percent of the amount of the payment until satisfactory progress is achieved, unless the contracting officer approves a lower retention percentage.

## A.12 PWS Drafter's Checklist

Checklist for Drafters of Performance Work Statements	Yes/No	Point of Contact
<b>1. Build a Schedule</b>		
Identify milestones.		
Assign one person to be responsible for each milestone.		
Develop a list of people who must coordinate on the final PWS.		
<b>2. Develop a WBS</b>		
Are all mission requirements and service needs captured in the WBS? How do you know?		
Does the WBS cover all required items for deployments, contingencies, and surges?		
Include requirements from all applicable Host Tenant Support Agreements (HTSAs) at your base, as applicable.		
Did you have technical experts review the WBS for accuracy and missing items?		
Is the WBS sufficiently specific to capture GFP and GFE?		
Do you eliminate all nice-to-have services (that are not tied to specific mission requirements)?		
Is the WBS easily understood, with a logical flow?		
Are all major parts of the WBS broken down into sublevels for greatest accuracy?		
<b>3. Analyze Services</b>		
Do you use the Service Analysis Matrix to determine and scrub the inputs, service, and outputs?		

**Appendix A**  
COR Checklists

<b>Checklist for Drafters of Performance Work Statements</b>	<b>Yes/No</b>	<b>Point of Contact</b>
Have unrealistic Government forms, reports, and the like been removed from the output requirements?		
Are only mission-essential tasks included? Do you avoid stating how the tasks should be done?		
Did you conduct market research (referenced in FAR Parts 10 and 12)?		
Are services available commercially?		
In deciding whom to research, did you review Commercial Activities Management Information System (CAMIS) to find other organizations that have undergone an A-76 study? Did you check with other bases, websites (e.g., Air Force Manpower and Innovation Agency [AFMIA]), industry online; and your staffing office?		
What organization do you benchmark against? How does the organization under study compare? What commercial standards and practices do you adopt for the PWS? Can you adapt quality assurance (QA) methods to the PWS?		
Did you draft a complete set of questions to ask when benchmarking?		
Do you discuss proprietary rights to information with the Judge Advocate General (JAG) before benchmarking?		
<b>4. Gather Data</b>		
Are all workload data estimates accurate and tied to the corresponding WBS element?		
Can you demonstrate how each workload estimate was derived, using traceable data from the WBS?		

<b>Checklist for Drafters of Performance Work Statements</b>	<b>Yes/No</b>	<b>Point of Contact</b>
Do the WBS workload data capture all future changes (e.g., increased mission level, decreased mission level)?		
Are mission changes (i.e., increases or decreases in workload) captured?		
Do you use the Workload Analysis Matrix? (You will need it for the Most Efficient Organization [MEO] team and contractor.)		
Do work center employees, functional experts, and the MEO team review the data?		
Do you normalize the data? Do you compare data with data from same-size bases?		
Are all facility data collected using the Facility Analysis Matrix? Do the data include building location, room number, and square feet?		
Are all facility data included in PWS Section 4 to allow offerors to accurately prepare their bids?		
Is the facility information collected from the WBS, and is the Workload Analysis Matrix used so that facilities match the workload requirement?		
Are all equipment analysis data collected?		
Did you check with technicians and equipment custodians and then document data such as equipment quantities, locations, GFP, stock number, serial numbers, and condition?		
Are the GFP decisions made in the best interests of the Government?		
Do you identify who will replace unusable GFE as well as who will furnish and replace materials?		

**Appendix A**  
COR Checklists

<b>Checklist for Drafters of Performance Work Statements</b>	<b>Yes/No</b>	<b>Point of Contact</b>
Does the PWS clearly state who will maintain, repair, and replace the GFP and GFE when it is no longer useable?		
Are all materials analysis data collected?		
Does the PWS state who will replace materials when they are expended?		
Are all Government-furnished services included (e.g., janitorial; utilities; pest control; maintenance; recycling; telephones (local, long distance, and Defense Switched Network [DSN]) number; police and fire protection; medical services)?		
Is all Government-furnished training addressed?		
<b>5 Analyze Performance</b>		
Performance Objectives: Do you avoid including procedures that dictate how work is to be accomplished? (Structure the PWS around 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 mowed to between 2 inches to 3 inches or that tree limbs must not touch utility wires or buildings.)		
Do you include specific numbers (measurable service standards) for minimum mission accomplishment?		
Are those standards being met today?		
Do you use commercial standards whenever possible?		
Do you have justification for each military standard that you decided to use?		

<b>Checklist for Drafters of Performance Work Statements</b>	<b>Yes/No</b>	<b>Point of Contact</b>
Does the Services Delivery Summary (SDS) identify all of the mission-critical requirements in specific, measurable, and legally enforceable terms?		
Does the Government QASP specifically describe how the service provider's performance will be measured?		
Is each item in the QASP tied to a specific PWS paragraph?		
Will the Government representative who monitors performance and signs acceptance reports be able to tell whether the contractor has complied with each requirement?		
Do you define the surveillance techniques that the Government will use to review the contractor's work?		
Were stakeholders (e.g., functional experts and quality specialists) provided with the opportunity to comment on draft performance requirements and standards, the Government Quality Assurance Plan, and performance incentives?		
Quality Assurance Surveillance Plan (QASP)		
Did you check the Source Selection Plan and Acquisition Strategy Plan for key factors for your surveillance?		
Is each mission-critical output addressed in the QASP?		
Are lessons learned from predecessor acquisitions used to avoid problems?		
Does the QASP specifically describe how the service provider's performance will be measured?		



**Appendix A**  
COR Checklists

<b>Checklist for Drafters of Performance Work Statements</b>	<b>Yes/No</b>	<b>Point of Contact</b>
Does the QASP identify a specific PWS paragraph for each item subject to surveillance?		
Will the Government representative who monitors performance and signs acceptance reports be able to tell whether the contractor has complied with each requirement? How do you know?		
Do you define the surveillance techniques that the Government will use to review the contractor's work? Did you check commercial practices?		
Were stakeholders given the opportunity to comment on — Final performance requirements and standards?		
— Government Quality Assurance Plan?		
— Performance incentives?		
<b>6 Analyze Directives</b>		
Using the services analysis from Step 3, did you identify all Government specifications and standards that your organization uses today?		
Does the PWS identify all of the specific directives required to be followed?		
If military standards, specifications, task orders, or the like were cited, can you justify why commercial standards are not acceptable?		
Did you read all required directives and tailor them (to avoid requiring the service provider to comply with requirements that do not benefit your organization?)		
Did technical experts assist you in tailoring directives?		
Has a technical library been established?		

<b>Checklist for Drafters of Performance Work Statements</b>	<b>Yes/No</b>	<b>Point of Contact</b>
Is the technical library complete?		
When the PWS references other documents, is each referenced document properly identified?		
<b>7 Check Analyses</b>		
Are all services truly necessary for mission accomplishment? Will the mission fail if any services are removed from the PWS?		
Can PWS requirements that do not conform to commercial standards be restated?		
Is each performance standard, service item, and threshold really necessary for mission accomplishment?		
Are the performance standards consistent with commercial practices?		
Do workload projections accurately reflect history?		
Do workload projections accurately reflect today's mission needs?		
Do workload projections accurately reflect future mission requirements?		
Do you properly account for surge requirements, deployments, and national crises?		
Have all appropriate people coordinated on the PWS? How do you know?		
Was a pre-proposal conference held to give offerors the opportunity to learn more about the as-is operation?		
Does the PWS incorporate lessons learned from the pre-proposal conference?		
<b>Appendices</b>		
<b>Appendix 1: Definitions</b>		

## Appendix A COR Checklists

<b>Checklist for Drafters of Performance Work Statements</b>	<b>Yes/No</b>	<b>Point of Contact</b>
Are all acronyms used in the PWS defined in Appendix 1?		
Are all terms used in the PWS defined in Appendix 1?		
<b>Appendix 2: Workload Data</b>		
Are all workload data that are too voluminous for the main body of the PWS included in Appendix 2?		
Do you avoid duplicating workload data in the main body of the PWS?		
<b>Appendix 3: Government-Furnished Property</b>		
Do you include all serial numbers of property if appropriate?		
Do you include quantities of property if appropriate?		
Do you include condition of property if appropriate?		
<b>Appendix 4: Reference Publications</b>		
Do you comply with Section 6 (Analyze Directives)?		
<b>Appendix 5: Maps</b>		
Are all building locations and room layouts identified in sufficient detail to allow the offerors to develop an accurate bid?		
<b>Appendix 6: Required Reports</b>		
Do you clearly identify content and format requirements for each required report?		
Do you clearly identify due dates for each report?		
<b>Appendix 7: Support Agreements</b>		

<b>Checklist for Drafters of Performance Work Statements</b>	<b>Yes/No</b>	<b>Point of Contact</b>
Are all support agreements identified that impact the work required of the PWS?		
Do you have written agreement from the agency maintaining the support agreement?		
Do you adequately take into account the workload data adjustments caused by these support agreements?		
Do you verify the start and end dates of each support agreement and include the necessary workload adjustments in the PWS?		
<b>Appendix 8: Contingency Requirements</b>		
Are all contingency requirements identified that impact the work required of the PWS?		
Have all organizations coordinated on the PWS to ensure that no contingency requirement is omitted?		
Do you adequately take into account the workload data adjustments caused by these support agreements?		
<b>Appendix 9: Transition Plan</b>		
Has a Transition Plan (TP) been developed?		
Does the TP specify each service that will be supplied by the service provider?		
Does the TP include specific dates for start and completion of each familiarization task?		
Does the TP include a list of milestones for all Government organizations that must support the Transition Phase (L-minus dates)?		
Does the TP include a clear and thorough list of Government responsibilities?		
Does the TP include a list of the contractor responsibilities?		

**Appendix A**  
COR Checklists

<b>Checklist for Drafters of Performance Work Statements</b>	<b>Yes/No</b>	<b>Point of Contact</b>
Are training and security requirements identified and included in the TP?		
Are lessons learned from predecessor acquisitions used to avoid problems?		
<b><i>Writing Tips</i></b>		
Does the PWS follow the required format?		
Do you include all required sections and appendices?		
Do you describe work in terms of what and not how?		
Are you consistent in correctly using terms (especially the technical ones) throughout the PWS?		
Do you use short descriptive sentences to increase clarity?		
Are the PWS and SDS written in legally enforceable terms (e.g., "shall")?		
Do you avoid ambiguities (e.g., terms such as "optimum freshness" or "prompt response")?		
Do you include CDRL and Data Item Description (DID) for each required data item? Do you reference PWS paragraphs?		
Have you streamlined the number of pages?		
Is the flow of the PWS logical, clear, and concise?		

Any No answers should be explained.

Even the best Performance-Based Service Contract (PBSC) will quickly become business as usual, with the loss of all PBSC benefits, if it is not administered well.

**A.13 Critical Incident Report****Contract Incident Report**

Date of Report:	Time of Report (Zulu):	Type of Report	Initial <input type="checkbox"/> Update <input type="checkbox"/> Final <input type="checkbox"/>	Contracting Unit/RCC:	Report Ref #:
Contracting Officer's Name:		Contracting Officer's Telephone:		Contracting Officer's E-Mail:	
Date of Incident:	Time of Incident (Zulu):	Primary Contractor Involved (Company Name):		Contract Number:	

Brief Description of Contract Requirements:

Narrative of Incident:

## **Instructions for Contract Incident Report**

**Note:** These instructions are for reference only. Follow the specific policy or guidance of your unit or Head of Contracting Activity.

1. **Security Classification of the Contract Incident Report (CIR).**  
When blank, this document is Unclassified. Before using this form, get general guidance from your unit information security manager about what information contained in a filled-out CIR would drive an increase in the form's security classification. At a minimum, consider classifying the form as For Official Use Only when it is completed.
2. **Date of Report.** Self-explanatory.
3. **Time of Report.** The recommendation is to use Zulu (Z) Coordinated Universal Time (UTC). The incident might have occurred in a different time zone, or units or offices reviewing this report might be in different time zones.
4. **Type of Report.** There are three types of reports, as follows:
  - **Initial.** Although the contracting office might not have a lot of details, it is important to relay the information in hand as quickly as possible, with the promise of forwarding additional details as they are made available or at a specified time.
  - **Update.** This type of report provides additional information not included in previous reports.
  - **Final.** Before filing out a final report, the author should ensure that all open actions are closed and that requests for additional data are fulfilled or are being tracked using another mechanism. In addition, the author of the CIR should coordinate with the CIR primary receiver before submitting a final report to ensure that all of the needed incident-related data are available.
5. **Contracting Unit/RCC.** The unit, Regional Contracting Center (RCC), or office submitting the report.

6. **Report Reference Number.** User-defined mechanism for tracking multiple reports from multiple organizations.
7. **Contracting Officer's Name.** Self-explanatory.
8. **Contracting Officer's Telephone #.** Self-explanatory.
9. **Contracting Officer's E-Mail.** Self-explanatory.
10. **Date of Incident.** Self-explanatory.
11. **Time of Incident.** Recommend using Zulu (Z) UTC. The incident might have occurred in a different time zone, or the units or offices reviewing this report might be in different time zones.
12. **Primary Contractor Involved.** Use the name on the contract, with the alias included in parentheses. If more than one contractor is involved, list others in the Narrative of Incident part of the CIR. Be sure to include any relationships between multiple contractors (e.g., Acme is a subcontractor of Smith LLC), if known.
13. **Contract Number.** Self-explanatory.
14. **Brief Description of Contract Requirement.** This information will help those not familiar with the contract to understand what the contract is supposed to be doing. If possible, explain contract requirements as they may relate to the incident.
15. **Narrative of the Incident.** In general, this block covers the when, who, what, where, how, and why of the incident. It usually starts with details about the time and date that the contracting officer was notified and by whom. If pertinent information is missing or unknown, the author should say so and mention that it will be included in a future update. The author should consider including actions that the Government or contracting officer will take as part of an investigation or corrective action.
16. **Clear Form.** A click on this button will delete all data from the form.



## A.14 Combating Trafficking in Persons Checklist

<b>Examination Information</b> (fill all blocks unless noted otherwise)				
Contract Number:	Command:	Service Paragraph: Combat Trafficking in Persons (CTIP)	Place of Performance:	Subservices (list all that apply):
Audit Performed by: First, Last:			Appointed COR/SME: First, Last:	
Date of Audit: (YY/MM/DD)	Last Audit Date: (YY/MM/DD)	# Observations:	# Nonconformities: (see note below)	Corrective Action Request (CAR): <input type="checkbox"/> Yes <input type="checkbox"/> No CAR # (if Yes)

Examination Guidelines
<p><b>Select appropriate response for each requirement examined.</b></p> <p><b>Yes</b> = Requirement performed satisfactorily. Comment when key observations are noted.</p> <p><b>No</b> = Requirement not performed satisfactorily. <i>Comment should identify corrective action in-place or plan of action (i.e., Corrective Action Request [CAR]).</i></p> <p><b>N/O</b> = Performance of requirement not observed. <i>Comment when adverse circumstances prevent verification of requirement.</i></p> <p><b>N/A</b> = Requirement not applicable. Comment when contractor disputes validity of requirement.</p> <p><b>Note:</b> The Observations Section (Examination Information Block) provides a summary of the overall examination assessment.</p> <p><b>Shorthand:</b> RVI = Records Visually Inspected; CAO = Corrective Action Observed; CAIP = Corrective Action In Place</p>

**CTIP Policy**

**Carry the required CTIP contract clauses with you even when evaluating a contractor or subcontractor.**

The U.S. Government and DoD have adopted a zero tolerance policy regarding TIP. Contractors, subcontractors, and their employees shall **not** do the following:

- Engage in severe forms of TIP during the period of performance of the contract
- Procure commercial sex acts during the period of performance of the contract
- Use forced labor in the performance of the contract.

FAR Subpart 22.17 and DFARS Subpart 222.17 cover CTIP regulations.

**FAR Subpart 52.222-50—Combat Trafficking In Persons (Feb. 2009)**

Requirement	Yes	No	N/O	N/A	Comment
1. Has the contractor informed its employees of the U.S. Government's zero tolerance CTIP policy, including informing employees about the actions that will be taken against them for violations of this policy? FAR Subpart 52.222-50, Para (c)(1)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Has the contractor informed the contracting officer about any information it receives (including from host country law enforcement) that alleges a contractor employee or subcontractor employee has engaged in conduct violating the CTIP policy? FAR Subpart 52.222-50, Para (d)(1)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

---

**Appendix A**  
COR Checklists

Requirement	Yes	No	N/O	N/A	Comment
3. Has the contractor informed the contracting officer about any actions taken against contractor employees, subcontractors, or subcontractor employees pursuant to this clause? FAR Subpart 52.222-50, Para (d)(2)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	



## **Contents**

### Contract Forms

- Standard Form (SF) 26: Award/Contract
- SF 30: Amendment of Solicitation/Modification of Contract
- SF 33: Solicitation, Offer and Award

### Receiving Reports

- SF 1449: Solicitation/Contract/Order for Commercial Items
- DD 1155: Order for Supplies or Services
- DD 250: Material Inspection and Receiving Report
- Invoices Used as Receiving Reports

### Other Reports

- DD 2772: Contractor Discrepancy Report
- COR Monthly Report to the Contracting Officer
- SPOT Letter of Authorization
- Funding Forms

The DVD in Attachment 1 provides full-size copies of these forms.

## **Contract Forms**

**C**ORs need to understand the terms and conditions of the contract as well as the Uniform Contract Format (UCF). **Figure B.1** shows SF 26, Award/Contract. **Figure B.2** shows SF 30, Amendment of Solicitation/Modification of Contract. **Figure B.3** shows SF 33, Solicitation, Offer, and Award.

<b>AWARD/CONTRACT</b>		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700) <span style="float: right;">RATING</span>		PAGE OF PAGES			
2. CONTRACT (Proc. Inst. Ident.) NO.		3. EFFECTIVE DATE		4. REQUISITION/PURCHASE REQUEST/PROJECT NO.			
5. ISSUED BY		CODE	6. ADMINISTERED BY (If other than Item 5)		CODE		
7. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)			8. DELIVERY <input type="checkbox"/> FOB ORIGIN <input type="checkbox"/> OTHER (See below)				
			9. DISCOUNT FOR PROMPT PAYMENT				
10. SUBMIT INVOICES (4 copies unless otherwise specified) TO THE ADDRESS SHOWN IN			ITEM				
CODE		FACILITY CODE					
11. SHIP TO/MARK FOR		CODE	12. PAYMENT WILL BE MADE BY		CODE		
13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304(c)(1) <input type="checkbox"/> 41 U.S.C. 253(c)(1)			14. ACCOUNTING AND APPROPRIATION DATA				
15A. ITEM NO.	15B. SUPPLIES/SERVICES	15C. QUANTITY	15D. UNIT	15E. UNIT PRICE	15F. AMOUNT		
<b>15G. TOTAL AMOUNT OF CONTRACT</b> ▶ \$							
<b>16. TABLE OF CONTENTS</b>							
(X)	SEC.	DESCRIPTION	PAGE(S)	(X)	SEC.	DESCRIPTION	PAGE(S)
PART I - THE SCHEDULE				PART II - CONTRACT CLAUSES			
	A	SOLICITATION/CONTRACT FORM			I	CONTRACT CLAUSES	
	B	SUPPLIES OR SERVICES AND PRICES/COSTS		PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACH.			
	C	DESCRIPTION/SPECS./WORK STATEMENT			J	LIST OF ATTACHMENTS	
	D	PACKAGING AND MARKING		PART IV - REPRESENTATIONS AND INSTRUCTIONS			
	E	INSPECTION AND ACCEPTANCE			K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS	
	F	DELIVERIES OR PERFORMANCE			L	INSTRS., CONDS. AND NOTICES TO OFFERORS	
	G	CONTRACT ADMINISTRATION DATA			M	EVALUATION FACTORS FOR AWARD	
	H	SPECIAL CONTRACT REQUIREMENTS					
<b>CONTRACTING OFFICER WILL COMPLETE ITEM 17 (SEALED-BID OR NEGOTIATED PROCUREMENT) OR 18 (SEALED-BID PROCUREMENT) AS APPLICABLE</b>							
17. <input type="checkbox"/> CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return _____ copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)			18. <input type="checkbox"/> SEALED-BID AWARD (Contractor is not required to sign this document.)				
19A. NAME AND TITLE OF SIGNER (Type or Print)			20A. NAME OF CONTRACTING OFFICER				
19B. NAME OF CONTRACTOR		19C. DATE SIGNED		20B. UNITED STATES OF AMERICA			
BY _____ (Signature of person authorized to sign)				BY _____ (Signature of Contracting Officer)			
				20C. DATE SIGNED			

AUTHORIZED FOR LOCAL REPRODUCTION  
Previous edition is NOT usable

**STANDARD FORM 26** (REV. 5/2011)  
Prescribed by GSA - FAR (48 CFR) 53.214(a)

Figure B.1. SF 26, Award/Contract

# Appendix B Forms

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. CONTRACT ID CODE	PAGE	OF	PAGES
2. AMENDMENT/MODIFICATION NO.	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.		5. PROJECT NO. (if applicable)			
6. ISSUED BY		CODE	7. ADMINISTERED BY (if other than Item 6)		CODE		
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)				<input checked="" type="checkbox"/>	9A. AMENDMENT OF SOLICITATION NO.		
				<input type="checkbox"/>	9B. DATED (SEE ITEM 11)		
				<input type="checkbox"/>	10A. MODIFICATION OF CONTRACT/ORDER NO.		
				<input type="checkbox"/>	10B. DATED (SEE ITEM 13)		
CODE		FACILITY CODE					
<b>11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS</b>							
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended. <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment your desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.							
12. ACCOUNTING AND APPROPRIATION DATA (if required)							
<b>13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.</b>							
CHECK ONE:	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.						
<input type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).						
<input type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:						
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)						
<b>E. IMPORTANT:</b> Contractor <input type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.							
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)							
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.							
15A. NAME AND TITLE OF SIGNER (Type or print)				16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)			
15B. CONTRACTOR/OFFEROR		15C. DATE SIGNED		16B. UNITED STATES OF AMERICA		16C. DATE SIGNED	
(Signature of person authorized to sign)				(Signature of Contracting Officer)			

NSN 7540-01-152-8070  
Previous edition unusable

**STANDARD FORM 30** (REV. 10-83)  
Prescribed by GSA FAR (48 CFR) 53.243

**Figure B.2. SF 30, Amendment of Solicitation/Modification of Contract, Page 1**

## INSTRUCTIONS

Instructions for items other than those that are self-explanatory, are as follows:

- (a) **Item 1 (Contract ID Code).** Insert the contract type identification code that appears in the title block of the contract being modified.
- (b) **Item 3 (Effective date).**
- (1) For a solicitation amendment, change order, or administrative change, the effective date shall be the issue date of the amendment, change order, or administrative change.
  - (2) For a supplemental agreement, the effective date shall be the date agreed to by the contracting parties.
  - (3) For a modification issued as an initial or confirming notice of termination for the convenience of the Government, the effective date and the modification number of the confirming notice shall be the same as the effective date and modification number of the initial notice.
  - (4) For a modification converting a termination for default to a termination for the convenience of the Government, the effective date shall be the same as the effective date of the termination for default.
  - (5) For a modification confirming the contracting officer's determination of the amount due in settlement of a contract termination, the effective date shall be the same as the effective date of the initial decision.
- (c) **Item 6 (Issued By).** Insert the name and address of the issuing office. If applicable, insert the appropriate issuing office code in the code block.
- (d) **Item 9 (Name and Address of Contractor).** For modifications to a contract or order, enter the contractor's name, address, and code as shown in the original contract or order, unless changed by this or a previous modification.
- (e) **Item 9 (Amendment of Solicitation No. - Dated), and 10 (Modification of Contract/Order No. - Dated).** Check the appropriate box and in the corresponding blanks insert the number and date of the original solicitation, contract, or order.
- (f) **Item 12 (Accounting and Appropriation Data).** When appropriate, indicate the impact of the modification on each affected accounting classification by inserting one of the following entries.
- (1) Accounting classification \_\_\_\_\_  
Net increase \$ \_\_\_\_\_
  - (2) Accounting classification \_\_\_\_\_  
Net decrease \$ \_\_\_\_\_
- NOTE: If there are changes to multiple accounting classifications that cannot be placed in block 12, insert an asterisk and the words "See continuation sheet".
- (g) **Item 13.** Check the appropriate box to indicate the type of modification. Insert in the corresponding blank the authority under which the modification is issued. Check whether or not contractor must sign this document. (See FAR 43.103.)
- (h) **Item 14 (Description of Amendment/Modification).**
- (1) Organize amendments or modifications under the appropriate Uniform Contract Format (UCF) section headings from the applicable solicitation or contract. The UCF table of contents, however, shall not be set forth in this document.
  - (2) Indicate the impact of the modification on the overall total contract price by inserting one of the following entries:
    - (i) Total contract price increased by \$ \_\_\_\_\_
    - (ii) Total contract price decreased by \$ \_\_\_\_\_
    - (iii) Total contract price unchanged.
  - (3) State reason for modification.
  - (4) When removing, reinstating, or adding funds, identify the contract items and accounting classifications.
  - (5) When the SF 30 is used to reflect a determination by the contracting officer of the amount due in settlement of a contract terminated for the convenience of the Government, the entry in Item 14 of the modification may be limited to --
    - (i) A reference to the letter determination; and
    - (ii) A statement of the net amount determined to be due in settlement of the contract.
  - (6) Include subject matter or short title of solicitation/contract where feasible.
- (i) **Item 16B.** The contracting officer's signature is not required on solicitation amendments. The contracting officer's signature is normally affixed last on supplemental agreements.

STANDARD FORM 30 REV. 10-85 BACK

Figure B.2. SF 30, Amendment of Solicitation/Modification of Contract, Page 2



# Appendix B Forms

<b>SOLICITATION, OFFER AND AWARD</b>			1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 7900)	RATING	PAGE	OF	PAGES
2. CONTRACT NUMBER	3. SOLICITATION NUMBER	4. TYPE OF SOLICITATION <input type="checkbox"/> SEALED BID (IFB) <input type="checkbox"/> NEGOTIATED (RFP)		5. DATE ISSUED	6. REQUISITION/PURCHASE NUMBER		
7. ISSUED BY		CODE	8. ADDRESS OFFER TO (If other than Item 7)				

**NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder".**

**SOLICITATION**

9. Sealed offers in original and \_\_\_\_\_ copies for furnishing the supplies or services in the Schedule will be received at the place specified in item 8, or if hand carried, in the depository located in \_\_\_\_\_ until \_\_\_\_\_ (hour) \_\_\_\_\_ local time \_\_\_\_\_ (Date)

**CAUTION - LATE Submissions, Modifications, and Withdrawals: See Section L, Provision No. 52.214-7 or 52.215-1. All offers are subject to all terms and conditions contained in this solicitation.**

10. FOR INFORMATION CALL:	A. NAME	B. TELEPHONE (NO COLLECT CALLS) AREA CODE NUMBER EXT.		C. E-MAIL ADDRESS
---------------------------	---------	--	--	-------------------

11. TABLE OF CONTENTS							
(X)	SEC.	DESCRIPTION	PAGE(S)	(X)	SEC.	DESCRIPTION	PAGE(S)
	A	SOLICITATION/CONTRACT FORM			I	CONTRACT CLAUSES	
	B	SUPPLIES OR SERVICES AND PRICES/COSTS			J	LIST OF ATTACHMENTS	
	C	DESCRIPTION/SPECS./WORK STATEMENT			K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS	
	D	PACKAGING AND MARKING			L	INSTRS., CONDS., AND NOTICES TO OFFERORS	
	E	INSPECTION AND ACCEPTANCE			M	EVALUATION FACTORS FOR AWARD	
	F	DELIVERIES OR PERFORMANCE					
	G	CONTRACT ADMINISTRATION DATA					
	H	SPECIAL CONTRACT REQUIREMENTS					

**OFFER (Must be fully completed by offeror)**

**NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.**

12. In compliance with the above, the undersigned agrees, if this offer is accepted within \_\_\_\_\_ calendar days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

13. DISCOUNT FOR PROMPT PAYMENT (See Section I, Clause No. 52.232-8)	<input type="checkbox"/> 10 CALENDAR DAYS (%)	<input type="checkbox"/> 20 CALENDAR DAYS (%)	<input type="checkbox"/> 30 CALENDAR DAYS (%)	CALENDAR DAYS(%)
--	---	---	---	------------------

14. ACKNOWLEDGMENT OF AMENDMENTS (The offeror acknowledges receipt of amendments to the SOLICITATION for offerors and related documents numbered and dated):			
AMENDMENT NO.	DATE	AMENDMENT NO.	DATE

15A. NAME AND ADDRESS OF OFFEROR	CODE	FACILITY	16. NAME AND THE TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print)
----------------------------------	------	----------	---

15B. TELEPHONE NUMBER AREA CODE NUMBER EXT.	<input type="checkbox"/> 15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE.	17. SIGNATURE	18. OFFER DATE
--	---	---------------	----------------

**AWARD (To be completed by Government)**

19. ACCEPTED AS TO ITEMS	20. AMOUNT	21. ACCOUNTING AND APPROPRIATION
22. AUTHORITY FOR USING OTHER THAN FULL OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304 (c) <input type="checkbox"/> 41 U.S.C. 253 (c)	23. SUBMIT INVOICES TO ADDRESS SHOWN IN (4 copies unless otherwise specified)	
24. ADMINISTERED BY (If other than Item 7)	25. PAYMENT WILL BE MADE BY _____ CODE _____	
26. NAME OF CONTRACTING OFFICER (Type or print)	27. UNITED STATES OF AMERICA  (Signature of Contracting Officer)	28. AWARD DATE

IMPORTANT - Award will be made on this Form, or on Standard Form 26, or by other authorized official written notice.  
AUTHORIZED FOR LOCAL REPRODUCTION  
Previous edition is unusable

**STANDARD FORM 33** (REV. 9-97)  
Prescribed by GSA - Far (48 CFR) 53.214 (c)

**Figure B.3. SF 33, Solicitation, Offer, and Award, Page 1**

**INSTRUCTIONS for STANDARD FORM 33**

The instructions below correspond to the blocks of the form.

1. Include the DPAS rating if applicable IAW FAR Subpart 11.6 and page information.
2. Insert the award PIIN once you've made award IAW DFARS 204.7003.
3. Insert the solicitation PIIN IAW DFARS 204.7003.
6. Insert the purchase requisition (PR) number from your PR form (i.e., DA 3953, NAVCOMP 2276, AF 9, etc.). This will normally be different from the PIIN.
7. Insert the issuing contracting office information (and its code, if applicable).
8. Leave this blank unless you'll have offers sent somewhere other than block 7.
10. Buyer should place her / his name and telephone number here.
11. Place an "X" in each section included in the solicitation / award and the number of pages in each applicable section.
13. Offeror will insert payment terms as applicable.
14. Offeror will acknowledge any amendments by placing the amendment number(s) and date of acknowledgment.
15. Offeror will include its name, address, and telephone number. If offeror knows its Commercial and Government Entity (CAGE) code and has a remittance address different from 15A, it should insert the CAGE code in 15A and place an X in 15C.
- 16-18. Offeror will insert the name and title of the authorized signature authority and have that person sign and date the offer before submission to the contracting office.
19. Insert the line item(s) to be accepted. If you are not accepting all line items, ensure you are complying with the conditions for partial acceptance (usually found in section M of the solicitation).
21. Insert the fund cite(s) from which you'll make payment. If the cite(s) will not fit in this block, insert "see schedule, section ?" (usually G) and list your cite(s) in that section.
22. See FAR Part 6.3 for guidance.
23. Insert item 7, 8, 24, or 25, depending on where the contractor should address its invoice to receive proper and timely payment.
24. Leave this blank unless administration functions are done somewhere other than the office shown block 7.
25. Insert the paying address (and code, if applicable).
- 26-28. Insert the contracting officers printed or typed name and have her / him sign and date. An award is not valid until the contracting officer completes these blocks.

Blocks not explained above are self-explanatory.

## Receiving Reports

Depending on the type of contract, the COR uses one of the following receiving reports to document Government acceptance of the delivered supply or services:

- SF 1449, Solicitation/Contract/Order for Commercial Items
- DD 1155, Order for Supplies or Services
- DD 250, Material Inspection and Receiving Report
- Invoices used as receiving reports.

The COR most likely will use the SF 1449, DD 1155, or DD 250 forms. **Table B.1** is a crosswalk between the key blocks on these three forms. The COR also may use an agency-specific requirements package or SF 26, Award/Contract.

**Table B.1. Crosswalk among SF1449, DD 1155, and DD 250**

SF 1449	DD 1155	DD 250
Block 2 or 4	Block 1	Block 1 (procurement instrument ID number)
Block 11	Block 8	Block 8 (acceptance point)
Block 17a	Block 9	Block 9 (prime contractor)
Block 16	Block 7	Block 10(administered by)
Block 18a	Block 15	Block 12 (payment will be made by)
Block 15	Block 14	Block 13 (shipped to)
Page with CLINs	Page with CLINs	Blocks 15–20 (item number, description, quantity, unit, unit price, total amount)

When partial supplies or services are required, after the initial receiving report is completed on SF 1449, the subsequent receiving reports are made with DD 250.

This section depicts the three forms and contains some instructions on completing them. The Office of Defense Procurement and Acquisition Policy provides additional instructions on completing these forms and links to the forms themselves at <http://www.acq.osd.mil/dpap/ccap/cc/jcchb/HTML/forms.html>. There is also a discussion on invoices used as receiving reports.

SF 1449, Solicitation/Contract/Order for Commercial Items (shown in Figure B.3 and in a sample form in **Figure B.4**) is the most common receiving report for supplies and services for commercial items and is usually the first page of the contract. SF 1449 is a streamlined document, but still contains CLINs, delivery dates, funding, clauses, and the SOO, SOW, or PWS.

When preparing the SF 1449, the COR should ensure the completion of blocks 32a (check received and accepted), 32b (signature of official authorized to accept supplies or services), 32c (date supplies or services accepted), 32d (printed name and title of authorized representative), 32e (mailing address of authorized representative), 32f (telephone number), 32g (e-mail address), 33 (shipment number), 35 (amount verified correct), 36 (payment complete, partial, or final), 42a (printed name of receiver), and 42c (date received). The same name may appear in blocks 32d and 42a if the same individual both receives and accepts the supplies or services. If the receiver and acceptor are different people, the names in these two blocks will be different.

If partial payment is authorized, the COR should document the number of items or the quantity of services that have been received and accepted as well as the total dollars per line item to be paid.

## Appendix B Forms

SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS OFFER TO COMPLETE BLOCKS 12, 17, 23, 24, & 30				1. REQUISITION NUMBER 824	PAGE 1 OF 2
2. CONTRACT NO. W90WH9-09-0011	3. AWARD EFFECTIVE DATE 23 Jun 09	4. ORDER NUMBER	5. SOLICITATION NUMBER W90WH9-09-T-0011	6. SOLICITATION ISSUE DATE 11 Jun 09	
7. FOR SOLICITATION INFORMATION CALL: John Jones			8. TELEPHONE NUMBER (for calls) (123)-456-7800	9. OFFER DUE DATE/ LOCAL TIME 05:00 PM 15 Jun	
10. ISSUED BY TFBSO TFBSO APO AE 09348		CODE W90WH9	10. THIS ACQUISITION IS <input checked="" type="checkbox"/> UNRESTRICTED OR <input type="checkbox"/> SET ASIDE: <input type="checkbox"/> SMALL BUSINESS <input type="checkbox"/> EMERGING SMALL BUSINESS <input type="checkbox"/> HUBZONE SMALL BUSINESS <input type="checkbox"/> SERVICE DISABLED VETERAN OWNED SMALL BUSINESS <input type="checkbox"/> DBA		
11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED <input type="checkbox"/> SEE SCHEDULE		12. DISCOUNT TERMS Net 30 Days	13a. THIS CONTRACT IS A BATED ORDER UNDER DFAS (15 CFR 700)		13b. RATING
15. DELIVER TO TFBSO APO AE 09348		CODE W90WH9	16. ADMINISTERED BY See Block 9		14. METHOD OF SOLICITATION <input checked="" type="checkbox"/> RFQ <input type="checkbox"/> IFB <input type="checkbox"/> RFP
17a. CONTRACT OFFEROR Company's Name Address City, State ZIP		CODE 2XXQ2	18a. PAYMENT WILL BE MADE BY DFAS ROME-HQ0302 DFAS RC-FPT 325 BROOKS ROAD ROME NY 13441-4527		CODE HQ0302
TELEPHONE NO. (987)-654-3210			19. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED		
<input type="checkbox"/> 17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER			<input type="checkbox"/> SET ADDENDUM		
19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
See Schedule	(Use Reverse and/or Attach Additional Sheets as Necessary)				
25. ACCOUNTING AND APPROPRIATION DATA See Schedule				26. TOTAL AWARD AMOUNT (for Cont. Use Only) \$12,400.00	
27. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4, FAR 52.212-2 AND 52.212-5 ARE ATTACHED. ADDENDA <input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED					
28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED					
29. AWARD OF CONTRACT: REF. _____ OFFER DATED _____ YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS.				30a. SIGNATURE OF OFFEROR/CONTRACTOR	
30b. NAME AND TITLE OF SIGNER (Type or print)				30c. DATE SIGNED	
31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER)				31b. NAME OF CONTRACTING OFFICER (Type or print)	
31c. DATE SIGNED					

Figure B.4. Sample SF 1449, page 1

19 ITEM NO.	20 SCHEDULE OF SUPPLIES/SERVICES	21 QUANTITY	22 UNIT	23 UNIT PRICE	24 AMOUNT
32a. QUANTITY IN COLUMN 21 HAS BEEN					
<input type="checkbox"/> RECEIVED <input type="checkbox"/> INSPECTED <input type="checkbox"/> ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED: _____					
32b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		32c. DATE	32d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		
32e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE			32f. TELEPHONE NUMBER OF AUTHORIZED GOVERNMENT REPRESENTATIVE		
			32g. E-MAIL OF AUTHORIZED GOVERNMENT REPRESENTATIVE		
33. SHIP NUMBER	34. VOUCHER NUMBER	35. AMOUNT VERIFIED CORRECT FOR	36. PAYMENT		37. CHECK NUMBER
<input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL			<input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL		
38. S/R ACCOUNT NO.		39. S/R VOUCHER NUMBER	40. PAID BY		
41a. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT			42a. RECEIVED BY (Print)		
41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER		41c. DATE	42b. RECEIVED AT (Location)		
		42c. DATE REC'D (YY/MM/DD)	42d. TOTAL CONTAINERS		

STANDARD FORM 1449 (REV. 3/2005) BACK

Figure B.4. Sample SF 1449, page 2

**Note: CORs must document partial payments carefully. Some contractors will understand the system better than the COR and might try to obtain double payments for the same work completed.**

As noted above, DPAP provides instructions for completing blocks 1 through 31c of SF 1449. The contracting officer will complete blocks 1 through 30—with the exception of blocks 12, 17, 23, 24, and 30, which the contractor completes. The remaining blocks are the responsibility of the personnel performing the receiving and payment functions.

**Note: CORs might see versions of SF 1449 that do not have the receiving information blocks at the bottom of the back of the form. In such cases, CORs should use DD 250 as the receiving report.**

The DD 250, shown in **Figure B.5**, is a multipurpose report used for the following.

- Provide evidence of Government contract quality assurance at origin or destination
- Furnish evidence of acceptance at origin or destination
- Serve as a packing list
- Act as a receiving record
- Function as a shipping record
- Serve as a contractor invoice
- Provide commercial invoice support.

DD 250 is used as the receiving report for procurement actions awarded by using an SF 1449 or DD 1155. When filling in the DD 250, the COR can find related information on the SF 1449 and DD 1155, as identified in Table B.1.

MATERIAL INSPECTION AND RECEIVING REPORT						Form Approved OMB No. 0704-0248		
<p>The public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to the Department of Defense, Executive Service and Communications Directorate (0704-0248). Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.</p>								
<p align="center"><b>PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE ABOVE ORGANIZATION. SEND THIS FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED IN THE DFARS, APPENDIX F-401.</b></p>								
1. PROCUREMENT INSTRUMENT IDENTIFICATION (CONTRACT) NO. W91GDW-09-M-1234		ORDER NO.		5. INVOICE NO./DATE M-1234/31 Jan 09		7. PAGE OF 1 1	8. ACCEPTANCE POINT	
2. SHIPMENT NO.		3. DATE SHIPPED	4. B/L TCN	6. DISCOUNT TERMS				
9. PRIME CONTRACTOR CODE CAMP VICTORY BAGHDAD IRAQ POC: FRED SMITH			10. ADMINISTERED BY CODE JOINT CONTRACTING COMMAND - IRAQ Task Force - Business Stability Operations International Zone, Baghdad, Iraq APO AE 09348		11. SHIPPED FROM (if other than by) CODE Capt David Jones Task Force - Business Stability Operations Baghdad, Iraq APO AE 09348			12. PAYMENT WILL BE MADE BY CODE DFAS-ROME 325 Brooks Rd Rome, NY 13442-4527 Customer Service # 800-555-4444
13. SHIPPED TO CODE			14. MARKED FOR CODE					
15. ITEM NO. 1	16. STOCKPART NO. CAN BUS SENTINEL SVS F.M. (See reference Contract) SN: SPD00221A000000, SPD00221A000099	DESCRIPTION (Indicate number of shipping containers - type of container - container number)		17. QUANTITY SHIPPED/CF	18. UNIT EA	19. UNIT PRICE 4,360.00	20. AMOUNT \$ 0.00	
21. CONTRACT QUALITY ASSURANCE				22. RECEIVER'S USE				
<b>A. ORIGIN</b> <input type="checkbox"/> CGA <input type="checkbox"/> ACCEPTANCE of Inset Items has been made by me or under my supervision and they conform to contract, except as noted herein or on supporting documents.		<b>B. DESTINATION</b> <input type="checkbox"/> CGA <input checked="" type="checkbox"/> ACCEPTANCE of Inset Items has been made by me or under my supervision and they conform to contract, except as noted herein or on supporting documents.		Quantities shown in column 17 were received in apparent good condition except as noted. 00000311 /SIGNED/		DATE RECEIVED: 00000311 SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE:		
DATE: _____ TYPED NAME: _____ TITLE: _____ MAILING ADDRESS: _____ COMMERCIAL TELEPHONE NUMBER: _____		DATE: _____ TYPED NAME: _____ TITLE: _____ MAILING ADDRESS: _____ COMMERCIAL TELEPHONE NUMBER: _____		TYPED NAME: _____ TITLE: _____ MAILING ADDRESS: _____ COMMERCIAL TELEPHONE NUMBER: _____		* If quantity received by the Government is the same as quantity shipped, indicate by (X) mark; if different, enter actual quantity received below quantity shipped and describe.		
23. CONTRACTOR USE ONLY								
JD FORM 250, AUG 2000 <span style="float: right;">PREVIOUS EDITION IS OBSOLETE.</span> <span style="float: right;">Reset</span>								

Figure B.5. Sample DD 250



The receiving or acceptance activity will complete blocks 1 through 20, 21a, 21b, and 22, including signatures, typed names, titles, mailing address, and telephone numbers. If there are separate receiving and acceptance officials, blocks 21 and 22 must reflect each individual appropriately. The acceptance authority (signer) is designated in Section E of the contract.

DFARS Appendix B provides instructions for preparing and completing the DD 250. An editable version of this form is available on the DVD in Attachment 1.

### **Invoices Used as Receiving Reports**

A contractor's invoice can be used as a receiving report if the contract or purchase order provides for use of Government certified invoices instead of a separate receiving report.

If the COR is accepting contractor performance or delivery by using a Government certified invoice, the COR should include this statement: "I certify the supplies/services have been received and accepted on (day, month, and year)." This statement may be on an invoice, delivery ticket, voucher, or separate piece of paper, and it must contain the printed name, title, telephone number, date, and signature of the Government official who is authorized to receive and accept the supplies or services.

### **Other Reports**

DD 2772, Contractor Discrepancy Report (CDR), shown in Figure B.6, is generally prepared by a COR to notify the contractor about a pending discrepancy. In most instances, the purpose of the form is to allow the contractor to correct the discrepancy without interference from the Government.

## CONTRACT DISCREPANCY REPORT

1. CONTRACT NUMBER		2. REPORT NUMBER FOR THIS DISCREPANCY		
3. TO (Contractor and Manager's Name)		4. FROM (Name of GAE)		
5. DATES (YYYYMMDD)				
a. PREPARED		b. RETURNED BY CONTRACTOR		c. ACTION COMPLETE
6. DISCREPANCY OR PROBLEM (Describe in detail. Include reference to PWD Directive; attach continuation sheet if necessary.)				
7. SIGNATURE OF CONTRACTING OFFICER				
8a. TO (Contracting Officer)		b. FROM (Contractor)		
9. CONTRACTOR RESPONSE AS TO CAUSE, CORRECTIVE ACTION AND ACTIONS TO PREVENT RECURRENCE. (Site applicable G.C. program procedures or new G.C. procedures. Attach continuation sheets if necessary.)				
10. SIGNATURE OF CONTRACTOR REPRESENTATIVE				b. DATE (YYYYMMDD)
11. GOVERNMENT EVALUATION (Acceptance, partial acceptance, reflection. Attach continuation sheets if necessary)				
12. GOVERNMENT ACTIONS (Reduced payment, cure notice, show cause, other)				
13. CLOSE OUT				
	NAME (1)	TITLE (2)	SIGNATURE (3)	DATE (YYYYMMDD) (4)
a. CONTRACTOR NOTIFIED				
b. GAE				
c. ACP				

DD FORM 2772, SEP 1998 REPLACES MT FORM 352-R, WHICH IS OBSOLETE.  Adobe Professional 8

Figure B.6. Sample DD 2772



## **Synchronized Predeployment and Operational Tracker, Letter of Authorization**

The letter of authorization (LOA) form generated by SPOT states that “the Government organization specified above, in its mission support capacity under the contract, authorizes the individual employee identified herein, to proceed to the location(s) listed for the designated deployment period set forth above.” The LOA identifies specific privileges, and it addresses travel and emergency medical support. The LOA must include the contracting officer’s signature or the COR’s signature (if authorized by the contracting officer) as well as contact information. **Figure B.8** shows a sample LOA.

### **Funding Forms**

Local procedures are the best reference for the identification of funding forms.

LETTER OF AUTHORIZATION			DATE OF REQUEST		
			02/2/2007		
REQUIRING ACTIVITY (e.g. Army Contracting Agency)	GOVT AGENCY POC Ose, John	GOVT AGENCY POC PHONE 123-456-7890	GOVT AGENCY POC EMAIL jose@atst.com		
NAME (Last, First, Middle Initial) Jones, Stanley	SSN/7FIN xxx-xx-1234	DATE OF BIRTH 01/1/1980	PLACE OF BIRTH		
HOME ADDRESS		CITIZENSHIP United States	PASSPORT # / EXPIRATION 1234567890123 12/31/2010		
		DEPLOYMENT PERIOD START Wednesday, August 01, 2007	DEPLOYMENT PERIOD END Monday, September 01, 2008		
EMAIL stj@atst.com		THEATER EMAIL test.data@us.army.mil			
CLEARANCE LEVEL w/ AGENCY None	CLEARANCE DATE (mm/dd/yyyy) Monday, January 01, 0001	JOB TITLE Action Officer	SUPERVISOR / MANAGER <input checked="" type="checkbox"/> YES SUPERVISOR / NON MANAGER <input type="checkbox"/>		
COMPANY (full name) XYZ Company	COMPANY POC Smith, Jane	COMPANY POC TELEPHONE 123-456-7890	COMPANY POC EMAIL stj@atst.com		
CONTRACT NUMBER/ TASK ORDER X12123ABC789	CONTRACT PERIOD START 12/12/2006	CONTRACT PERIOD END 12/12/2012	CONTRACT ISSUING AGENCY (e.g. DARPA)		
NEXT OF KIN (NOK) NAME	NOK RELATIONSHIP	NOK TELEPHONE	NOK ALTERNATE TELEPHONE		
IN-THEATER CONTACT		CONTACT'S PHONE 07993802984508	CONTACT'S EMAIL stj@atst.com		
COUNTRIES TO BE VISITED Belgium	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <b>GOVERNMENT FURNISHED SERVICES</b>  <input type="checkbox"/> AIR/TPA  <input checked="" type="checkbox"/> Babel g...  <input checked="" type="checkbox"/> Commissary  <input checked="" type="checkbox"/> DFACS  <input checked="" type="checkbox"/> Excess Baggage  <input checked="" type="checkbox"/> Medical/Dental  <input checked="" type="checkbox"/> Mail Clothing  <input checked="" type="checkbox"/> Mail Issued Equip  <input checked="" type="checkbox"/> MWR                 </td> <td style="width: 50%; vertical-align: top;"> <input checked="" type="checkbox"/> Authorized Weapon  <input checked="" type="checkbox"/> CACID Card  <input checked="" type="checkbox"/> Dependents Authorized  <input checked="" type="checkbox"/> DoDI Essential  <input checked="" type="checkbox"/> Fuel Authorized  <input checked="" type="checkbox"/> Mail Banking  <input checked="" type="checkbox"/> Mail Exchange  <input checked="" type="checkbox"/> Milar  <input checked="" type="checkbox"/> Transportation                 </td> </tr> </table>			<b>GOVERNMENT FURNISHED SERVICES</b> <input type="checkbox"/> AIR/TPA <input checked="" type="checkbox"/> Babel g... <input checked="" type="checkbox"/> Commissary <input checked="" type="checkbox"/> DFACS <input checked="" type="checkbox"/> Excess Baggage <input checked="" type="checkbox"/> Medical/Dental <input checked="" type="checkbox"/> Mail Clothing <input checked="" type="checkbox"/> Mail Issued Equip <input checked="" type="checkbox"/> MWR	<input checked="" type="checkbox"/> Authorized Weapon <input checked="" type="checkbox"/> CACID Card <input checked="" type="checkbox"/> Dependents Authorized <input checked="" type="checkbox"/> DoDI Essential <input checked="" type="checkbox"/> Fuel Authorized <input checked="" type="checkbox"/> Mail Banking <input checked="" type="checkbox"/> Mail Exchange <input checked="" type="checkbox"/> Milar <input checked="" type="checkbox"/> Transportation
<b>GOVERNMENT FURNISHED SERVICES</b> <input type="checkbox"/> AIR/TPA <input checked="" type="checkbox"/> Babel g... <input checked="" type="checkbox"/> Commissary <input checked="" type="checkbox"/> DFACS <input checked="" type="checkbox"/> Excess Baggage <input checked="" type="checkbox"/> Medical/Dental <input checked="" type="checkbox"/> Mail Clothing <input checked="" type="checkbox"/> Mail Issued Equip <input checked="" type="checkbox"/> MWR	<input checked="" type="checkbox"/> Authorized Weapon <input checked="" type="checkbox"/> CACID Card <input checked="" type="checkbox"/> Dependents Authorized <input checked="" type="checkbox"/> DoDI Essential <input checked="" type="checkbox"/> Fuel Authorized <input checked="" type="checkbox"/> Mail Banking <input checked="" type="checkbox"/> Mail Exchange <input checked="" type="checkbox"/> Milar <input checked="" type="checkbox"/> Transportation				
PURPOSE Test data					
FUND CITE w/ BILLING ADDRESS Fund Cite Fund Address, Fund City, 00948 United States					

The government organization specified above, in its mission support capacity under the contract, authorizes the individual employee identified herein, to proceed to the location(s) listed for the designated deployment period set forth above. Non-supervisory positions shall be rated GS-12 or equivalent. Supervisory / Managerial positions shall be rated as GS-13 or equivalent. Upon completion of the mission, the employee will return to the point of origin. Travel being performed is necessary and in the public's service. Travel is in accordance with FAR 31.205-36 and the maximum per diem allowable under the appropriate travel regulations (Joint Travel Regulation for AK, HI and outlying areas of the United States and US possessions), Federal Travel Regulation for CONUS and US Territories, and Dept of State's Standardized Regulations for OCONUS Foreign Areas designated by DOS).

Emergency medical support will be determined by the appropriate supported commander. Contractor authorization aboard military aircraft will be determined by the supported commander. Necessary identification badges will be determined and provided by the supported command.

This Contractor is considered as "Key Personnel, Government Civilian" in connection with "Non-Combatant Evacuation Orders" at the civil service grade indicated above.



Figure B.8. Sample SPOT Letter of Authorization



## **Contents**

Transfer of Responsibility

- Continuity Book

Redeployment and Demobilization Considerations

### **Transfer of Responsibility**

**I**t is critical for a COR to plan for and execute a quality transition of duties before redeployment. This responsibility includes early notification to the responsible contracting officer about the exact redeployment date and the name of the replacement.

#### **Continuity Book**

In addition to maintaining a complete contracting file, the COR's continuity book is also very important. After arriving at the deployed location, you should either establish or review information contained in the existing continuity book. The COR will maintain and continually update the continuity book for follow-on CORs. Upon termination of a deployment, the last COR will forward the continuity book to the applicable J4 supporting the area of responsibility (AOR). The book should include the following at a minimum:

- Current list of enduring contract vehicles, with contingency clauses
- Current vendor or contractor source listing, including vendor names, addresses, telephone numbers, POCs, and type of supplies or services provided
- List of local contractors and vendors that should not be used
- Key POCs at the deployed site, including name, grade, duty title unit, telephone number, and after-hours POC, if available
- Copies of all headquarters policy letters, acquisition instructions, and messages of guidance received to date
- Minutes of all meetings attended, including open action items affecting the contracting function

- Contractor delivery information and gate security
- Copies of all customer education handouts developed to date
- Disposition of purchase records
- Lessons learned during the deployment to date
- A copy of your After Action Report, forwarded through the responsible senior contracting official (SCO) within 30 days of redeployment to home station
- Copies of all e-mail transactions between the contracting officer and vendors, if applicable.

### **Redeployment and Demobilization Considerations**

Redeployment is defined as the transfer of forces, personnel, equipment, and materials to home or demobilization stations for reintegration and out-processing. Planning for redeployment is accomplished by using the same time-phased process used to execute the deployment. Whenever possible, the COR should participate on the joint contingency planning staff that is planning the redeployment or demobilization phase of the operation. It is imperative that the COR communicates with contingency contracting officer (CCO) and operational planners in the drawdown planning. Some areas that should be a focus after notification of a contingency redeployment or demobilization include the following:

- Drawdown of services, staffing, and equipment
- Contractor demobilization plan
- Contractor personnel and property accountability
- Contract closeout
- Potential new requirements to support the redeployment (e.g., packing, crating, and freight services).

Additional areas of consideration are provided within the U.S. Central Command (CENTCOM) Contracting Command (CCC) COR demobilization orientation briefing on the DVD in Attachment 1.



# **Appendix D**

## Contract Planning and Source Selection

### **Contents**

#### Planning and Source Selection

##### Pre-Award and Solicitation Phase

- Market Research
- Independent Government Cost Estimate
- Performance Work Statements
- Socioeconomic Development Programs
- Planning for the Evaluation of Proposals
- Types of Source Selections
- Competition
- Amendments to the Solicitation
- Do's and Don'ts for Pre-Award and Solicitation Phase

##### Evaluation and Award Phase

- Receipt and Management of Proposals
- Evaluation of Proposals
  - » Technical Evaluation Reports
  - » Support for the Review of Business/Cost Proposals

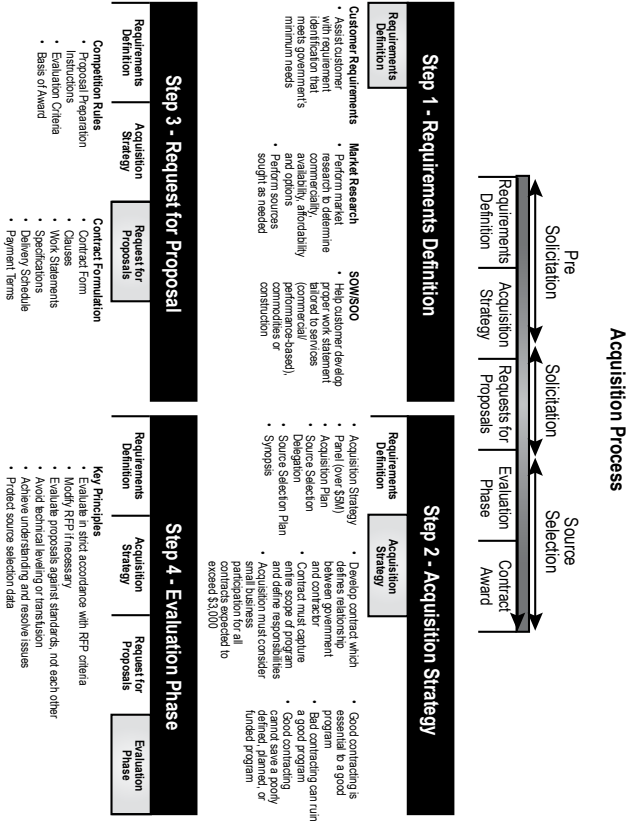
##### Communications with Offerors

- Determination of the Competitive Range
- Communications after Establishing the Competitive Range
  - » Selection of the Right Contractor
  - » Debriefing of Offerors
  - » Handling of Protests
  - » Handling of Freedom of Information Act Requests
  - » Do's and Don'ts for Evaluation and Award

## Planning and Source Selection

This appendix provides an overview of contract planning (the Pre-Award and Solicitation Phase) and source selection (the Evaluation and Award Phase). **Figure D.1** depicts the overall acquisition process.

Figure D.1. Acquisition Process Overview, Part 1



# Appendix D

## Contract Planning and Source Selection

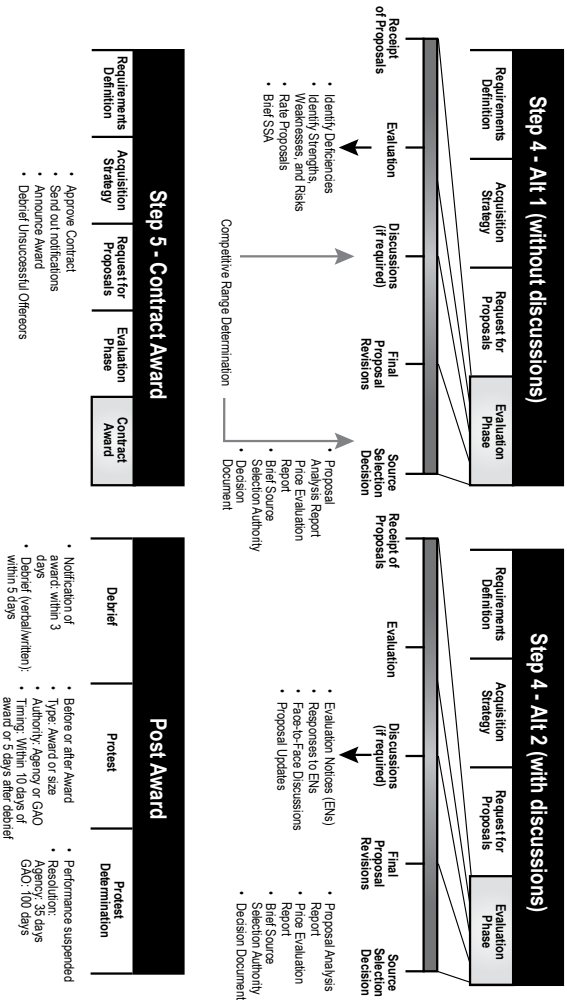


Figure D.1. Acquisition Process Overview, Part 2

## **Pre-Award and Solicitation Phase**

The requiring organization is responsible for identifying the need for supplies and services, the first and most critical step in the planning process. The follow-on steps focus on forecasting, planning, and defining the acquisition requirements; developing and updating acquisition plans and strategies, justifications, and authorizations; conducting market research; preparing program plans, cost estimates, and schedules; and assigning priorities. FAR Subpart 7.102(a) requires that “agencies shall perform acquisition planning and conduct market research for all acquisitions.” In addition to ensuring compliance with the FAR requirement, contract planning helps to anticipate problems, save time in the future, save money, stay on schedule, communicate to higher management, and generate the commitment to perform the acquisition.

### **Market Research**

Acquisitions of supplies and services begin with a description of the Government’s needs, stated in detail that is sufficient to allow the acquisition team to conduct market research. The market research results form the basis for developing new requirement documents and issuing solicitations. Market research is an ongoing process for collecting, organizing, maintaining, analyzing, and presenting data. The purpose of market research is to maximize the capabilities, technology, and competitive forces of the marketplace to meet an organization’s needs for supplies and services. The COR may be asked to help gather market research information that decision makers can use to identify the best approach for acquiring needed supplies or services.

The research will vary, depending on factors such as urgency, estimated dollar value, complexity, and past experience. This research involves obtaining information specific to the item being acquired and then deciding whether Government needs can be met by items that

are customarily available in the commercial marketplace (either as is or with modifications) or by items used exclusively for governmental purposes. Results should be documented in a manner appropriate to the size and complexity of the acquisition. Market research also helps the Government develop IGCEs when conducting a cost analysis.

In addition to conducting market research on the Internet, the COR can contact a nearby U.S. Embassy or U.S. Consulate administrative officer to seek out potential local vendors for services and supplies. The base contractors who are providing base services represent another good source of pertinent information. Usually the base contractor not only subcontracts its requirements to local vendors for supplies and services, but also reaches back to companies in the United States.

### **Independent Government Cost Estimate**

This section addresses the difference between an independent Government estimate (IGE) and an IGCE, specifies the content of cost estimates (e.g., labor costs, labor cost burden, ODCs, indirect costs, general and administrative expenses, profit/fee, and IGCE escalation considerations), compares cost and prices estimates, and summarizes other relevant guidance.

### **IGE and IGCE**

An IGE is generally used for commercial items, supplies, equipment, and simple services that are routinely available on the open market at competitive prices. A price estimate is required for all contract requirements that exceed the simplified acquisition threshold and must be independently developed based on a comparison and analysis of factors such as published catalog prices, historical prices paid, market survey information, and vendor price quotes. The IGE is not broken down into various cost elements and depends more on bottom-line prices paid or availability in the marketplace.

An IGCE is required for services, construction, and noncommercial supplies estimated to exceed the SAT (i.e., \$100,000 for noncommercial items and as much as \$5 million for commercial items). The IGCE is the Government's estimate of projected costs that a contractor will incur in the performance of a contract. The cost estimate is more detailed than the price estimate and requires a breakdown of anticipated costs during performance of the contract. Costs are generally divided into the primary cost elements of labor, payroll additives, ODCs, indirect costs (i.e., overhead), general and administrative (G&A) costs, and profit/fee.

The IGCE is the Government's estimate of the resources and projected costs that a contractor will incur in the performance of a contract. These costs include direct costs such as labor, products, equipment, travel, and transportation; indirect costs such as labor overhead, material overhead, and G&A expenses; and profit/fee (the amount exceeding costs that is incurred to compensate the contractor for the risks involved in undertaking the contract).

This discussion addresses the key elements of an IGCE, but it is not intended to cover every possible acquisition. Large and complicated acquisitions that cost millions of dollars have dozens of cost elements, while acquisitions for single items of relatively low dollar value have only a few cost elements. The application of cost elements will vary with the circumstances of the specific acquisition and associated market conditions. The IGCE should include only those elements applicable to, and developed from, the SOO, SOW, or PWS or a description of the supplies, services, or construction to be acquired. An IGCE is required for every procurement action that exceeds the SAT described in FAR Subpart 2.101.

Commercial items are supplies or services sold to the general public that require no major modification to meet specific Government requirements.

The requiring organization develops the IGCE, which is used to establish a realistic price/cost for budget purposes. In addition, the contracting officer uses the IGCE for technical and management information. The IGCE is the baseline for evaluating an offeror's contract price/cost. The format and contents of the IGCE vary with the complexity and value of the requirement.

Acquisition statutes require the analysis of price/cost to confirm either a reasonable price (for a fixed-price contract) or a realistic cost (for a cost-reimbursement contract). The results of any contract action in terms of quality and reasonableness of price/cost rely heavily on the accuracy and reliability of the IGCE. Any significant variation between an offeror's proposal and the IGCE requires analysis. When variations exist, the Government can identify and correct inaccuracies in the IGCE or can use the IGCE to negotiate a more realistic price.

The IGCE is a procurement-sensitive document and should be handled accordingly. Access to the IGCE is on a need-to-know basis.

The first step in developing the IGCE is establishing a mindset that the developers would use when working in a commercial environment. Standards, practices, and procedures that industry normally applies should be used as the basis for developing the IGCE.

A simple estimate of current market prices or historical prices might be adequate for requirements up to the SAT. Above that level, a more complete cost or price estimate is required.

The differences between a cost estimate and a price estimate can be summarized as follows:

- **Cost Estimate.** The cost estimate is a detailed estimate that requires a breakdown of costs anticipated in performance of the contract. A detailed estimate is required for services, construction, and noncommercial products that are estimated to exceed the SAT. A review of the current or previous contract documents and the previous IGCE is usually an excellent place to start research. These

documents can be obtained from the supporting contracting office files.

- **Price Estimate.** The price estimate is generally used for commercial products, equipment, and simple services that are routinely available on the open market at competitive prices. The price estimate is required on all contract requirements over the SAT and must be independently developed based on a comparison and analysis of relevant factors (e.g., published catalog prices, historical prices paid, market survey information, and contractor price quotes). The price estimate is not broken down into specific cost elements and depends more on bottom-line prices paid or available in the marketplace. The contracting officer or specialist may help with research for pricing information.

The following sections contain basic information on developing cost estimates such as the IGCE.

## Cost Estimates

Costs are generally divided into the following primary cost elements: labor, burden on labor costs, ODCs, indirect costs (overhead), G&A, and profit/fee. This section describes these cost elements as well as escalation considerations.

### Labor Costs

Labor costs are often the most significant part of the IGCE in terms of funds for either services or construction contracts. Direct labor is the labor that is directly applied to the performance of the contract requirements. In contracts for CONUS services and construction, many labor categories are covered by the Department of Labor wage determinations in the provisions of the Service Contract Act for services or the Davis-Bacon Act for construction contracts. Neither



these statutes nor the related wage determinations apply to declared contingency or peacekeeping operations OCONUS.

Labor categories and skills that are covered by the SCA or Davis-Bacon Act in CONUS operations are considered to be nonexempt. All nonexempt wages must be paid at a rate no less than that identified on the applicable wage determination. Exempt personnel (management and professional salaried staff) are not paid hourly and thus are not covered by the wage determinations. Exempt personnel will receive benefits and wages comparable to those for similar positions in industry or the Government.

Setting reasonable estimates for required labor categories will also help the COR combat coercive and abusive labor practices during contract administration.

The IGCE should identify the labor categories and the level of effort (work hours) required for each category. For instance, the effort of a carpenter to renovate one set of kitchen cabinets might be limited to 100 hours (with proportional benefits), whereas a contract requiring a full-time carpenter working under the terms of a contract year would project a full-year cost with all benefits.

The IGCE must consider the realities of the work environment. Employee benefits (leave and holidays) must be factored into the cost estimate of any Government contract. To estimate costs for a typical service contract year, the COR should begin with the average work year of 2,080 hours (40 hours per week, 52 weeks per year). These are available hours, which are used to estimate the level of pay for each employee under the contract. However, the COR's estimate must be adjusted to consider productive hours before estimating the number of contract employees required. Productive hours are the number of hours an employee actually performs assigned duties. When full-time employees are incorporated in the IGCE, a good rule of thumb is to use 1,880 productive hours (i.e., 2,080 hours minus 80 hours for holidays,

80 hours for vacation, and 40 hours for sick leave). When part-time employees are used, productive hours can be estimated by using a basis of 1,920 hours per year (i.e., 2,080 hours minus 80 hours for holidays and 80 hours for vacation, but no hours for sick leave). Actual available-hour and productive-hour patterns can vary by host nation, service or industry, or contract requirement.

### Burden on Labor Costs

After the basic labor categories and hours are specified, labor burdens must be calculated.<sup>47</sup> Typical burdens on labor costs are as follows:

- **Health and Welfare (H&W).** H&W includes life, accident, and health insurance plans; pension plans; civic and personal leave (e.g., vacation and holidays); severance pay; savings and thrift plans; and on the like. H&W costs are based on the most recent wage determination issued by the Department of Labor. Currently, the figure of \$2.15 is approved for all wage categories covered by the SCA (for services contracts). Individual Davis-Bacon Act wage determinations include specific fringe benefits for H&W. Because all figures are subject to change, they should be verified before the IGCE is developed. The rate should then be multiplied by available hours. Similar fringe benefits should also be projected for exempt labor hours.
- **Federal Insurance Contributions Act (FICA).** The FICA tax rate is 7.65 percent (6.2 percent for Social Security and 1.45 percent for Medicare). This rate has been constant for a number of years and rarely changes. To calculate a FICA contribution, multiply 7.65 percent times total wages (up to the FICA maximum rate of \$84,900, as of 2003).

---

<sup>47</sup> The Bureau of Labor Statistics publishes the Employer Cost of Employee Compensation (ECEC), available at <http://www.bls.gov/ncs/ect/>. This website publishes current information and provides a statistical basis for the numbers.

- **Federal Unemployment Taxes.** Federal unemployment taxes are paid on the first \$7,000 of total wages, multiplied by a factor of 0.8 percent. This rate changes periodically; the current rate is available on the Internal Revenue Service (IRS) webpage at <http://www.irs.gov/formspubs>.
- **State Unemployment Taxes.** Individual state governments set state unemployment taxes, which are paid on the first \$9,000 of total wages. The tax rate varies based on the type of business involved. Rates might be available from the states' workers compensation websites. However, if state unemployment tax rates are not available, the COR could use an average rate of 3.0 percent. This percentage is then multiplied by the first \$9,000 in wages per employee to calculate the state unemployment tax.
- **Workers Compensation.** Workers compensation is insurance designed to cover injuries and associated benefits that arise from work-related injuries. The rate varies from state to state, but for the most part depends on a contractor's years of business in the state and claims-related experience. Workers compensation is applied to total wages and will vary between 2 and 5 percent of total payroll. The state tax code should contain relevant details.

A straight-line approach with an average overall burden rate may be used to estimate fringe benefits. This approach may be used in place of the separate computation of benefits (as previously outlined). However, a straight-line approach might not be adequate for some high-cost areas of the country or for all Davis-Bacon Act categories. Whichever method is used, the IGCE should document the rationale for that method.

For foreign operations (those outside the United States), some of these additives might not be encountered, depending on the host nation and common practices within the industry in that nation. Information on applicable host nation labor practices and common burdens on labor

costs should be available from host nation authorities. For CONUS operations, comparable information also might be available from DCAA, DCMA, or local pricing personnel.

### Other Direct Costs

When estimating ODCs, the emphasis should be on accuracy of the type and quantity required to complete the contracted work. The following are general ODC groupings:

- **Materials and Equipment.** Item descriptions and related cost estimates can be obtained by using catalogs, price quotes, market surveys, historical data, and the like.
- **Travel.** To estimate travel costs, the first step is determining the need for travel by the contractor, including destinations (both local and remote), number of trips anticipated, number of personnel traveling, and number of days per trip. Using that information as a starting point, the cost per trip can be calculated. The individual trip totals then must be added to arrive at a total for all travel under the contract.

The Defense Travel Management Office manages the Joint Travel Regulation (JTR), Volume 2, which contains useful information on travel costs. JTR establishes per diem rates (e.g., for lodging, meals) that may be used to estimate such costs under any type of proposed contract. The JTR also establishes the reimbursable mileage rates for travel by privately owned automobile. Other travel costs (e.g., for airfare, rental car) can easily be obtained from commercial websites.<sup>48</sup>

- **Consultants.** Any tasks or work that might require the use of consultants must be identified. For example, some tasks might require unique specialized expertise that is not normally available to

---

<sup>48</sup> Also: FAR Subpart 31.2, "Contracts with Commercial Organizations."

contractors performing the work required by the contract. The COR should estimate the number of hours needed for each consultant.

- **Subcontracts.** Some efforts might need to be subcontracted. For example, the prime contractor might not have (and would not be expected to have) some specialized labor, equipment, or facilities needed to complete the contract. The COR can estimate the ODCs for each potential subcontract, using the same estimation techniques as those used for the prime contract.
- **Bonds.** Most common in construction contracts, the direct costs of these securities must be identified and incorporated into the IGCE. Performance and payment bonds will generally cost the contractor anywhere from 1 percent to 3 percent of the total bid or proposal price. A review of past bonding requirements might provide a reasonable range for the IGCE. In the absence of specific data on similar contracts, the COR may use 2 percent of the total cost estimate to cover bonding costs (when applicable to the acquisition).

### **Indirect Costs (Overhead)**

Overhead includes any costs not directly assigned to a single final cost objective, individual project, or contract. In other words, indirect costs are general business costs such as rent, utilities, general office supplies, telecommunications, and depreciation. The contractor recoups indirect costs by applying an overhead percentage to direct labor costs, manufacturing costs, or another appropriate base consistent with the firm's established accounting practices.

Methods and rates to recover indirect costs can vary significantly. One firm might pool all indirect costs and apply one percentage rate to total direct costs to recoup its expenses. Another company might group costs associated with labor costs into one overhead account and separately group its corporate-level expenses (i.e., G&A expenses).

## **General and Administrative Expenses**

G&A expense accounts capture the costs of company-wide support functions (e.g., accounting, personnel, purchasing, legal) that cannot be directly charged to any single project or contract. G&A expenses also may include executive compensation for corporate officers as well as management, financial, or other expenses incurred for overall operation of a business. These costs are distributed equally across all of the company's contracts, in both the Government and private sectors.

Like overhead, G&A expenses are grouped together and recouped by applying a percentage to other cost categories, consistent with the cost accounting practices of the firm. These costs vary significantly with the size of the firm and within industry groupings (e.g., construction, services, information technology). Thus, the use of a set percentage number or range for the IGCE is not appropriate. Instead, the COR should consult with the contracting officer to obtain historical information from similar purchases and industry practices relevant to the current acquisition. DCAA also might be able to provide a representative G&A rate based on previous audit information for similar contract situations.

## **Profits and Fees**

Profits and fees are generally regarded as remuneration for the risk involved in undertaking the contract tasks. The profit or fee is the amount of money that the contractor expects to earn above and beyond the costs incurred to complete the contract. Under fixed-price contracts, profit is the amount of money (if any) remaining after all contract costs have been paid. Under cost-plus-fixed-fee contracts, profit is a set amount that the contractor is guaranteed as long as it makes its best effort to perform the contract.

For the IGCE, profit or fee can be calculated and expressed as a percentage of the total estimated cost. (For example, if the estimated cost totals \$500,000 and a profit margin of 10 percent is deemed appropriate, the profit will be \$50,000.) In very general terms, 7 percent should be the upper limit for routine efforts under a cost-reimbursement contract, and 12 percent should mark the upper limit for routine efforts under a fixed-price contract. In addition, 1 percent can be added for moderately complex work—and 2 percent for highly complex (state-of-the-art) work or work that will involve significant cost or performance risk for the contractor. These are by no means absolutes; other percentages might be more realistic, but should be based on risk, market factors, and unique factors that might affect the contingency operation or location. In all cases, estimates of profit or fee must be documented.

### **Escalation Considerations for the IGCE**

The impact of inflation should be considered when developing an IGCE for a contract with option years. After calculating the estimated costs for the base year, the costs for option years can be estimated by applying appropriate escalation factors. As appropriate, different escalation factors may be applied to different cost elements, depending on the labor-material mix. The following methods may be used.

- The Consumer Price Index (CPI) provides data and the percentage change in inflation and escalation factors. CPI information is available at <http://www.bls.gov/cpi/>. When projecting inflation, major cost factors for the specific requirement should be reviewed. Inflation rates for explicit supplies depend on the circumstances specific to the acquisition. In addition, geographic locations for work performance must be considered. Based on a long-term view of changes in the CPI, an average escalation factor of 2 percent to 4 percent is generally considered reasonable.

- Market trends should be considered when projecting escalation rates for option years and should be justified in a short narrative. A market survey will provide information on current market prices and the potential volatility of prices in the marketplace. In addition, a review of previous Department of the Treasury interest rates might be useful.
- DCAA and DCMA tend to use IHS Global Insights as the source for escalation factors.<sup>49</sup> A subscription is required; however, the information is readily available to DCMA personnel through the DCMA Portal.

### Price Estimates

A commercial item IGCE (i.e., an IGCE for commercial supplies or services) is considered a price estimate and is much less complicated than the IGCE discussed previously. Estimating a commercial item IGCE is a matter of determining the market value of the supplies or services, using that figure as the IGCE, documenting the research, and furnishing this information and the funded requisition to the contracting officer.

Although IGCE documentation is part of the Government procurement cycle, statutes and regulations do not offer detailed guidance on preparing IGCEs. The following general guidelines apply to most situations.

- **Know the requirement.** The first and perhaps most crucial step is to ensure that the cost estimate is based on the Government's actual needs. Review the SOO, SOW, or PWS or the specifications, and make sure that the contract requirements are accurately identified, the work (tasks) are clearly defined and then logically divided or aggregated, and all required supplies and services to be delivered

---

<sup>49</sup> These factors are available at <http://www.ihs.com/products/global-insight/index.aspx>.



are included. Then estimate the labor categories and required level of effort, and add equipment, materials, and ODCs. Apply cost inflation factors if the contract covers multiple years.

- **Use historical cost information.** Like budgeting, cost estimation uses existing (past) information as a basis for projecting future costs. The same or similar work might have been done under previous contracts. It can be very useful to obtain the cost information submitted and negotiated during the award of any previous contracts. Consult the contracting officer to obtain this information and technical assistance in analyzing it.
- **Know the marketplace.** Costs and prices are often specific to geographic areas. There can be industry standard rates for competitive businesses for certain costs. Rates of profit also can vary by locality (especially for construction and commercial services). In addition, costs for the same type of work can vary significantly from place to place and over time. It is crucial, therefore, for the estimator to know the market.
- **Consult contracting personnel.** The contract specialist and contracting officer have considerable expertise in evaluating contract costs. The contracting office also might have historical cost data. Consult them, particularly when estimating overhead, fringe benefits, G&A, and profit or fee.
- **Estimate one piece at a time.** If preparing a detailed IGCE, do not try to estimate the cost of the contract as a whole. Address each task (or other division of the required work) one at a time, and estimate the types of costs involved for each.

### **Other Guidance**

When buying a commercial item with stable specifications, the estimator should research past price history and then adjust for changes in specifications, quantities, and inflation factors. For items that do

not have a detailed pricing history, a detailed analysis of individual cost elements is necessary. The IGCE should include a brief narrative describing how the costs were developed and the reference materials that were used.

The following methods can be used to determine market value:

- **GSA Schedules.** GSA schedules are prepriced and are awarded to multiple firms for specific supplies and services. GSA schedules are detailed at <http://www.gsaadvantage.gov/>.
- **Published price lists.** Individual companies publish these price lists for use by the general public.
- **Catalogs.** Many manufacturers publish catalogs describing their offerings and associated prices. The catalogs might be available to customers in hard copy, on a website, or in some other format.
- **Market surveys.** A market survey is a comparison of local advertised prices for an item. A market survey is normally performed in conjunction with the contracting officer.
- **Previous buys.** Previous purchases of the same item can be used as the basis for an estimate, assuming comparability in quantities, conditions, terms, and performance times. Adjustments should be considered for inflation and quantity discounts if appropriate.

Pricing should not be obtained by directly contacting vendors because disclosure of advance procurement information is considered sensitive and because the vendor might view the contact as a commitment by the Government. Only purchase card holders acting within their spending limits—and contracting officers or their representatives—may commit the Government. Any other person may be held personally liable and may be subject to disciplinary action.

## **Performance Work Statements**

A PWS describes the required results in clear, specific, and objective terms with measurable outcomes. Typically, a PWS covers the following topics:

- Introduction
- Background information
- Scope
- Applicable documents
- Performance requirements
- Special requirements or constraints (such as security).

Best practices and lessons learned that should be considered in developing a PWS include the following:

- The requirement should not be so specific that all offerors propose the same solution, eliminating creativity and innovation.
- A performance-based acquisition requires that the integrated solutions team abandon some traditional approaches to buying services.<sup>50</sup>

The Automated Requirements Roadmap Tool (ARRT), described in Chapter 9, can be used to create a PWS.

Avoid specifying labor categories, educational requirements, or number of required support hours because they are how-to approaches. Instead, let contractors propose the best people with the best skill sets to meet the need and fit the solution. The Government can then evaluate the proposal based both on the quality of the solution and the experience of proposed personnel.

Specifying staffing requirements places limits on the ability of offerors to propose their best solutions and could preclude the use of qualified contractor personnel who might be well suited to perform

---

<sup>50</sup> Appendix A includes a checklist for contract surveillance.

the requirement, but might lack a specific qualification (e.g., a college degree or the exact years of specified experience). For some services, in fact, such practices are prohibited. Section 813 of the National Defense Authorization Act, Fiscal Year 2001, now implemented in the FAR, states that solicitations for information technology services may not describe any minimum experience or educational requirements for proposed contractor personnel unless the contracting officer determines that the agency either (1) cannot meet its needs without that requirement or (2) requires the use of a contract vehicle than a performance-based contract.

### **Planning for the Evaluation of Proposals**

The SOO, SOW, or PWS—along with Section L (Instructions, Conditions, and Notices to Offerors or Respondents) and Section M (Evaluation Factors for Award) of the solicitation—establish the principal ground rules for acquisitions. The SOO, SOW, or PWS is the part of the contract that describes the work to be done through the use of specifications, minimum requirements, quantities, performance dates, time and place of performance, and quality. It identifies the supplies or services that the U.S. Government is requesting. The PWS is a SOW for performance-based acquisitions that describes the required results in clear, specific, and objective terms, including measurable outcomes.

Evaluation factors generally fall into the following four groups:

- Technical/management
- Cost or price
- Past performance
- Other (socioeconomic programs).

However, proposal-specific evaluation factors are identified in Section M of the solicitation.

## **Types of Source Selections<sup>51</sup>**

In different types of acquisitions, the relative importance of cost or price can vary. For example, in acquisitions with a clearly definable requirement and a minimal risk of unsuccessful contract performance, cost or price can play a dominant role in source selection.

However, if the requirement is less definitive, involves more development work, or entails greater performance risk, technical or past performance considerations can play a more dominant role in source selection than cost or price.

Under either approach, the COR, because of technical knowledge and background, may become part of the team of technical personnel assembled to evaluate contractor proposals. During this process, the contracting officer and the technical evaluation team lead will provide the COR with detailed instructions concerning role and responsibilities.

The contracting officer is responsible for preparing the solicitation, with assistance from other experts. However, the contracting officer obtains much of the information directly from supporting documentation and the COR.

The U.S. Government uses RFPs in negotiated acquisitions to communicate Government requirements to prospective contractors and to solicit proposals. The RFP must describe the Government's requirement, anticipated terms and conditions of the contract, and factors used to evaluate proposals.

---

<sup>51</sup> Additional details on the DoD Source Selection Guide are included in FAR Subpart 15.3 and OUSD (AT&L/DPAP) Memorandum, "Department of Defense Source Selection Procedures," March 4, 2011, available at <http://www.acq.osd.mil/dpap/policy/policyvault/USA007183-10-DPAP.pdf>.

## Competition

For all planned acquisitions above the SAT, the FAR requires the contracting officer to consider both price and nonprice factors (in particular, past performance and quality) when evaluating proposals. The relative importance of those factors is up to the contracting officer or other source selection authority.

Federal statutes and the FAR establish the policy for describing agency needs and stipulate that requirements should be written in a way that promotes full and open competition under the Competition in Contracting Act (CICA). FAR Subpart 6.3, “Other Than Full and Open Competition,” explains when it is appropriate to contract for supplies or services without providing for full and open competition. Contracting without competition cannot be based on lack of advance planning or concerns related to the funds available for the acquisition. Statutory authorities permit contracting without full and open competition when one of the following criteria in FAR Subpart 6.302, “Circumstances Permitting Other Than Full and Open Competition,” can be justified:

- FAR Subpart 6.302-1: only one or limited number of responsible sources that can provide the supplies or services needed to satisfy requirements
- FAR Subpart 6.302-2: unusual and compelling urgency
- FAR Subpart 6.302-3: industrial mobilization, engineering, or research capability, expert services
- FAR Subpart 6.302-4: international agreement
- FAR Subpart 6.302-5: authorized or required by statute
- FAR Subpart 6.302-6: national security
- FAR Subpart 6.302-7: public interest.

Restrictive provisions and conditions severely constrain competition,

and they are limited to the extent necessary to satisfy Government needs. When restrictive provisions are used, they must be justified in writing.

### **Amendments to the Solicitation**

It might be necessary to amend the solicitation after release and before contract award. Such circumstances could occur for a variety of reasons (e.g., changes in the specifications, terms, or conditions or in quantities required). However, amendments to solicitations increase administrative effort and cost and thus might delay contract award and performance.

Do's and Don'ts for the Pre-Award and Solicitation Phase are outlined in **Table D.1**.

**Table D.1. Do's and Don'ts for Pre-Award and Solicitation Phase**

<b>Pre-Award and Solicitation Phase</b>	
<b>Do</b>	<b>Don't</b>
Use market research. Look for commercial solutions.	Write vague specifications, assuming that the contractor will do whatever is necessary to satisfy the Government.
Promote full and open competition.	Write design specifications that detail what materials should be use and how the work should be performed.
Think about contract administration requirements while writing the SOO, SOW, or PWS or the specifications.	Ask for progress reports, test samples, or other items from the contractor unless the items are needed for the program or for efficient administration and monitoring.

<b>Pre-Award and Solicitation Phase</b>	
<b>Do</b>	<b>Don't</b>
Use performance-based or functional (rather than design) specifications to describe an objective or standard to be achieved, allowing the contractor to exercise ingenuity in achieving that objective or standard, select the means, and assume corresponding responsibility.	
Limit use of restrictive provisions to satisfy agency needs. Limit use of specifications and instead focus on function, performance, and physical characteristics.	
In the SOO, SOW, or PWS or the specifications, separate discussion of administrative and progress reporting requirements from discussion of required procedures and deliverables.	

## **Evaluation and Award**

### **Receipt and Management of Proposals**

Offerors must submit their proposals, proposal revisions, and modifications to the Government office designated in the solicitation by the time specified in the solicitation. Offerors may use any transmission method authorized by the solicitation (e.g., electronic, regular mail, or fax submissions). After receipt, proposals must be safeguarded from unauthorized disclosure throughout the source selection process.



After the closing date, the contracting officer will forward the technical proposals to the technical evaluation team lead for analysis. The contracting officer will retain the business/cost proposals until the technical evaluation is completed.

## Evaluation of Proposals

**Note: The source selection team must not reveal any information related to the identity or number of offerors, any specific proposal, or the status of a proposal in relation to others. The release of such information could jeopardize the resultant award and could subject the individuals involved to disciplinary action and to civil and (in some cases criminal penalties).<sup>52</sup>**

The Source Selection Board will review and evaluate all proposals submitted in response to an applicable solicitation, using the evaluation factors in Section M of the solicitation. The technical evaluation team is responsible for evaluating the technical proposals; rating them in order of merit; making recommendations to the contracting officer regarding clarifications needed and deficiencies identified; reviewing supplemental and revised offers; and, if required, helping the contracting officer during negotiations. The same evaluators should be available throughout the entire evaluation and selection process to ensure continuity and consistency in the treatment of proposals.

### **Technical Evaluation Reports**

When the contracting officer forwards the technical proposals to the technical evaluation team for analysis, they are accompanied by specific guidance for conducting the evaluation and preparing the

---

<sup>52</sup> FAR Subpart 15.3 and the DoD Source Selection Procedures note the individuals who are on the source selection team.

technical evaluation report. The team lead prepares and signs the report and submits it to the contracting officer, who maintains it as a permanent record in the contract file. The report should include the proposal ratings and should identify each proposal in accordance with the evaluation plan and criteria in Section M of the solicitation.

The technical evaluation report must include a narrative evaluation that specifies the strengths and weaknesses of each proposal as well as any uncertainties, reservations, qualifications, or areas to be addressed that might affect the selection of a source for award. The report should include specific issues and questions for subsequent discussions with the offerors. If the technical evaluation team determines that a proposal is technically unacceptable, the report is sent to the contracting officer for a final determination.

### ***Support for the Review of Business and Cost Proposals***

The contracting officer is responsible for evaluating factors related to cost and price analysis and for determining the contractor's responsibility (e.g., adequacy of resources, ability to comply with delivery or performance schedule, and satisfactory record of performance). The contracting officer might need the COR's assistance to effectively accomplish this evaluation.

## **Communications with Offerors**

In the interval between the release of the solicitation and contract award, all contact with offerors relating to the particular acquisition must be coordinated through the contracting officer.

The COR may be asked to assist the contracting officer when clarifications (limited exchanges) between the Government and the offerors are needed, contracts are awarded without discussions, or communications are needed to establish the competitive range.

### ***Determination of the Competitive Range***

After considering the ratings of each proposal against all evaluation criteria, the contracting officer may establish a competitive range consisting of the most highly rated proposals. As long as the solicitation notifies offerors that the competitive range can be limited to enhance efficiency, the contracting officer may limit the number of proposals in the competitive range to permit an efficient competition among the most highly rated proposals. The COR may be asked to help the contracting officer debrief offerors that are excluded or otherwise eliminated from the competitive range.

### ***Communications after Establishing the Competitive Range***

In either a competitive or sole-source environment, negotiations are exchanges between the Government and offeror that are held with the specific intent of allowing the offeror to revise its proposal. Negotiations in a competitive acquisition occur after the competitive range is established. Such negotiation may include bargaining, alteration of assumptions and positions, and give-and-take discussions that focus on price, schedule, technical requirements, type of contract, or other terms of a proposed contract. Discussions are conducted after the release of evaluation notices that identify the type of exchange to be conducted.

The contracting officer tailors discussions to each offeror's proposal. The contracting officer must conduct discussions with each contractor within the competitive range. The primary objective of such discussions is to maximize the Government's ability to obtain best value based on the requirements and evaluation factors identified in the solicitation.

During discussions with each offeror, the contracting officer should discuss proposal deficiencies, significant weaknesses, and adverse past performance information that the offeror has not yet had an opportunity to correct. This information may include other aspects of the offeror's

proposal that could be altered or explained to materially enhance the potential for contract award. However, this option does not mean that the contracting officer is required to discuss every area of potential improvement in the proposal.

The scope and extent of discussions are at the discretion of the contracting officer. The COR may be asked to participate in discussions with offerors whose proposals fall in the competitive range.

### Selection of the Right Contractor

**Note: Under no circumstances may anyone in the Government discuss one offeror's proposal with another offeror.**

**Note: Debriefings must not include point-by-point comparisons of offeror proposals, and debriefings may not divulge any other prohibited information about other offerors.**

After receipt of revised proposals or other responses to questions raised during discussions, the technical evaluation team will reevaluate proposals in the competitive range. The results of these evaluations will be documented in writing and will be submitted to the contracting officer.

The contracting officer will review the latest set of evaluations. On the basis of a comparative assessment of proposals against all source selection criteria in the solicitation, the contracting officer will then rate the proposals. Although the contracting officer may use reports and analyses prepared by others, the decision of the source selection authority represents an independent judgment. Documentation of the source selection authority decision includes the rationale for business judgments and tradeoffs that the contracting officer made or relied on, including benefits associated with additional costs.

## **Debriefing of Offerors**

Contracting officers may debrief successful and unsuccessful offerors orally, in writing, or by any other method. The contracting officer normally chairs the debriefing session. Members of the evaluation teams provide support at the debriefing.

At a minimum, the following information must be included in the debriefing:

- Significant weaknesses or deficiencies in the offeror's proposal, if applicable
- Overall evaluated cost or price (including unit prices) and technical rating (if applicable) of the selected contractor and the unsuccessful offeror
- Past performance information of the unsuccessful offeror
- Overall ranking of all offerors if any ranking was developed by the agency during the source selection
- Summary of the rationale for the contract award
- For acquisitions of commercial items, the make and model of the item to be delivered by the winning offeror
- Reasonable responses to relevant questions about whether source selection procedures in the solicitation, applicable regulations, and other applicable authorities were followed.

## **Handling of Protests**

Any interested party may file a protest against the Government concerning a contracting action. Interested parties can file such protests directly with the contracting agency or with the GAO. Interested parties must file protests by the later of the following dates:

- 10 days after contract award
- 5 days after a debriefing
- 10 calendar days after the basis of the protest is known (or should have been known).

An agency is required to make its best efforts to resolve protests within 35 days after the protest filing date; the GAO has 100 days to resolve the protest. For a protest filed with the GAO, either party can request a 65-day express option.

After contract award, if an interested party files a protest with the GAO, the contracting officer must suspend work on the contract unless the head of the contracting activity decides that doing so would not be in the best interests of the Government.

If an interested party files a protest with an agency within 10 days after contract award, the contracting officer must suspend work on the contract unless continued performance is justified, in writing, to be in the best interests of the Government. An official one level above the contracting officer must approve such justification or determination.<sup>53</sup>

**Note: The Government does not accept late protest submissions.**

## Handling of Freedom of Information Act Requests

The Freedom of Information Act (FOIA) specifies how Federal Government agencies will make their records available for public review (upon request), sets time standards for compliance actions, and details those records that are exempt from public disclosure. A Government contract is a public document. The reports that a contractor must submit in compliance with the terms and conditions of a services contract likewise are public documents, with certain exceptions, such as the following:

- Classified information
- Source selection information

---

53 FAR Subpart 33.1 includes additional information on protests.

## Appendix D

### Contract Planning and Source Selection

- Trade secrets and confidential commercial or financial information (sometimes referred to as proprietary information)
- Interagency or intra-agency memoranda or correspondence
- Personal and medical information pertaining to a specific person.

If a contractor asks for information under the provisions of FOIA, immediately refer the contractor to the contracting officer or the agency FOIA monitor. The FOIA monitor will establish a suspense period, not to exceed 20 calendar days, for each request. Remember that it is **not** the COR's job to decide whether information can be released.

Do's and Don'ts for the Evaluation and Award Phase are provided in **Table D.2**.

**Table D.2. Do's and Don'ts for the Evaluation and Award Phase**

Evaluation and Award Phase	
Do	Don't
Carefully review the contract, especially the technical requirements.	Divulge budget information to prospective contractors.
Develop (or obtain from the contractor) a detailed schedule of performance.	Assume without reading that the SOO, SOW, or PWS is complete, clear, and fully understandable.
Work with the contracting officer and the contractor to clear up any misunderstandings and to establish organized contract administration and monitoring procedures.	Allow planning to become an end in itself. Remember that the goal is to get results, not just produce charts showing the plan.
	Forget to update plans and schedules as the situation changes.
	Overlook or ignore contract requirements for GFP, timely reviews and approvals, and technical assistance and direction.





## **Contents**

Cultural Awareness  
International Relationships  
Business Culture  
Language and Conversations  
Additional Guidance

### **Cultural Awareness**

**A** Defense Science Board report, *Understanding Human Dynamics*, explains how cultural awareness is increasingly important in contingency situations:

By its very nature, an individual's culture is largely unconscious, stemming from a collection of beliefs and behaviors the individual often takes for granted without constant assessment. However, understanding what defines one's own culture can help one to understand foreign cultures and vice versa. For example, a member of the US [United States] military may assume that others share his or her beliefs about **equality** or **democracy**, that a lack of punctuality is a sign of disrespect or laziness, and that his or her good intentions as an American soldier, sailor, airman, or marine are self-evident. Often these are good assumptions [but] at other times, they are dangerously inappropriate.<sup>54</sup>

CORs who work with local nationals or third-country nationals should be aware of the total spectrum of communication, including language, nonverbal communications, customs, perceived values, and concepts of time and space. A failure to understand all of the ways that the local population communicates can lead to serious misinterpretations and possibly the failure of the contract.

---

54 Defense Science Board, *Understanding Human Dynamics*, March 2009, available at <http://www.acq.osd.mil/dsb/reports/ADA495025.pdf>.

In some non-Western cultures, contractors confronted by criticism might react by interpreting the facts to suit themselves or flatly denying the facts. This reaction can cause problems for a COR. Therefore, CORs should take a very indirect approach to any corrective action. For example, when answering questions that require a Yes or No answer (e.g., Do you understand?), the contractor, who might be preoccupied with appearances and politeness, could automatically answer Yes, regardless of whether that answer is valid.

The polite way for many non-Westerners to say No is to say, “I’ll see what I can do,” no matter how impossible the task might be. Another common phrase is “in sha’ Allah,” which means “if it is God’s will” (a more realistic translation: it is not going to happen). Remember that Yes does not always mean Yes. After every meeting with a contractor, the COR should prepare meeting minutes and ask the contractor to review them and accept or reject the minutes.

### **International Relationships**

CORs need to consider cultural differences when monitoring contracts performed overseas. CORs who work with non-U.S. contractors must be aware of the total range of relevant communication factors, including language, nonverbal communications, customs, and perceived values. The following examples illustrate cultural differences that can affect contract performance:

- U.S. citizens value equality and believe that they can be successful if they work hard. In the Middle East, family status is more important to success. For example, to become a police officer in Saudi Arabia, a person must be related to the King, even if remotely (e.g., a third cousin).
- U.S. citizens value competition, but in many parts of the world, cooperation is more important. This cultural difference can lead to

collusion among contractors submitting proposals for contracts. In addition, nepotism (i.e., multiple family members who are involved in one or more business units) is very common in some parts of the world. For example, contractors might collude to decide which one of them will get the next contract, especially if some of the competing offerors are extended family members who run multiple business units.

- U.S. citizens value individuality. In places like the Middle East, the group or tribe is more important than each individual and could be key to individual success.
- In Mediterranean, South American, and Asian cultures, extended family is very important.
- In many countries, age is more important than youth. Tribal people in the Middle East value elders because of their knowledge of the tribe; given a choice, they would rather a child die than an elder because a child can be more easily replaced than an elder's knowledge.

To work effectively with people from other cultures, the COR should keep the following tips in mind:

- Be careful when using first names. In some cultures, first names can mean a lifelong relationship. Therefore, use only last names and honorifics appropriate to the specific culture (e.g., Mr. or Ms. in our culture) unless the relationship is sincerely close. Using first names too freely can hurt the COR's reputation and possibly the business relationship.
- Foreign cultures handle criticism differently. Constructive criticism is often viewed as a personal attack. Learn the local way of handling criticism and making a point properly. Be careful when providing needed constructive criticism or making a negative point. Always try to make the case without too much direct criticism unless you have a lot of back-up documentation.

- Learn key phrases in the local language (e.g., hello, goodbye, please, and thank you). People from other countries often can speak more than one language, but U.S. citizens more frequently know only English. Most foreigners go more than half way by learning English and will greatly appreciate a COR who tries to meet them part way.
- Avoid discussing religion and politics, asking highly personal questions, and making ethnic jokes.
- Find different ways of saying No without actually saying the word. For example, the COR could say “I’ll see what I can do.” U.S. citizens appreciate an honest answer, but in many cultures, an evasive answer is the norm. People from such cultures do not want to disappoint others. Moreover, in some cultures, No is interpreted as an expression of personal dislike.
- Learn and be sensitive to ethnic and national sensitivities. For example, do not refer to people from Okinawa as Japanese, and do not refer to the Arabian Gulf as the Persian Gulf when speaking to a Saudi. In other cases, not knowing or not distinguishing the difference between nationalities can cause hard feelings. Much like Canadians would resent being grouped with U.S. citizens (and vice versa), the Scottish and Irish often do not like being referred to as English, and other cultures have a wealth of similar sensitivities.
- Ethical and legal dilemmas are always prevalent. For example, many foreign cultures do not have either a legal or ethical limit on providing gifts, food, money, or other items or services of value to people in positions of influence or power. Be very careful not to cross the legal boundary and violate any U.S. law. It is the COR’s responsibility to find the most appropriate tone and phrase for saying No when necessary.

Working in another culture can be an exciting experience. CORs can make friends for life and have experiences they never thought

possible. However, CORs must be careful when dealing with foreign contractors. There is a thin line between working within the foreign culture and violating U.S. laws. Even the best intentions can lead to jail time. CORs must understand their limitations. Even if a certain action is legal, that determination does not necessarily imply that the action should be taken. The COR should always consult with the legal office about such concerns.

### **Business Culture**

CORs routinely meet with contractors. When scheduling meetings with non-U.S. contractors, remember that such contractors might customarily begin meetings with small talk and even a meal before turning to business. The COR should discuss this issue—particularly the need to accept meals—with the relevant managers, legal office, and contracting officer.

Foreign or host-nation contractors might view time differently than U.S. citizens. **U.S. citizens place a great emphasis on timeliness.** A COR might find that a contractor's approach to time is much slower and more relaxed than the view of a comparable contractor in U.S. culture. This cultural difference can frustrate a COR to the point of being counterproductive. To be most effective, the COR must understand pertinent cultural differences and work within the local system rather than enforcing U.S. ideas of urgency.

U.S. citizens love their personal space, but in many regions (e.g., the Middle East), personal space is very small. In such countries, moving away from a person gives the impression that you do not like that person (and might well be considered rude). Touching can be more or less prevalent in different cultures. For example, in the Middle East, a handshake commonly is soft and entails holding hands for a long time (30 seconds to a minute), compared to the normally firm and brief U.S. handshake. Such a handshake can be awkward if you are not used to it.

Living patterns in some countries are very different. For example, in Saudi Arabia, transactions are slower from June to September because of vacations. In Europe, many people take the entire month of August as a vacation. In addition, CORs should be prepared for contractors to accomplish very little during Ramadan, a month-long Muslim holiday.

Some contractors expect kickbacks, finder's fees, exchanges of gifts, or other gratuities that are illegal for U.S. personnel to provide or accept. CORs must be vigilant to ensure that they do not violate standards of conduct. Typically, corruption is a COR's number one threat.

**Note: CORs should use their understanding of the local cultures to achieve successful outcomes. Understanding, planning, and patience are essential when working with non-U.S. contractors.**

**When communicating, CORs should use clear and concise language and should avoid jargon and acronyms. Above all, CORs should cultivate and maintain a professional working relationship. CORs should take cultural factors into account, but should discern between cultural differences and excuses.**

## Language and Conversations

CORs might require interpreters to communicate effectively. English phrases should be used with care—and the local language should be spoken with caution—to avoid misinterpretation (e.g., a COR might ask for a truckload of gravel and instead receive a truckload of chickens). In addition, CORs must remember to use appropriate measures and equivalents in their requirements because most CORs are probably in countries that use the metric system. Do not expect local nationals to understand the common U.S. reference to a 2" x 4" board

when they think in metrics. (Appendix J contains metric conversions.)  
When using an interpreter, consider the following guidelines:

- Assess risk, and ensure personnel safety.
- Speak in the first person, and enunciate clearly.
- Use clear, straightforward sentences (but try to avoid simplistic “Me Tarzan, you Jane” sentences).
- Carry a notepad, and take notes as needed.
- Ask questions when not sure of a term, phrase, concept, or abbreviation.
- Do not engage in side conversations or become an advocate or mediator in the dialogue.
- Be constantly attuned to the comprehension level of your audience. Slow down, repeat, or elaborate as needed. Test the understanding of both the audience and the interpreter.
- Be sensitive to cultural differences, and be careful not to be (or appear to be) condescending.
- Use visual aids—a picture is worth a thousand words.
- Take steps to help the interpreter do the best possible job.
- Try to spend a little time with the interpreter before the event begins. The speaker and interpreter should not work together cold.
- Use visual aids—rehearse and translate with the interpreter in advance.
- Remain in close proximity when you are speaking. Ideally, the interpreter should be functionally invisible.
- Give the interpreter time to translate what you (or another person) says.
- Do not distract the interpreter by passing notes, whispering, or participating in side conversations.
- If the COR’s interpreter does not look good, the COR does not look good. Although it is the interpreter’s responsibility to do an

excellent job, the COR should try to support the interpreter in that effort (but only in a culturally appropriate way).

### **Additional Guidance**

The following additional sources of guidance on cultural awareness might be useful to CORs:

- The U.S. Marine Corps Center for Advanced Operational Culture Learning (CAOCL) provides information about regional cultures and languages to support planning and operations in a joint expeditionary environment. The CAOCL website (<http://www.tecom.usmc.mil/caocl/>) provides specific cultural links related to Operation Iraqi Freedom, Operation Enduring Freedom, United States Africa Command, United States Pacific Command, United States Southern Command, and United States Central Command.
- The Defense Language Institute Foreign Language Center offers culturally based education (including predeployment materials) in more than 40 languages. The center's website offers downloadable products for predeployment training, deployment use, or refresher training at <http://www.dliflc.edu/products.html>.
- The Air Force Air University website offers sociocultural and language resources at <http://www.au.af.mil/culture/index.htm>, including the Air Force Culture and Language Center's Expeditionary Skills Training Portal ([http://www.culture.af.mil/culture\\_training.aspx](http://www.culture.af.mil/culture_training.aspx)) for personnel preparing to deploy.



# **Appendix F**

## **COR Qualifications and Training**

### **Contents**

DoD Standard for Certification of CORs for Service Acquisitions  
COR Responsibilities  
COR Nomination  
COR Appointment or Designation  
COR Performance Appraisals  
COR Termination  
COR Training  
Alternate CORs  
Delegated Authority

## DoD Standard for Certification of CORs for Services Acquisitions

The USD (AT&L) memorandum of March 29, 2010, established the “DoD Standard for COR for Services Acquisitions.” The COR Standard defines minimum COR competencies, experience, and training based on the nature and complexity of the requirement and contract performance risk. The COR Standard identifies the following three types of requirements.

- Type A: fixed-price requirements without incentives, low performance risk
- Type B: fixed-price requirements without incentives, other than low performance risk
- Type C: unique requirements that necessitate a professional license, higher education, or specialized training beyond the Type B requirements.

**Tables F.1, F.2, and F.3** address the training and experience necessary for each type of requirement. The COR Standard introduces structure and rigor to COR responsibilities and performance and will be the basis for a DoD instruction establishing a comprehensive COR certification program that addresses roles and responsibilities of the COR, COR supervisor, and contracting officer.

## Appendix F

### COR Qualifications and Training

**Table F.1. Type A Experience and Training Requirements**

Nature of Type A Work/Requirement	Required Competency Topics	Required Competencies	Experience/ Training Requirements
<p>Fixed-price requirements without incentives, low performance risk. Attributes of such requirements might include: lack of technical or administrative complexity, no identifiable risk factors; limited requirement for technical expertise; low likelihood of modification; effort is a follow-on to an existing contract.</p> <p>COR duties/responsibilities are generally limited to minimal technical and/or administrative monitoring of the contract.</p>	<p><b>General:</b></p> <ul style="list-style-type: none"> <li>• Attention to Detail</li> <li>• Decision Making</li> <li>• Flexibility</li> <li>• Oral and Written</li> <li>• Communication</li> <li>• Problem Solving/ Reasoning</li> <li>• Self-management/Initiative</li> <li>• Teamwork</li> </ul> <p><b>Technical:</b></p> <ul style="list-style-type: none"> <li>• Business Ethics</li> <li>• Effective Communication of Contract Requirements</li> <li>• Effective Contract Performance Management</li> <li>• Effective COR Performance</li> </ul>	<p>Upon completion of mandatory training, COR should be able to perform at least the following competencies in a manner consistent with the nature of Type A work/requirements:</p> <ul style="list-style-type: none"> <li>• Assist in acquisition planning.</li> <li>• Assist in contract award process.</li> <li>• Establish/maintain COR file with all required documentation.</li> <li>• Identify/prevent unethical conduct and instances of fraud/waste/abuse.</li> <li>• Perform technical/administrative monitoring and reporting duties in accordance with letter of delegation and surveillance plan.</li> <li>• Recommend/monitor proposed changes.</li> <li>• Monitor contract expenditures/payments</li> <li>• Monitor contract schedule compliance.</li> <li>• Perform liaison duties between the Contracting Officer, the Requiring Activity, and the contractor for management of the contract.</li> <li>• Inspect, accept or reject deliverables during contract performance and at close-out in conformance with contract terms and conditions.</li> <li>• Monitor the control/disposition of Government furnished assets.</li> <li>• Perform surveillance in a contingency environment, when applicable.</li> </ul>	<p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>• Agency experience: minimum of 6 months (may be waived)</li> <li>• Relevant technical experience: As determined by the nominating supervisor for the Contracting Officer's consideration and appointment</li> <li>• General competencies: As determined by the nominating supervisor for the Contracting Officer's consideration and appointment.</li> </ul> <p><b>Training:</b></p> <ul style="list-style-type: none"> <li>• DAU CLC 106, Contracting Officer's Representative (Basic)</li> <li>• DAU COR XXX (to be determined), COR in the Contingency Environment, when applicable (competency 12)</li> <li>• Minimum of 1 hour acquisition ethics training (e.g., CLM 003 or agency provided training) annually.</li> <li>• Additional training mandated by the contracting activity (e.g., WAFW).</li> </ul> <p><b>Refresher Training:</b></p> <ul style="list-style-type: none"> <li>• Minimum of 8 hours COR specific training;</li> <li>• Every 3 years, OR</li> <li>• Prior to assuming COR responsibilities if the individual has not served as a COR within the previous 24 months.</li> <li>• Minimum of 1 hour acquisition ethics training (e.g., CLM 003 or agency provided training) annually.</li> <li>• Any additional training mandated by the Activity.</li> </ul>

**Table F.2. Type B Experience and Training Requirements**

Nature of Type B Work/Requirement	Required Competency Topics	Required Competencies	Experience/ Training Requirements
<p>Fixed-price requirements without incentives, other than low performance risk. Attributes of such requirements might include: the nature of the work is more complex; effort will be performed in multiple regions/remote geographic locations, contract contains incentive arrangements or cost sharing provisions, contract is cost-type of T&amp;M/LH type, or FP LOE.</p> <p>COR duties/responsibilities are of increased complexity.</p>	<p><b>General:</b></p> <ul style="list-style-type: none"> <li>• Attention to Detail</li> <li>• Decision Making</li> <li>• Flexibility</li> <li>• Influencing/Persuasive interpersonal skills</li> <li>• Oral and Written Communication</li> <li>• Planning and Evaluating</li> <li>• Problem Solving</li> <li>• Reasoning</li> <li>• Self-management/ Initiative</li> <li>• Teamwork</li> </ul> <p><b>Technical:</b></p> <ul style="list-style-type: none"> <li>• Business Ethics</li> <li>• Defining Government requirements</li> <li>• Understanding and knowledge of contract type</li> <li>• Effective analytic skills</li> <li>• Effective Communication of Contract Requirements</li> <li>• Effective Contract Performance Management</li> <li>• Effective COR Performance Project Management</li> <li>• Strategic Planning</li> <li>• Understanding the Marketplace</li> </ul>	<p>Upon completion of mandatory training, COR should be able to perform at least the following competencies in a manner consistent with the nature of Type B work/requirements:</p> <ul style="list-style-type: none"> <li>• Assist in acquisition planning.</li> <li>• Assist in contract award process.</li> <li>• Establish/maintain COR file with all required documentation.</li> <li>• Identify/prevent unethical conduct and instances of fraud/waste/abuse.</li> <li>• Review technical submittals/ensure compliance with Statement of Work/Statement of Objectives (e.g., perform technical monitoring and reporting)</li> <li>• In accordance with a Quality Surveillance Plan)</li> <li>• Perform administrative monitoring and reporting duties (e.g., handle security issues, attend meetings, etc.)</li> <li>• Recommend/monitor proposed changes.</li> <li>• Monitor contract expenditures/payments.</li> <li>• Monitor contract schedule compliance.</li> <li>• Perform liaison duties between the Contracting Officer and the contractor for management of the contract.</li> <li>• Inspect, accept or reject deliverables during contract performance and at close-out in conformance with contract terms and conditions.</li> <li>• Review and validate that contractor payment requests are commensurate with performance.</li> <li>• Monitor control/disposition of Government furnished assets.</li> <li>• Perform surveillance in a contingency environment, when applicable</li> </ul>	<p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>• Agency experience: minimum of 12 months (may be waived by the requiring activity. Waiver to be addressed in nomination package)</li> <li>• Relevant technical experience: As determined by the nominating supervisor for the Contracting Officer' consideration and appointment</li> <li>• General competencies: As determined by the nominating supervisor for the Contracting Officer's consideration an appointment.</li> </ul> <p><b>Training:</b></p> <ul style="list-style-type: none"> <li>• DAU COR 222 or ALMC-CL or equivalent course</li> <li>• DAU COR XXX (to be determined), COR in a Contingency Environment, when applicable (competency 14)</li> <li>• Minimum of 1 hour acquisition ethics training (e.g., DAU CLM 003 or agency provided training) annually.</li> <li>• Additional training mandated by the Contracting activity (e.g., WAWF).</li> </ul> <p><b>Refresher Training:</b></p> <ul style="list-style-type: none"> <li>• Minimum of 16 hours COR specific training: <ul style="list-style-type: none"> <li>» Every 3 years, OR</li> <li>» Prior to assuming COR responsibilities if the individual has not served as a COR within the previous 24 months</li> </ul> </li> <li>• Minimum of 1 hour acquisition ethics training (e.g., DAU CLM 003 or agency provided training) annually</li> <li>• Any additional training mandated by the Activity</li> </ul>

## Appendix F

### COR Qualifications and Training

**Table F.3. Type C Experience and Training Requirements**

Nature of Type C Work/Requirement	Required Competency Topics	Required Competencies	Experience/ Training Requirements
<p>Unique contract requirements that necessitate a professional license, higher education or specialized training beyond the Type B requirements.</p> <p>Such requirements might include, for example, environmental remediation; major weapons systems; medical/dental/veterinarian services, etc.</p> <p>COR duties/responsibilities are of increased complexity.</p>	<p><b>General:</b></p> <ul style="list-style-type: none"> <li>• Attention to Detail</li> <li>• Decision Making</li> <li>• Flexibility</li> <li>• Influencing/Persuasive interpersonal skills</li> <li>• Oral and Written Communication</li> <li>• Planning and Evaluating</li> <li>• Problem Solving</li> <li>• Reasoning</li> <li>• Self-management/ Initiative</li> <li>• Teamwork</li> </ul> <p><b>Technical:</b></p> <ul style="list-style-type: none"> <li>• Business Ethics</li> <li>• Defining Government requirements</li> <li>• Understanding and knowledge of contract type</li> <li>• Effective analytic skills</li> <li>• Effective Communication of Contract Requirements</li> <li>• Effective Contract Performance Management</li> <li>• Effective COR Performance</li> <li>• Project Management</li> <li>• Strategic Planning</li> <li>• Understanding the Marketplace</li> </ul>	<p>Upon completion of mandatory training, COR should be able to perform at least the following competencies in a manner consistent with the nature of Type C work/requirements:</p> <ul style="list-style-type: none"> <li>• Assist in acquisition planning</li> <li>• Assist in contract award process.</li> <li>• Establish/maintain COR file with all required documentation.</li> <li>• Identify/prevent unethical conduct and instances of fraud/waste/abuse.</li> <li>• Review technical submittals/ensure compliance with Statement of Work/Statement of Objectives (e.g., perform technical monitoring and reporting in accordance with a Quality Surveillance Plan)</li> <li>• Perform administrative monitoring and reporting duties (e.g., handle security issues, attend meetings, etc.)</li> <li>• Recommend/monitor proposed changes.</li> <li>• Monitor contract expenditures.</li> <li>• Monitor contract schedule compliance.</li> <li>• Perform liaison duties between the Contracting Officer and the contractor for management of the contract</li> <li>• Inspect, accept or reject deliverables during contract performance and at close-out in conformance with contract terms and conditions.</li> <li>• Review and validate that contractor payment requests are commensurate with performance.</li> <li>• Monitor control/disposition of Government furnished assets.</li> <li>• Perform surveillance in a contingency environment when applicable.</li> <li>• Other specific functions consistent with the objectives of the Activity's mandatory specialized/technical training.</li> </ul>	<p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>• Agency experience: minimum of 12 months (may be waived by the requiring activity. Waiver to be addressed in nomination package)</li> <li>• Relevant technical experience: As determined by the nominating supervisor for the Contracting Officer's consideration and appointment</li> <li>• General competencies: As determined by the nominating supervisor for the Contracting Officer's consideration and appointment.</li> </ul> <p><b>Training:</b></p> <ul style="list-style-type: none"> <li>• DAU COR 222 or ALMC-CL or equivalent course</li> <li>• DAU COR XXX (to be determined), COR in the Contingency Environment, when applicable (competency 14)</li> <li>• Minimum of 1 hour acquisition ethics training (e.g., DAU CLM 003 or agency provided training) annually.</li> <li>• Additional training mandated by the contracting activity (e.g., WAWF).</li> </ul> <p><b>Refresher Training:</b></p> <ul style="list-style-type: none"> <li>• Minimum of 16 hours COR specific training: <ul style="list-style-type: none"> <li>» Every 3 years, OR</li> <li>» Prior to assuming COR responsibilities if the individual has not served as a COR within the previous 24 months.</li> </ul> </li> <li>• Minimum of 1 hour acquisition ethics training (e.g., DAU CLM 003 or agency provided training) annually</li> <li>• Any additional training mandated by the Activity.</li> <li>• Any necessary for maintenance of license/certification/etc.</li> </ul>

FAR Subpart 1.602-2(d) was changed to require the appointment of a COR on any contract that is not firm fixed price and to allow the appointment of a COR for firm-fixed-price contracts when the contracting officer deems it appropriate. CORs on any contract that is not firm fixed price shall meet Type B requirements for education, training, and experience.

### **COR Responsibilities**

The COR assists in the technical monitoring and administration of a contract. DFARS PGI Subpart 201.602-2(i)(A) requires the designation (in writing) of a properly trained COR before contract award. The surveillance activities performed by CORs should be tailored to the complexity and dollar value of the specific contract for which they are designated. CORs may not be delegated responsibility to perform functions at a contractor's location if those functions have been delegated under FAR Subpart 42.202(a) to a contract administration office. CORs have no authority to make any commitments or changes that affect price, quality, quantity, delivery, or other terms and conditions of the contract. The COR may not redelegate or subdelegate any authority. Furthermore, CORs may be personally liable for unauthorized acts.

### **COR Nomination**

To ensure a thorough understanding of the contract, the COR should participate in the acquisition process, acting on behalf of the requiring organization in supporting the development of the technical requirements, QASP, and other pre-award activities. The requiring organization should identify the COR as early in the acquisition process as practicable, often when the procurement package is submitted to the contracting office.

To be nominated as a COR, the candidate must be a military or civilian employee of the U.S. Government, a foreign government,

or a NATO or other coalition partner; have the requisite security clearance; and possess training and experience commensurate with the responsibilities delegated by the contracting officer.

To nominate a COR, the requiring organization submits a request for COR designation to the contracting officer through the CORT Tool. At a minimum, the request will include the following information:

- Services or supplies being procured and the requiring organization
- Individual nominated
- Nominee's contact information
- Area of responsibility
- Duration of requested appointment
- Completed COR training (required certificates attached)
- Technical qualifications and experience
- Supervisor's certification that the following are true:
  - » The COR nominee was notified of the requirement to complete an OGE Form 450, Confidential Financial Disclosure Report, within 30 days of appointment.
  - » The COR duties will be reflected in the nominee's annual performance standards.
  - » The nominee will be afforded sufficient time, resources, and opportunity to accomplish the duties.

### **COR Appointment or Designation**

The contracting officer issues the COR appointment or designation via a letter of appointment/designation through the CORT Tool or equivalent approved web-based tool. This letter establishes the COR's dual lines of responsibility (1) to the requiring organization, via the rating chain, and (2) to the contracting officer, via the letter of appointment/designation. The COR is authorized, within the established limitations

of the letter of appointment/designation, to ensure timely progress of contract performance and to provide effective technical guidance and advice to the contracting officer. Although a COR may act for the contracting officer in technical phases of the contract, the COR may not commit the Government in matters that would change contract price, quantity, delivery schedule, or other contract requirements.

The letter of appointment/designation identifies the following:

- Individual area of responsibility
- Contract number and expiration date
- Duration of appointment or designation
- Responsibilities, authorities, and limitations
- File maintenance requirements
- Reporting requirements
- Liability in the event of unauthorized acts.

After the contracting officer, COR, and COR supervisor sign the COR letter of appointment/designation, the contracting officer will furnish two copies to the contractor. The contractor must acknowledge receipt of the letter by countersigning one copy and returning it to the contracting officer. The contracting officer appropriately distributes this contractor acknowledgement and uploads the signed letter of appointment/designation to the CORT Tool.

### **COR Performance Appraisals**

The requiring organization must allocate adequate resources (e.g., time, products, equipment, opportunity) for the COR to perform COR functions. The COR supervisor will evaluate the individual performance of COR duties as part of performance assessments throughout the period of the contract. The COR supervisor is encouraged to solicit input from the contracting officer on the performance of COR duties.



## **COR Termination**

The contracting officer may terminate the COR appointment or designation at any time on written request from the COR supervisor, at the discretion of the contracting officer, or on approval of a COR's termination request. When a contract is completed—or a COR requests termination of COR status because of transfer, retirement, or other causes—the contracting officer must immediately terminate the COR's designation in writing. Both the contracting officer and the COR must sign the termination letter. The termination document will be uploaded to the CORT Tool.

A COR who requests relief from COR duties must do so sufficiently in advance of reassignment or separation from the Government to give the requiring organization adequate time to nominate a successor and to give the contracting officer adequate time to train and then appoint or designate that successor.

A COR may be terminated either without prejudice or for cause. A termination without prejudice is made on the termination date specified in the COR's letter of appointment/designation. Termination for cause is made according to a termination letter issued by the contracting officer. A copy of the termination letter must be provided to the COR, COR supervisor, and contractor, with the original maintained in the contract file.

## **COR Training**

The following COR training is required before deployment and is available from DAU at <https://acc.dau.mil/cor>.

## **In-Resident Course**

### **COR 222, “Contracting Officer’s Representative Course**

- 32-hour customer support in-residence offering
- Basic COR course required for CORs assigned to Type C contracts.

## **Continuous Learning Modules: Continuous Learning Contracting (CLC)**

### **CLC 106: Contracting Officer’s Representative with a Mission Focus**

- 8-hour online course
- Basic COR course required for CORs assigned to Type A and B contracts.

### **CLC 206: CORs in a Contingency Environment**

- 3-hour online course
- Required for deployed CORs

### **CLC 222: Contracting Officer’s Representative Course**

- 32-hour online course
- Basic COR course required for CORs assigned to Type A and B contracts.

Component-sponsored and commercial training must be equivalent to the DAU baseline training for Type B and Type C work and requirements to satisfy the standard training requirements. Equivalency requirements are addressed at <http://icatalog.dau.mil/learning/equivalency.aspx>.

CORs also must complete the requirement for TIP training, available at <http://ctip.defense.gov/requirement.html>; and WAWF training, available at <https://wawftraining.eb.mil/xhtml/unauth/web/homepage/WAWFTrainingInstructions.xhtml>.

---

## Appendix F

### COR Qualifications and Training

Additional continuous learning modules offer the potential to add value to COR capabilities, depending on the nature and purpose of the contracts that the COR is assigned to—and might be required, depending on the specific mission of the COR. After COR assignment, the contracting officer and the COR should discuss the need for these courses. In addition, the following courses are an excellent source of training to help CORs meet the 3-year refresher training requirements:

**Note: Learn more about DAU continuous learning modules (CL\*) and Harvard Business School (HBS) continuous learning modules at <http://icatalog.dau.mil/onlinecatalog/tabnavcl.aspx>.**

CLB 018	Earned Value and Financial Management Reports
CLB 023	Software Cost Estimating
CLB 030	Data Collection and Sources
CLC 004	Market Research
CLC 006	Contract Terminations
CLC 007	Contract Source Selection
CLC 011	Contracting for the Rest of Us
CLC 013	Performance-Based Services Acquisition
CLC 055	Competition Requirements for DoD Acquisition
CLC 107	OPSEC Contract Requirements
CLC 112	Contractors Accompanying the Force
CLC 133	Contract Payment Instructions
CLL 004	Life Cycle Logistics for the Rest of Us
CLM 013	Work Breakdown Structure
CLM 024	Contracting Overview
CLM 031	Improved Statement of Work
CLM 039	Foundations of Government Property
CLM 049	Procurement Fraud Indicators
HBS 204	Customer Focus

HBS 205	Decision Making
HBS 212	Time Management
HBS 220	Meeting Management
HBS 224	Writing Skills

In addition, if the assignment exceeds 1 year, CORs must annually complete DAU CLM 003, Ethics for AT&L Workforce (or agency-provided training).

Regardless of their experience or formal training, CORs will receive contract-specific training from their contracting officers.

### **Multiple/Alternate CORs**

Any individual appointed or designated by the contracting officer under the authority of FAR Subpart 1.602, is, by definition, a COR and must comply with the DoD COR Standard. Any specific contract may have only one COR or multiple CORs. A COR alternate may be designated to cover periods when the primary COR is not available. Multiple CORs may be designated when contract performance occurs in multiple locations, over multiple functions, or in 24-hour operations. The contracting officer is responsible for ensuring that the letters of appointment/designation are specific when delegating functions to CORs and that CORs are familiar with their respective roles and responsibilities.

### **Delegated Authority**

Contracting officers delegate contract administration responsibility under the authorities of FAR Subpart 42.302(a)(27), “Property Administration”; FAR Part 46, “Quality Assurance”; and DFARS Subpart 201.602-2, “COR Responsibilities.”

The contracting officer is responsible for ensuring that all parties understand their relative roles and responsibilities. If any question arises, the COR should contact the contracting officer.

## **Contents**

Assembly of the Requirements Package  
Other Pre-Award Activities

### **Assembly of the Requirements Package**

**A**s noted in Chapter 3, the requirements package is critical to the success of an acquisition because it commits the funds and establishes the basis for a contractual action. A key element of the requirements package is the purchase request document, which serves the following functions:

- Serves as an official request for action
- Authorizes the contracting process to begin
- Is coordinated and signed by a responsible official of the initiating office
- Forms the core information of the solicitation document and resulting contract
- Provides funding and financial officer certification about the availability of funds.

The requirements package also can include the following:

- SOO, SOW, or PWS
- QASP
- CDRL, DD Form 1423
- DoD Contract Security Classification Specification, DD Form 254
- List of GFP
- Sole-source justification, including the justification review document and justification and approval (J&A) coordination
- IGCE

- Patents list
- Deliverable list
- Award fee plan or incentive fee plan
- Synopsis text
- Source selection plan and evaluation factors
- Source list
- Funding form, such as Department of the Army (DA) Form 3953, Air Force Form 9, or Navy Comptroller Form 2276
- Legal review memorandum
- Market research results.

The time needed to assemble the contents of the requirements package varies based on the dollar value of the requirements and the command. The following considerations apply when assembling the package:

- Do not combine accountable items with nonaccountable items.
- Do not split requirements to fall under dollar thresholds.

### **Other Pre-Award Activities**

The COR also may be involved in pre-award activities such as the following:

- Conducting market research
- Helping prepare the procurement package (including the SOO, SOW, or PWS), which should use clear, accurate, and performance-oriented language and should express only the Government's actual minimum needs in the work statement
- Preparing IGCEs, rather than obtaining them from a prospective contractor (for more information on preparing IGCEs, see Appendix D)
- Advising the contracting officer if the item required is foreign made
- Preparing and submitting purchase requests

---

## **Appendix G**

### Pre-Award Duties

- Drafting a QASP and checklist
- Verifying the availability of funding and submitting the packet to request funds
- Understanding DoDD 5500.7-R, “Joint Ethics Regulation for Department of Defense Personnel,” and its implementations
- Becoming familiar with the Procurement Integrity Act (FAR Subpart 3.104)
- Evaluating proposals from vendors and contractors.





## **Appendix H**

### **Using the Supplemental DVD/Website**

Hundreds of additional resources are available on the supplemental DVD and website for this *Defense Contingency COR Handbook*

The DVD is an exact copy of the website (with respect to contents). The DVD supports users who do not have Internet capability. The DVD is enclosed in an envelope (Attachment 1) at the back of this handbook. Note that you must click the Start.html file to launch the DVD. The *Defense Contingency COR Handbook* website is <http://www.acq.osd.mil/dpap/ccap/cc/corhb/>.



## Appendix I

### COR Resources and References

The references listed in this appendix—as well as hundreds of additional resources—are available on the DVD (Attachment 1) accompanying this handbook (and stored inside the back cover). Appendix H offers additional information on using the DVD and the associated website.

**Air Force Contract Augmentation Program (AFCAP):**

<http://www.globalsecurity.org/military/agency/usaf/afcap.htm>

AFCAP was initially conceived and implemented to provide civil engineers and services personnel with a contract force multiplier.

**Anti-deficiency Act:**

<http://www.gao.gov/legal/lawresources/antideficiencybackground.html>

Codified at 31 U.S.C. Section 1351 and 31 U.S.C. Section 1517(a), the Anti-deficiency Act prohibits authorizing or incurring obligations or expenditures that exceed the amounts apportioned by the Office of Management and Budget or that exceed the amounts permitted by agency regulations.

**Army Knowledge Online/Defense Knowledge Online (AKO/DKO):**

AKO/DKO is a source of [web-based](#) information services for DoD users on both classified and unclassified networks and includes a portal, e-mail, directory, discovery, and single sign-on functionality. All members of the Active Duty, National Guard, Reserves, DA civilian, and select contractor workforce have an AKO/DKO account that grants access to Army web resources, tools, and services online. Account setup instructions are included on the attached DVD.

**Combating Trafficking in Persons:**

<http://ctip.defense.gov/>

This DoD site provides links to TIP training, including mandatory general awareness course J3TA-US030, Combating Trafficking in Persons.

**Defense Contingency Contracting Handbook:**

<http://www.acq.osd.mil/dpap/ccap/cc/jcchb/index.html>

This handbook provides contingency contracting tools, information, and training.

<p><b>Defense Contingency Contracting Officer's Representative (COR) Handbook:</b> <a href="http://www.acq.osd.mil/dpap/ccap/cc/corhb/">http://www.acq.osd.mil/dpap/ccap/cc/corhb/</a> This handbook provides information, tools, and training for DoD contingency CORs.</p>
<p><b>Contingency Contracting Reports (Department of Defense):</b> <a href="http://www.acq.osd.mil/dpap/pacc/cc/reports.html">http://www.acq.osd.mil/dpap/pacc/cc/reports.html</a> This site lists contingency contracting reports and provides relevant links.</p>
<p><b>Contract Management Process Guide:</b> <a href="https://e-commerce.sscno.nmci.navy.mil/cmpg">https://e-commerce.sscno.nmci.navy.mil/cmpg</a> This web-enabled guide is designed to benefit contracting personnel in the Marine Corps Field Contracting System and their customers.</p>
<p><b>Contracting Officer's Representative Course:</b> <a href="http://www.almc.army.mil/ALU_COURSES/ALUCOURSES.htm">http://www.almc.army.mil/ALU_COURSES/ALUCOURSES.htm</a> The Army Logistics Management College offers this 4-day residence course equivalent of DAU COR 222/DAU CLC-222 (see courses and schedules under Academic Info.)</p>
<p><b>Contractor and Vendor Payment Information Guidebook:</b> <a href="http://www.dfas.mil/contractorsvendors.html">http://www.dfas.mil/contractorsvendors.html</a> This Defense Finance and Accounting Service (DFAS) guidebook helps with preparing payment documentation to avoid billing errors that cause payment delays.</p>
<p><b>Contractor on the Battlefield Resource Library:</b> <a href="http://www.aschq.army.mil/Home/BattlefieldResourceLibrary.aspx">http://www.aschq.army.mil/Home/BattlefieldResourceLibrary.aspx</a> This Army Sustainment Command site is designed to accumulate and offer materials helpful to the resolution of legal issues arising from operational contract support.</p>
<p><b>Contractor Performance Assessment Reporting System:</b> <a href="http://www.cpars.gov">http://www.cpars.gov</a> This web-based system is used to input data on contractor performance.</p>
<p><b>Contractors Accompanying the Force:</b> <a href="https://acc.dau.mil/caf">https://acc.dau.mil/caf</a> The Sustainment Center of Excellence offers a contracting basics familiarization course (see Course Catalogs; select SCOE Courses; and select Contractors Accompanying the Force).</p>

---

## Appendix I

### COR Resources and References

<p><b>DAU Acquisition Community Connection:</b> <a href="https://acc.dau.mil/CommunityBrowser.aspx">https://acc.dau.mil/CommunityBrowser.aspx</a></p>
<p><b>DAU Contracting Officer's Representative (COR) Community of Practice (CoP):</b> <a href="https://acc.dau.mil/cor">https://acc.dau.mil/cor</a> DAU's COR CoP provides a central clearinghouse of knowledge and learning assets and enables the sharing of best practices and lessons learned. The basic COR training module (CLC 106, Contracting Officer's Representative with a Mission Focus) is an 8-hour online course. DAU also offers additional COR-related training modules. COR nominees should also complete Contracting for the Rest of Us, a 2-hour online course.</p>
<p><b>DAU Community of Practice: Contractors Accompanying the Force:</b> <a href="https://acc.dau.mil/CommunityBrowser.aspx?id=18014&amp;view=w">https://acc.dau.mil/CommunityBrowser.aspx?id=18014&amp;view=w</a> This CoP includes links to policy and best practices.</p>
<p><b>Defense Contract Audit Agency (DCAA):</b> <a href="http://www.dcaa.mil">www.dcaa.mil</a> DCAA performs all contract audits for DoD and provides accounting and financial advisory services regarding contracts and subcontracts to all DoD components responsible for procurement and contract administration.</p>
<p><b>Defense Contract Management Agency (DCMA):</b> <a href="http://www.dcmsa.mil">www.dcmsa.mil</a> DCMA provides contract administration services to DoD.</p>
<p><b>Defense Federal Acquisition Regulation Supplement (DFARS) and Procedures, Guidance, and Information (PGI):</b> <a href="http://www.acq.osd.mil/dpap/dars/dfarspgi/current/index.html">http://www.acq.osd.mil/dpap/dars/dfarspgi/current/index.html</a> DFARS Subpart 201.602-2 and DFARS PGI Subpart 201.602-2, "Contracting Officer Responsibility" DFARS Subpart 201.602-70, "Contract," which specifies use of clause Subpart 252.201-7000, "Contracting Officer's Representative" DFARS Subpart 204.70, "Uniform Procurement Instrument Identification Numbers"; DFARS Subpart 252.201-7000, "Contracting Officer's Representative"; DFARS Appendix F, "Material Inspection and Receiving Report"</p>

**Defense Hotline:**

<http://www.dodig.mil/hotline/>

Anyone, whether uniformed or civilian, who witnesses what is believed to be a violation of ethical standards or the law (e.g., fraud, waste, or abuse of authority; potential leaks of classified information; or potential acts of terrorism) should report such conduct through the chain of command, directly to the Inspector General of the respective service, or directly to the DoD Inspector General Hotline at 800-424-9098 (or via e-mail at [hotline@dodig.mil](mailto:hotline@dodig.mil)).

**Defense Language Institute Foreign Language Center:**

<http://www.dliflc.edu/languageresources.html>

This website provides instruction in foreign languages.

**Defense Security Service (DSS):**

<https://www.dss.mil>

DSS is a DoD agency that provides security support services.

**DoD Guide to Collection and Use of Past Performance Information:**

[http://www.acq.osd.mil/dpap/Docs/PPI\\_Guide\\_2003\\_final.pdf](http://www.acq.osd.mil/dpap/Docs/PPI_Guide_2003_final.pdf)

This guide is designed to document the key techniques and practices for the use and collection of past performance information.

**DoD Specifications and Standards Homepage:**

<http://www.dsp.dla.mil>

This site contains information about DoD standardization, key points of contact, FAQs, MilSpec Reform, newsletters, training, non-Government standards, and links to related sites.

**Developing a Performance Work Statement in a Deployed Environment Handbook:**

<http://usacac.army.mil/cac2/call/docs/09-48/09-48.pdf>

This handbook is Army Handbook 09-48, published in September 2009.

**Embassies and More:**

<http://www.allstays.com/Resources/embassies.htm>

This website covers embassies, official offices, and additional information for personnel away from home.

**Federal Acquisition Jump Station:**

<http://prod.nais.nasa.gov/pub/fedproc/home.html>

This website covers procurement and acquisition services by contracting activities.

**Federal Acquisition Regulation:**

<https://www.acquisition.gov/far/>

FAR Subpart 3.104, "Procurement Integrity"

FAR Subpart 5.1, "Dissemination of Information"

FAR Part 7, "Acquisition Planning"

FAR Part 10, "Market Research"

FAR Part 11, "Describing Agency Needs"

FAR Part 12, "Acquisition of Commercial Items"

FAR Subpart 12.208, "Contract Quality Assurance"

FAR Subpart 12.402, "Acceptance"

FAR Part 15, "Contracting by Negotiation"

FAR Subpart 15.304, "Evaluation Factors and Significant Subfactors"

FAR Part 16, "Types of Contracts"

FAR Subpart 17.2, "Options"

FAR Subpart 22.10, "Service Contract Act of 1965, as Amended"

FAR Subpart 32.7, "Contract Funding"

FAR Subpart 32.9, "Prompt Payment"

FAR Part 37, "Service Contracting"

FAR Subpart 37.602, "Performance Work Statement"

FAR Part 42, "Contract Administration and Audit Services"

FAR Subpart 42.5, "Postaward Orientation"

FAR Subpart 42.11, "Production Surveillance and Reporting"

FAR Subpart 43.104, "Notification of Contract Changes"

FAR Part 45, "Government Property"

FAR Part 46, "Quality Assurance"

FAR Part 49, "Termination of Contracts"

**FedWorld Information:**

<http://www.fedworld.gov>

The National Technical Information Service (NTIS), an agency of the U.S. Department of Commerce, established this website to serve as the online locator service for a comprehensive inventory of information disseminated by the Federal Government.

**Foreign Corrupt Practices Act (FCPA):**

<http://www.justice.gov/criminal/fraud/fcpa/>

This website provides the statute, recent legislative history, opinions, and other information related to the FCPA.

**GSA Advantage:** [https://www.gsaadvantage.gov/advgsa/advantage/main/start\\_Page.do](https://www.gsaadvantage.gov/advgsa/advantage/main/start_Page.do)

GSA Advantage is the General Services Administration (GSA) website for supplies and services.

**Geographic Combatant Command (GCC) Areas of Responsibility (AORs):**  
Map [http://www.acq.osd.mil/dpap/pacc/cc/areas\\_of\\_responsibility.html](http://www.acq.osd.mil/dpap/pacc/cc/areas_of_responsibility.html)

This website contains links to GCC AORs.

**Guidebook for Performance-Based Services Acquisition (PBSA) in the Department of Defense:**

<https://www.acquisition.gov/SevenSteps/library/DODguidebook-pbsa.pdf>

DoD developed this guidebook as a cooperative effort among components to help the acquisition team (and other stakeholders) to better understand the basic principles of PBSA and to better implement performance-based methods in services acquisitions.

**A Guide for Writing and Administering Performance Statements of Work for Service Contracts:**

<https://acc.dau.mil/GetAttachment.aspx?id=30609&pname=file&aid=5448&lang=en-US>

This guide is OFPP Pamphlet 4.

**A Guide to Best Practices for Contract Administration:** <https://www.acquisition.gov/SevenSteps/library/OFPPguide-bp.pdf>

This OFPP guide contains best practices in contract administration that should be useful tools for program and contracting officials who administer Federal contracts.

**Joint Ethics Regulation (JER):**

<http://www.dtic.mil/whs/directives/corres/pdf/550007r.pdf>

The JER (DoD 5500.7-R) explains standards of conduct relating to possible conflicts between private interests and official duties, regardless of assignment.

**Library of Congress:** <http://www.loc.gov>

The Library of Congress website is a research tool offering resources such as the Country Studies Series (<http://lcweb2.loc.gov/frd/cs/>), which includes a description and analysis of the historical setting and the social, economic, political, and national security systems and institutions of countries throughout the world.



**Logistics Civil Augmentation Program (LOGCAP):**

<http://www.globalsecurity.org/military/agency/army/logcap.htm>

LOGCAP is an Army program for augmenting the forces by providing a service capability to meet externally driven operational requirements for rapid contingency augmentation support.

**Marine Corps Acquisition Workforce Development:**

<http://www.marcorsyscom.usmc.mil/sites/acqworkforce/>

This website provides workforce developmental policy, planning, and consultation services and individualized education and training services, including recurrent military training services that facilitate the individual and collective development of the Marine Corps acquisition workforce and Marine Corps System Command support personnel.

**Monitoring Contract Performance in Contracts for Services:**

<http://www.acq.osd.mil/dpap/policy/policyvault/2008-0468-DPAP.pdf>

This memorandum from the Deputy Secretary of Defense, issued 22 August 2008, includes COR requirements.

**The Office of Federal Procurement Policy (OFPP) Guide on PBSC:**

[http://www.whitehouse.gov/omb/procurement\\_guide\\_pbsc](http://www.whitehouse.gov/omb/procurement_guide_pbsc)

This guide is a good reference for anyone involved in Government services contracts.

**Office of Government Ethics (OGE):** <http://www.usoge.gov/>

Offerings include ethics training, forms, library, and international assistance.

**Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics:** [www.acq.osd.mil/](http://www.acq.osd.mil/)

This website offers a library of DoD acquisition and technology documents and links to many other valuable sites.

**Seven Steps to Performance-Based Services Acquisition:**

[http://acquisition.gov/comp/seven\\_steps/home.html](http://acquisition.gov/comp/seven_steps/home.html)

This is an OFPP guidebook.

**Special Instructions for Contracting in Iraq and Afghanistan:**

<http://www2.centcom.mil/sites/contracts/Pages/Default.aspx>

These instructions include mandatory requirements and guidance for contracting officers.

<p><b>Standards of Conduct Office (DoD):</b> <a href="http://www.dod.mil/dodgc/defense_ethics">http://www.dod.mil/dodgc/defense_ethics</a> This resource helps personnel understand the ethical standards that apply to every DoD employee, both civilian and military.</p>
<p><b>Standard Industrial Classification (SIC) Codes:</b> <a href="http://www.census.gov/epcd/www/sic.html">http://www.census.gov/epcd/www/sic.html</a> SICs are product numbers for supplies and services.</p>
<p><b>Synchronized Predeployment and Operational Tracker (SPOT):</b> <a href="https://spot.altess.army.mil/privacy.aspx">https://spot.altess.army.mil/privacy.aspx</a> SPOT has been designated as the joint enterprise contractor management and accountability system to provide a central source of contingency contractor information.</p>
<p><b>Trafficking in Persons:</b> <a href="http://www.dodig.mil/Inspections/IPO/TIP_17JUL2008.pdf">http://www.dodig.mil/Inspections/IPO/TIP_17JUL2008.pdf</a> This site contains awareness training on TIP from the DoD Awareness Initiative.</p>
<p><b>U.S. Agency for International Development (USAID):</b> <a href="http://www.usaid.gov">http://www.usaid.gov</a> USAID is an independent Government agency that receives overall foreign policy guidance from the Secretary of State.</p>
<p><b>Wage Determinations Online:</b> <a href="http://www.wdol.gov/">http://www.wdol.gov/</a> This Department of Labor website documents prevailing wage rates to be paid on Government contracts.</p>
<p><b>Wide Area Workflow (WAWF):</b> <a href="https://wawf.eb.mil/">https://wawf.eb.mil/</a> WAWF includes instructions, registration assistance, and system updates and messages.</p>
<p><b>World Factbook:</b> <a href="https://www.cia.gov/library/publications/the-world-factbook/">https://www.cia.gov/library/publications/the-world-factbook/</a> This Central Intelligence Agency site provides information on the history, people, governments, economies, geographies, communications, transportation, military concerns, and transnational issues for 266 world entities.</p>

### **Other References**

1. Ashton B. Carter, Under Secretary of Defense for Acquisition, Technology, and Logistics, “Personal Conflicts of Interest (PCIs) of Contract Employees,” Washington, DC, 24 November 2009.
2. Ashton B. Carter, Under Secretary of Defense for Acquisition, Technology, and Logistics, “DoD Standard for Certification of Contracting Officer’s Representatives (CORs) for Service Acquisitions,” Washington, DC, 29 March 2010.
3. Ashton B. Carter, Under Secretary of Defense for Acquisition, Technology, and Logistics, “Better Buying Power: Guidance for Obtaining Greater Efficiency and Productivity in Defense Spending,” Washington, DC, 14 September 2010.
4. Defense Acquisition University, “Contracting Officer’s Representative,” Course No 222, January 2009.
5. Defense Acquisition University, “COR with a Mission Focus,” Course CLC 106, presentation (undated).
6. Defense Acquisition University, *Student Guide for Performance-Based Service Acquisition and the Seven Step Process*, ACQ 265, November 2009.
7. Defense Federal Acquisition Regulation Supplement 204.7003, *Basic PII Number*, 27 September 2010.
8. Department of the Army, Training and Doctrine Command (TRADOC), “Independent Government Estimate Preparation Guide,” TRADOC Pamphlet 715-6, 19 July 2000.



## Appendix J

### Metric Conversion Table

English to Metric		
inches (ins)	X 25.4	= millimetres (mm)
feet (ft)	X 0.3	= metres (m)
yards (yds)	X 0.9	= metres (m)
miles (mi)	X 1.6	= kilometres (km)
sq inch (in <sup>2</sup> )	X 6.5	= sq centimetre (cm <sup>2</sup> )
sq feet (ft <sup>2</sup> )	X 0.09	= sq metres (m <sup>2</sup> )
sq yard (yd <sup>2</sup> )	X 0.8	= sq metres (m <sup>2</sup> )
cu. in (in <sup>3</sup> )	X 16	= cu.centimetres
cu. ft (ft <sup>3</sup> )	X 0.03	= cu.metres (m <sup>3</sup> )
cu. yd (yd <sup>3</sup> )	X 0.8	= cu.metres (m <sup>3</sup> )
(liq) quart (qt)	X 0.9	= litre (l)
gallon (gal)	X 0.004	= cu.metres (m <sup>3</sup> )
(advp) ounce (oz)	X 28.3	= grams (g)
(advp) pound (lb)	X 0.45	= kilogram (kg)
horsepower (hp)	X 0.75	= kilowatt (kW)
ft per second (ft/s)	X 0.304	= met. Per second (m/s)
ounce-force (ozf)	X 0.278	= newtons (N)
pound-force (lbf)	X 4.448	= newtons (N)
foot pounds (ft.lb)	X 1.355	= newtons-metres (N.m)
foot pounds (ft.lb)	X 1.355	= joules (j)
in. pounds (in.lb)	X 0.112	= newtons-metres (N.m)
lb per foot (lb/ft)	X 14.59	= newtons-metres (N.m)
cycles per sec (cps)	X 1	= hertz (Hz)
Brit therm unit (Btu)	X 1055	= joules (j)

Metric to English		
mm	X 0.04	= ins
m	X 3.3	= ft
m	X 1.1	= yds
km	X 0.6	= mi
cm <sup>2</sup>	X 0.16	= in <sup>2</sup>
m <sup>2</sup>	X 11	= ft <sup>2</sup>
m <sup>2</sup>	X 1.2	= yd <sup>2</sup>
cm <sup>3</sup>	X 0.06	= in <sup>3</sup>
m <sup>3</sup>	X 35	= ft <sup>3</sup>
m <sup>3</sup>	X 1.3	= yd <sup>3</sup>
l	X 1.05	= qt
m <sup>3</sup>	X 264.2	= gal
g	X 0.035	= oz
kW	X 1.34	= hp
kg	X 2.2	= lb
m/s	X 3.28	= ft/s
N	X 3.597	= ozf
N	X 0.224	= lbf
N.m	X 0.737	= ft.lb
j	X 0.737	= ft.lb
N.m	X 8.85	= in.lb
N.m	X 0.068	= lb/ft
Hz	X 1	= cps
j	X 0.0009	= Btu



# Appendix K

## Abbreviations and Definitions

### Abbreviations

ACC-RI	Army Contracting Command–Rock Island
ACO	Administrative Contracting Officer
ACSA	Acquisition and Cross-Servicing Agreement
ADR	Alternative Dispute Resolution
AFCAP	Air Force Contract Augmentation Program
AFMIA	Air Force Manpower and Innovation Agency
AKO	Army Knowledge Online
AOR	Area of Responsibility
ARB	Acquisition Review Board
ARRT	Automated Requirements Roadmap Tool
ASBCA	Armed Services Board of Contract Appeals
AT&L	Acquisition, Technology and Logistics
BAA	Buy American Act
CAC	Common Access Card
CAMIS	Commercial Activities Management Information System
CAO	Contract Administration Office (also Corrective Action Observed, in form)
CAOCL	Center for Advanced Operational Culture Learning
CAP	Contractor-Acquired Property
CAR	Corrective Action Request
CCC	CENTCOM Contracting Command
CCO	Contingency Contracting Officer
CCR	Central Contractor Registration
CDR	Contractor Discrepancy Report
CDRL	Contract Data Requirements List
CENTCOM	U.S. Central Command
CFTE	Contractor Full-Time Equivalent
CI	Commercial Item

CICA	Competition in Contracting Act
CID	Contractor Identified Discrepancy
CIR	Contract Incident Report
CLC	Continuous Learning–Contracting
CLIN	Contract Line Item Number
COI	Conflict of Interest
CONUS	Continental United States
CoP	Community of Practice
COR	Contracting Officer’s Representative
CORT Tool	COR Tracking Tool
COS	Certificate of Service
COTR	Contracting Officer’s Technical Representative
CPARS	Contractor Performance Assessment Reporting System
CPER	Contractor Performance Evaluation Report
CPI	Consumer Price Index
CTIP	Combating Trafficking in Persons
DA	Department of the Army
DAEO	Designated Agency Ethics Official
DAU	Defense Acquisition University
DCAA	Defense Contract Audit Agency
DCMA	Defense Contract Management Agency
DCS G4	Deputy Chief of Staff for Logistics
DD	Department of Defense (in forms)
DFAC	Dining Facility
DFARS	Defense Federal Acquisition Regulation Supplement
DID	Data Item Description
DKO	Defense Knowledge Online
DNAD	Domestic Non-Availability Determination
DO	Delivery Order
DoD	Department of Defense
DoDAAC	DoD Activity Address Code



---

**Appendix K**  
Abbreviations and Definitions

DoDD	DoD Directive
DPAP	Defense Procurement and Acquisition Policy
DSN	Defense Switched Network
DSS	Defense Security Service
DUSD	Deputy Under Secretary of Defense
ECD	Estimated Completion Date
EFT	Electronic Funds Transfer
EPA	Economic Price Adjustment
FAR	Federal Acquisition Regulation
FCPA	Foreign Corrupt Practices Act
FedBizOpps	Federal Business Opportunities
FFP	Firm Fixed Price
FICA	Federal Insurance Contributions Act
FSS	Federal Supply Schedule
FTA	Free Trade Agreement
FTR	Federal Travel Regulation
FOB	Free on Board
FOIA	Freedom of Information Act
G4	Office of the Deputy Chief of Staff for Logistics
G&A	General & Administrative
GAO	Government Accountability Office
GBL	Government Bill of Lading
GCC	Geographic Combatant Command
GFP	Government-Furnished Property
GID	Government Identified Discrepancy
Government	U.S. Government
GPC	Government Purchase Card
GSA	General Services Administration
GSABCA	General Services Administration Board of Contract Appeals
H&W	Health and Welfare

HBS	Harvard Business School
HCA	Head of the Contracting Activity
HQDA	Headquarters, Department of the Army
HTSA	Host Tenant Support Agreement
IFB	Invitation for Bids
IGCE	Independent Government Cost Estimate
IGE	Independent Government Estimate
IRS	Internal Revenue Service
IT	Information Technology
J&A	Justification & Approval
JAG	Judge Advocate General
JER	Joint Ethics Regulation
JTR	Joint Travel Regulation
LOA	Letter of Authorization
LOGCAP	Logistics Civil Augmentation Program
LTDD	Loss, Theft, Damage, or Destruction
MDEP	Management Decision Evaluation Package
MEO	Most Efficient Organization
MFR	Memorandum for the Record
NATO	North Atlantic Treaty Organization
NTIS	National Technical Information Service
OCI	Organizational Conflict of Interest
OCONUS	Outside the Continental United States
OCS	Operational Contract Support
ODC	Other Direct Cost
OFPP	Office of Federal Procurement Policy
OGE	Office of Government Ethics
OF	Optional Form
OT	Overtime
OUSD	Office of the Under Secretary of Defense
P&R	Personnel and Readiness

---

## Appendix K

### Abbreviations and Definitions

PAS	Pre-Award Survey
PBSA	Performance-Based Services Acquisition
PBSC	Performance-Based Service Contract
PCI	Personal Conflict of Interest
PCO	Procuring Contracting Officer
PDI	Program Development and Implementation Directorate, Defense Procurement and Acquisition Policy
PGI	Procedures, Guidance, and Information, Defense Federal Acquisition Regulation Supplement
PII	Procurement Instrument Identification
PMO	Program Management Office
POC	Point of Contact
POL	Petroleum, Oil, and Lubricants
POP	Period of Performance
PR	Procurement Request
PR&C	Purchase Request and Commitment
PRS	Performance Requirements Summary
PWS	Performance Work Statement
QA	Quality Assurance
QAP	Quality Assurance Plan
QAR	Quality Assurance Representative
QAS	Quality Assurance Specialist
QASP	Quality Assurance Surveillance Plan
QCI	Quality Control Inspector
RCC	Regional Contracting Center
RFP	Request for Proposals
RIK	Replacement in Kind
SAP	Simplified Acquisition Procedure
SAT	Simplified Acquisition Threshold
SBA	Small Business Administration

SCA	Service Contract Act
SCO	Senior Contracting Official
SDS	Services Delivery Summary
SF	Standard Form
SIC	Standard Industrial Code
SOO	Statement of Objectives
SOW	Statement of Work
SPE	Senior Procurement Executive
SPOT	Synchronized Predeployment Operational Tracker
T&M	Time & Materials
TCO	Termination Contracting Officer
TIN	Taxpayer Identification Number
TIP	Trafficking in Persons
TP	Transition Plan
TRADOC	Training and Doctrine Command (U.S. Army)
U.S.	United States
UCA	Un definitized Contract Action
UCF	Uniform Contract Format
USAID	U.S. Agency for International Development
U.S.C.	United States Code
UTC	Coordinated Universal Time
WAWF	Wide Area Work Flow
WTO GPA	World Trade Organization Government Procurement Agreement

## **Definitions**

**Acceptance:** Act of an authorized representative of the Government by which the Government for itself, or as an agent of another, assumes ownership of identified supplies tendered or approves specific services rendered as partial or complete performance of a contract.

**Acquisition:** Process of acquiring by contract, with appropriated funds, supplies or services (including construction) by and for the use of the Federal Government through purchase or lease, whether the supplies or services already exist or must be created, developed, demonstrated, and evaluated.

**Administrative Contracting Officer (ACO):** Individual who administers a contract and enforces its provisions. The Procuring Contracting Officer (PCO) sometimes serves as the ACO, especially for contracts performed on a Government installation.

**Acquisition Team:** All participants in the acquisition process: requiring organization, finance, contracting officer, legal counsel, COR, resource manager, quality assurance representative, and others, as applicable. No one person has all the necessary skills for successful contract management. It requires a team with each member having specialized expertise and responsibilities.

**Agent:** Individual appointed or designated by another party (principal) to enter into a business or contractual relationship with third parties. These relationships are legally binding on the principal and the third parties. A contracting officer signing a Government contract does so as an agent of the U.S. Government.

**Allocable Costs:** Costs that are incurred specifically for the contract that benefit both the contract and other work and can be distributed in reasonable proportion to the benefits received or that are necessary to the overall operation of the business, although a direct relationship to any particular cost objective cannot be shown.

**Allowable Costs:** Costs that are allowable on a Government contract when complying with the rules in FAR Part 31, “Contract Cost Principles and Procedures,” and not otherwise disallowed.

**Alternative Dispute Resolution (ADR):** Any type of procedure or combination of procedures used voluntarily to resolve issues in controversy. Examples of ADR procedures are conciliation, facilitation, mediation, fact-finding, mini-trials, arbitration, and use of ombudsmen.

**Amendment:** Change made to a solicitation.

**Bid:** An offer. In the sealed bidding method of contracting, the offer takes the form of a sealed bid. A bid is fixed as of the time of bid opening, and there is no possibility of negotiating even a relatively minor change in it, even if the change would be to the Government’s advantage. It must be accepted or rejected as submitted.

**Bilateral Modification:** Contract modification (supplemental agreement) signed by the contractor and the contracting officer.

**Change Order:** Written order, signed by the contracting officer, directing the contractor to make a change that the Changes clause authorizes.

**Civil Augmentation Program:** Standing, long-term contracts designed to augment service logistic capabilities with contract support

---

## Appendix K

### Abbreviations and Definitions

in both preplanned and short-notice contingencies. Examples include the U.S. Army Logistics Civil Augmentation Program (LOGCAP), U.S. Air Force Contract Augmentation Program, and U.S. Navy Construction Capabilities Contract.

**Claim:** Assertion by one of the parties to a contract seeking adjustment or interpretation of an existing contract, subject to the dispute clause in the contract.

**Clause:** Term or condition used in a contract (or both the contract and solicitation).

**Commercial Item (CI):** Any item, other than real property, that is customarily used for nongovernmental purposes and that has been sold, leased, or licensed to the general public (or has been offered for sale, lease, or license to the general public)—or any item that has evolved through advances in technology or performance and that is not available in the commercial marketplace, but will be available in the commercial marketplace to satisfy the Government delivery requirements.

**Competition:** Acquisition strategy in which more than one contractor is sought to bid or make a proposal on a procurement. In acquisitions at or below the micropurchase threshold, only assurance of a fair and reasonable price is required. In simplified acquisitions, maximum practicable competition is obtained by soliciting at least three sources. In actions using other than simplified acquisition procedures, full and open competition is to be used unless there are valid exemptions or exceptions.

**Constructive Change:** A contract change without formal written authority.

**Contract:** Agreement, enforceable by law, between two or more competent parties to do (or not do) something not prohibited by law, for a legal consideration. FAR Subpart 2.101, “Definitions,” defines a contract as a mutually binding legal relationship obligating the seller to furnish the supplies or services (including construction) and the buyer to pay for them.

**Contract Administration Office (CAO):** Activity identified in the DoD Directory of Contract Administration Services Components as assigned to perform contract administration responsibilities. For DoD, the CAO is often a Defense Contract Management Agency (DCMA) regional office servicing the contract.

**Contract Administration Plan:** Plan describing the procedures and tasks to be used by the Government to administer a contract. Those tasks include file documentation and quality assurance functions. Implementation of the plan will establish a quality audit trail of contract performance with respect to the specifications, cost, delivery requirements, and applicable laws, regulations, and contract clauses.

**Contract Data Requirements List (CDRL):** List of contract data requirements authorized for a specific acquisition and made a part of the contract. CDRLs are specified by DD Form 1423-1, “Contract Data Requirements List.”

**Contract Discrepancy Report (CDR):** Report issued for any supply or service found to be unacceptable during contract performance. The CDR is notification to the contractor of failure to meet the contract requirements.

**Contract Line Item Number (CLIN):** Number that identifies a separate supply or service to be provided under a contract. Each CLIN



should have a single unit price, separate identification, separate delivery schedule, and single accounting classification citation.

**Contracting Officer:** Individual who is duly appointed and designated with specific authority to enter into, administer, and terminate contracts and to make related determinations and findings on behalf of the U.S. Government.

**Contracting Officer's Representative (COR):** Individual, including a contracting officer's technical representative (COTR), who is designated and authorized in writing by the contracting officer to perform specific technical or administrative functions related to monitoring a contract. According to Defense Federal Acquisition Regulation Supplement (DFARS) Subpart 201.602-2, "Responsibilities," the COR must be (1) a Government employee, military or civilian, a foreign government, or a North Atlantic Treaty Organization/coalition partner (the latter two are applicable in a deployed theater), (2) qualified by training and experience commensurate with responsibilities to be delegated in accordance with department or agency guidelines, and (3) designated in writing. The COR has no authority to make any commitments or changes that affect price, quality, quantity, delivery, or other terms and conditions of the contract.

**Contracting Officer's Representative (COR) Nominee:** Individual identified by the requiring organization and accepted by the contracting officer as having the general competencies, agency experience, relevant technical experience, and training (or a training plan if not yet trained) to perform those COR functions delegated by the contracting officer. When appropriate, the COR should be nominated as early in the acquisition cycle as practicable. This approach allows the COR nominee to document subject matter expertise and to ensure familiarity

with the requirements, specific terms, and conditions of the resultant contract as well as the functions to be delegated.

**Contractor-Acquired Property:** Property acquired or otherwise provided by the contractor for its use in performing a contract and to which the Government has (or will acquire) title.

**Contracting Officer's Representative Tracking (CORT) Tool:** A web-based application, designated by the Under Secretary of Defense for Acquisition, Technology, and Logistics to track CORs within DoD.

**Cost-Reimbursement Contract:** Agreement that provides for payment of allowable incurred costs, to the extent prescribed in the contract.

**Cure Notice:** Document that the contracting officer sends to a contractor to notify the it that the contract may be terminated by reason of default if the condition endangering performance of the contract is not corrected. There must be at least 10 days remaining in the contract for the contractor to make the cure.

**Customer Complaint:** Form of feedback that can be used to monitor quality assurance; this information is particularly useful in services contracts.

**Data Item Description (DID):** Document that defines the data required of a contractor. The DID specifically defines the data content, format, and intended use.

**Data Rights:** Rights to use recorded information, regardless of its form or the media on which it may be recorded. The term includes rights to technical data and computer software. The term does not include rights

to information incidental to contract administration, such as financial, administrative, cost or price, or management information. The Government can acquire three types of data rights: (1) unlimited rights to all data, which is costly; (2) limited rights or restricted rights (a few essential rights for Government personnel only, which has a relatively low cost); and (3) Government purpose rights, which includes rights for Government contractors as long as the use is for a Government purpose, obtained at a moderate cost.

**Default:** Omission or failure to perform a legal or contractual duty to observe a promise, discharge an obligation, or perform an agreement.

**Defense Contract Audit Agency (DCAA):** Agency that audits all DoD contracts and provides accounting and financial advisory services regarding contracts and subcontracts to DoD components responsible for procurement and contract administration. These services are furnished in connection with negotiation, administration, and settlement of contracts and subcontracts. DCAA also provides contract audit services to some other Government agencies.

**Defense Contract Management Agency (DCMA):** Independent agency within DoD that serves as DoD's contract manager. DCMA is responsible for ensuring that Federal Government acquisition programs (e.g., for systems, supplies, and services) are delivered on time and within projected cost or price and also meet performance requirements.

**Defense Federal Acquisition Regulation Supplement (DFARS):** Supplement to the FAR that provides DoD-specific acquisition regulations.

**Delivery Order (DO):** Order for supplies placed against an established contract or with Government sources.

**Delivery Order Contract:** Contract for supplies that does not procure or specify a firm quantity of supplies (other than a minimum or maximum quantity) and that provides for the issuance of orders for the delivery of supplies during the period of the contract.

**Department of Defense (DoD):** Federal department responsible for coordinating and supervising all agencies and functions of the Government relating directly to the military and national security.

**Designated Agency Ethics Official (DAEO):** Individual appointed or designated by the Attorney General to administer, coordinate, and manage a department's ethics program. The Assistant Attorney General for Administration has been designated to serve as the DAEO.

**Dispute:** Disagreement between the contractor and contracting officer regarding the rights of the parties under a contract.

**Economic Price Adjustment (EPA):** Provision in a fixed-price contract that allows upward or downward revision of the stated contract price under specified contingencies.

**Equitable Adjustment:** Adjustment of price, including an adjustment for profit, because of a change in contracted work (e.g., a change in the delivery schedule or any other terms of the contract).

**Excusable Delay:** Delay arising from causes beyond the control and without the fault or negligence of the contractor. Examples include (1) acts of a public enemy, (2) acts of the Government in its sovereign or contractual

capacity, (3) fires, (4) floods, (5) epidemics, (6) quarantine restrictions, (7) strikes, (8) freight embargoes, and (9) unusually severe weather.

**Executive Agency:** Instrumentality of the U.S. Government bound by the FAR. Executive agencies include the executive departments, military departments, any independent establishment, and any wholly owned Government corporation within the meaning of 31 U.S.C. Section 102, “Executive Agency.”

**Fair and Reasonable Price:** Basic tenet of Government contracting that an award should be made at a fair and reasonable price to both parties to the contract. If the contract is set up with the correct contract type and allows for appropriate cost risk, a good contractor should be able to make a reasonable profit.

**Federal Acquisition Regulation (FAR):** Regulation that applies to all acquisitions of the executive branch of the U.S. Government. DoD-specific policies and procedures are established in the DFARS.

**Federal Business Opportunities (FedBizOpps):** Media used by U.S. Government agencies to notify the public of proposed contract actions and contract awards.

**Federal Government (Government):** The Federal Government of the constitutional republic of 50 states and one district that is the United States of America.

**Federal Supply Schedule (FSS):** Program, directed and managed by the General Services Administration (GSA), that provides U.S. Government agencies with a simplified process for obtaining common supplies and services at prices associated with volume buying.

**Firm-Fixed-Price (FFP) Contract:** Agreement to pay a specified price when the supplies or services called for by the contract have been delivered and accepted within a specified time frame.

**Free on Board (FOB) Destination:** Title of the goods passes at destination. Contractor has total responsibility until the shipment is delivered. Ownership (title and control) remains with the contractor until the goods are delivered. The contractor is responsible for all of the *transportation* arrangements.

**FOB Origin:** Title passes at origin, and the Government has total responsibility over the goods while in shipment. The Government takes ownership (title and control) of the goods at the origin (when the carrier signs for goods) and is responsible for *transportation* of the goods beyond this point.

**Full and Open Competition:** Procurement environment in which all responsible sources are permitted to compete.

**General Services Administration (GSA):** Agency in the executive branch of the U.S. Government that procures common supplies and services (including construction) used by Government agencies.

**Government Accountability Office (GAO):** Independent Government entity known as “the investigative arm of Congress” and “the congressional watchdog.” GAO supports Congress in meeting its constitutional responsibilities and helps improve the performance and accountability of the Federal Government.

**Government Bill of Lading (GBL):** Accountable transportation document authorized and prepared by a Government official.

**Government-Furnished Property (GFP):** Property in the possession of, or directly acquired by, the Government and subsequently made available to the contractor.

**Government Purchase Card (GPC):** Card that is similar to a commercial charge card and is issued to authorize agency personnel for acquiring and paying for supplies and services.

**Head of the Contracting Activity (HCA):** Individual who has overall responsibility for managing the contracting activity.

**Indefinite-Delivery Contract:** Contract used to acquire supplies or services when the exact times and/or exact quantities of future deliveries are not known at the time of contract award. The three types of indefinite-delivery contracts are definite-quantity contracts, requirements contracts, and indefinite-quantity contracts.

**Independent Government Cost Estimate (IGCE):** Estimate of the cost for supplies or services to be procured by contract. Government personnel who are independent of the contractors prepare the IGCEs.

**Information Resources:** All resources and activities employed in the acquisition, development, collection, processing, integration, transmission, dissemination, distribution, use, retention, storage, retrieval, maintenance, access, disposal, security, and management of information. Information resources include doctrine, policy, data, equipment, and software applications as well as related personnel, services, facilities, and organizations.

**Information Technology (IT):** Any equipment, or interconnected system or subsystem of equipment used for the automatic acquisition,

storage, manipulation, management, movement, control, display, switching, interchange, transmission, or receipt of data or information. IT includes computers, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related resources.

**Inspection:** Process broadly defined as “the examination of an item by comparing it with predetermined standards to determine conformance to requirements.” The narrow definition of inspection is “a visual examination which does not use special laboratory equipment or procedures.” In the phrase inspection and acceptance, the broad definition applies. In the phrase test and inspection, the narrow one applies.

**Invitation for Bids (IFB):** Solicitation used by the Government (in the sealed bidding method of contracting) that invites offerors to make a bid on a specific requirement and describes the conditions under which offers will be received.

**Justification and Approval (J&A):** Document that justifies and obtains approval for contract solicitations that use other than full and open competition.

**Labor-Hour Contract:** Contract that provides for the procurement of services on the basis of direct labor hours at specified fixed hourly rates (that include direct and indirect labor, overhead, and profit).

**Legal Counsel:** Judge Advocate General, Staff Judge Advocate, or civilian counsel providing legal services.

**Letter Contract:** Written preliminary contractual instrument that authorizes the contractor to begin immediately manufacturing supplies or performing services.



**Market Research:** Process used for collecting and analyzing information about the market available to satisfy the minimum agency needs to arrive at the most suitable approach to acquiring, distributing, and supporting supplies and services.

**Modification:** Written change in the terms of the contract. A modification can be unilateral (signed by the Government only) or bilateral (signed by both the Government and contractor).

**Negotiation:** Contracting approach that uses either competitive or other than competitive proposals and discussions. Any contract awarded without using sealed bidding procedures is a negotiated contract. Negotiation may also be used to modify the contract after award.

**Nonexcusable Delay:** Delay that could have been prevented by the contractor. Such a delay would not be a reason to extend the delivery schedule without consideration.

**Nonpersonal Services Contract:** 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.

**Offer:** As a response to a Government solicitation, an offer, if accepted by the Government's contracting officer, an offer would legally bind the offeror to perform the resultant contract. An offer could be in the form of a bid or a proposal.

**Offeror:** Entity that offers, via a proposal, to provide supplies or perform services needed by the Government. An offeror becomes a

contractor when the Government accepts the offer. In sealed bidding, the offeror is called a bidder.

**Operational Contract Support (OCS)<sup>55</sup>:** The process of planning for and obtaining supplies, services, and construction from commercial sources in support of joint operations, along with the associated contractor management functions.

**Option:** Contract term giving the Government the unilateral right, for a specified time, to purchase additional supplies or services called for by the contract or to extend the term of the contract. Examples include an increase in the quantity of supplies beyond that originally stipulated, an extension of time for services beyond that originally stipulated, or a change to the principal period of performance (such as the hours of the workday in a maintenance contract). A critical factor in an option is the window during which an option can be exercised. Missing the window voids the unilateral nature of the option.

**Order:** Instrument used to order work under a task order or delivery order contract. Orders are written and, when obligating funds, must be on a form prescribed by the FAR or DFARS. Orders are made a part of the contract file.

**Organizational Conflict of Interest:** Situation that exists when the nature of the work to be performed under a proposed Government contract may, without some restriction on future activities, result in an unfair competitive advantage to the contractor or impair the contractor's objectivity in performing the contract work.

---

<sup>55</sup> Joint Publication 1-02, "DoD Dictionary of Military and Associated Terms."

**Partial Payment:** Payment for supplies or services delivered to, and accepted by, the Government that represent only part of the contract requirements.

**Past Performance:** History of how well a contractor performs on a contract or contracts. The Government tracks contractor performance to assess the risk of using the same contractor on a similar project sometime in the future. (The Government supplements past performance data with data from other sources.)

**Performance Specification:** Description of the end item in terms of output, function, or operation. The contractor is responsible for determining the specific design necessary to achieve the performance levels stated. Performance specifications are preferred over design specifications.

**Performance Work Statement (PWS):** Description of the required results in clear, specific, and objective terms with measurable outcomes.

**Performance-Based Services Acquisition (PBSA):** Acquisitions that focus on the purpose of the services to be performed rather than the manner in which the work is to be performed. A PBSA is designed to ensure that contractors are given the freedom to determine how to meet the Government's performance objectives so that appropriate performance quality levels are achieved—and to ensure that payment is made only for services that meet these levels.

**Personal Services Contract:** Contract that creates an employer-employee relationship between the Government and the contractor personnel. The Government is normally required to obtain its employees by direct hire under competitive appointment, designation,

or other procedures required by the civil service laws. Obtaining personal services by contract, rather than by direct hire, circumvents those laws unless Congress has specifically authorized acquisition of the services by contract. In addition, converting a legal nonpersonal services contract into a personal services contract removes it from being enforceable in a court of law.

**Pre-Award Survey (PAS):** Study of a prospective contractor's financial, organizational, and operational status. A PAS is conducted before contract award to determine the contractor's responsibility and eligibility for Government procurement.

**Procurement Request:** Initial request for a contracting action, submitted by the requiring organization. The procurement request consists of all the documentation required to establish a contract, purchase order, or construction contract.

**Procuring Contracting Officer (PCO) (sometimes referred as contracting officer):** The individual who has the authority to award the contract. This individual may also administer the contract and handle termination settlements—functions that, in many instances, are handled by an ACO and a TCO, respectively.

**Progress Payment:** Method of contract financing in which the Government pays a contractor as work progresses, even though supplies or services have not been delivered. Progress payments may be based on costs incurred, percentage of work completed, or completion of particular phases.

**Prompt Payment Act:** Law defining the standard amount of time allowed for payment to Government contractors.

**Proposal:** Document submitted by an offeror in response to a request for proposals (RFP), issued by the Government, for providing supplies or performing services.

**Proprietary Data:** Data that belong to an offeror or contractor and apply to manufacturing processes, operations, or techniques that distinguish that entity from its competition. The entity must label its proprietary data, and the Government must prevent the release of proprietary data to unauthorized parties.

**Protest:** An interested party's written objection to an agency's solicitation of offers for a proposed contract to acquire supplies or services. A protest also may be an interested party's written objection to the proposed or actual award of a contract.

**Provision:** Term or condition that is used in the solicitation and applies before contract award.

**Purchase Order:** Order for supplies or services (used in the simplified acquisition method of contracting). Normally used above the micropurchase level, purchase orders may be unilateral (requiring only a Government signature) or bilateral (requiring the signature of both the contracting officer and the contractor).

**Quality:** Combined attributes (performance features and characteristics) that indicate the ability of a supply or service to satisfy a given need.

**Quality Assurance:** Process consisting of the planned systemic actions necessary to provide confidence that adequate technical requirements are established, supplies and services conform to established technical requirements, and satisfactory performance is achieved.

**Quality Assurance Representative (QAR):** When a contract has been delegated to the Defense Contract Management Agency to administer, the COR will work closely with the QAR. The QAR ensures that the contractor is in compliance with contractual requirements, evaluates and documents contractor performance, follows up with the contractor on documented deficiencies, and provides input for the Performance Evaluation Board through the administrative contracting officer.

**Quality Assurance Surveillance Plan (QASP):** Guide that describes the contract monitoring methods in detail. The QASP is usually written by the same team that develops the work statement and is used in monitoring a contract. A QASP is mandatory for contracts, task orders, or delivery orders over the simplified acquisition threshold (SAT), including service contracts and construction contracts.<sup>56</sup>

**Quality Control Plan:** Method put into place by a contractor to monitor or control the performance of services to meet contract requirements. This plan is also known as a quality assurance plan (QAP).

**Random Sampling:** Method of inspection used when it is not feasible to examine all presented items before their acceptance. Under this method, a predetermined quantity is inspected at random. In this way, the contractor does not know which items will be inspected. In theory, random sampling is highly reliable as an indicator of overall quality.

**Ratification:** Approval, by an official with the required authority, of an unauthorized commitment. A ratifying official is never compelled to ratify an unauthorized commitment.

---

<sup>56</sup> Reference DFARS 246.401.

**Reasonable Cost:** Cost that, in its nature and amount, does not exceed the cost that a prudent person would incur in the conduct of a competitive business. In determining the reasonableness of a specific cost, the contracting officer shall consider the following:

Type of cost and whether it is generally recognized as ordinary and necessary for the conduct of a contractor's business or the contract performance

Generally accepted sound business practices, arm's length bargaining, and Federal Government and state laws and regulations

The contractor's responsibilities to the Government, other customers, owners of the business, employees, and the public at large

Any significant deviation from the contractor's established practices.

**Replacement in Kind (RIK):** Type of payment on an acquisition and cross-servicing agreement in which logistics support, supplies, or services are transferred to an activity and that activity pays by providing the same kind of logistics support, supplies, or services at a later date.

**Request for Proposals (RFP):** The solicitation used for negotiated acquisitions to communicate Government requirements to prospective contractors and to obtain proposals.

**Requirements Contract:** Indefinite-delivery contract type that commits the Government to the exclusive use of the contractor to provide supplies or services as outlined in the contract for the period stated. This type of contract does not commit the Government to a specific quantity of supplies or services. When needed, delivery orders are used to request supplies, and task orders are used to request services. Delivery orders and task orders also give the location and time of delivery or performance. Under this type of contract, the

Government is at risk of a breach-of-contract suit if, for any reason, it gives a competitor the work promised before the contractor has a chance to refuse it.

**Responsibility:** Determination that the contractor has the capability to perform a contract successfully. Because the responsibility decision must be made before award, it is somewhat speculative. The decision can be based on a formal pre-award survey (PAS) of technical capability, production capability, quality assurance capability, financial capability, accounting system, and other factors such as property control, transportation, packaging, security, safety, environmental or energy conservation, and flight operation or flight safety. It is also possible to make a responsibility determination without a formal PAS when data are available to support a positive decision.

**Sealed Bidding:** Method of contracting that employs competitive bids, involves public opening of bids, and makes an award to the responsive, responsible bidder, considering only price and price-related factors.

**Senior Procurement Executive (SPE):** Individual who is responsible for management direction of the acquisition system of an executive agency, including implementation of agency-unique acquisition policies, regulations, and standards.

**Set-aside:** Reserving of an acquisition (or portion of an acquisition) exclusively for participation by an identified group.

**Show-Cause Letter:** Document sent by the contracting officer to a contractor that is failing to perform in accordance with the terms of the contract. The letter notifies the contractor that the contract may be terminated by reason of default unless the contractor can prove within 10 days that the condition was not the fault of the contractor.



**Simplified Acquisition Threshold (SAT):** In general, the SAT threshold is \$150,000. However, when the supplies or services are needed to support a declared contingency operation or to facilitate defense against, or recovery from, a nuclear, biological, or radiological attack, the SAT threshold is as follows:

- \$250,000 for any contract to be awarded and performed, or purchase to be made, inside the United States
- \$1 million for any contract to be awarded and performed, or purchase to be made, outside the United States.

**Small Business:** Entity, including its affiliates, that is independently owned and operated, is not normally dominant in the field of operation in which it is performing on Government contracts, and meets certain other size criteria set by the Small Business Administration (SBA).

**Small Business Program:** Program designed to ensure that small businesses—including small disadvantaged businesses, 8(a) firms, woman-owned businesses, minority colleges, and labor surplus area firms, among others identified by law—receive a fair share of DoD procurement dollars. In furtherance of economic objectives, various public laws and executive orders have designated that these groups be provided special opportunities in solicitation and award of Federal contracts.

**Sole Source:** Source that is characterized as the one and only source, regardless of the marketplace, possessing a unique and singularly available performance capability for the purpose of the contract award.

**Sole-Source Acquisition:** Contract for the purchase of supplies or services that is entered into, or proposed to be entered into, by an

agency after soliciting and negotiating with only one source. Sole-source contracts require special approvals.

**Solicitation:** Request for proposals (RFP) or invitation for bids (IFB) issued to prospective offerors or bidders.

**Source Selection:** Process in which the requirements, facts, recommendations, and Government policies relevant to an award decision in a competitive procurement are examined and a decision is made.

**Specification:** A document used in development and procurement that describes the technical requirements for items, materials, and services. A specification also describes the procedures that the Government will use to determine whether the requirements have been met. Specifications may be unique to a specific program or common to several applications.

**Statement of Objectives (SOO):** Statement provided in the RFP, that specifies the basic top-level objectives of the acquisition, but does not include how-to instructions. With a SOO, potential offerors have the flexibility to develop cost-effective solutions and the opportunity to propose innovative alternatives that meet the requirement. By reviewing an offeror's solutions, the Government can assess the extent to which the offeror understands all aspects of the effort to be performed.

**Statement of Work (SOW):** Statement provided in the RFP, that specifies the basic, top-level objectives of the acquisition as well as the detailed requirements of the Government. The SOW also provides the contractor with how-to instructions to accomplish the required effort,

and it forms the basis for successful performance by the contractor and effective administration of the contract by the Government.

**Supplemental Agreement:** Contract modification accomplished by the mutual action of the contracting officer and contractor. This is a bilateral agreement and must be executed by both the contractor and the contracting officer.

**Supplies:** All property except land or interest in land (as defined by the FAR).

**Synchronized Predeployment and Operational Tracker (SPOT):** Joint web-accessible database used for tracking contractor personnel movements within the forward deployed area and for validating individual contractor personnel associated with specific contracts, their authorization for access to specific DoD facilities, and their individual eligibility for specific DoD support services.

**Synopsis:** Government's notice in the FedBizOpps announcing the specific requirement for supplies or services and the procedure for receiving a copy of the solicitation document. The Government is required to use this vehicle for ensuring full and open competition unless a valid exception exists.

**System Support Contract:** Contracts awarded by services acquisition program management offices to obtain technical support, maintenance support, and, in some cases, Class IX support for selected military weapons and support systems.

**System Support Contractor:** Entity, normally with high levels of technical expertise, hired to support specific military systems.

**Task Order:** Instrument used to order work under a task order contract. Task orders are always written by the contracting officer and, when obligating funds, must be on a form specified by the FAR or DFARS. Task orders are made a part of the contract file and the COR's working file.

**Task Order Contract:** Contract for services that does not procure or specify a firm quantity of services (other than a minimum or maximum quantity) and that provides for the issuance of orders for the performance of tasks during the period of the contract.

**Terminating Contracting Officer (TCO):** The individual who has the authority to settle terminated contracts.

**Termination:** Cancellation of all or part of the work that has not been completed and accepted under a contract. Under specific circumstances, termination may be for default of the contractor or for convenience of the Government.

**Time-and-Materials (T&M) Contract:** Contract that provides for acquiring supplies or services on the basis of (1) direct labor hours at specified fixed hourly rates that include wages, overhead, general and administrative expenses, and profit; and (2) materials at cost, including, if appropriate, material handling costs as part of material costs. A T&M contract establishes a ceiling price that the contractor may not exceed. Substantial surveillance on the Government's part is required to ensure that efficient methods are used. A QASP is mandatory for any contract, task order, or delivery order that involves a T&M services contract or for a T&M construction contract over the micropurchase threshold.

**Unauthorized Commitment:** Agreement that is not binding because the Government representative who made the agreement lacked the authority to obligate the Government contractually. An unauthorized commitment must be ratified at very high levels. If the approval authority decides not to ratify the unauthorized commitment, the person who caused it may be held personally and financially liable. Even if the action is ratified, the person who caused it may be subjected to administrative or other penalties.

**Undefinitized Contract Action (UCA):** Any contract action for which the terms, specifications, or price are not agreed to before performance begins under the action. Examples include letter contracts, orders under basic ordering agreements, and provisioned item orders.

**Uniform Contract Format (UCF):** Standard Federal contract format.

**Unilateral Modification:** Modification that is effective upon signature by the contracting officer; the contractor's signature or assent is not required. Unilateral modifications are used for the following purposes:

- Make administrative changes
- Issue change orders
- Make changes authorized by clauses other than a Changes clause (such as Property, Options, or Suspension of Work clauses)
- Issue termination notices.

**Warranty:** Promise given by the contractor regarding the nature, usefulness, or condition of the supplies or services furnished under a contract. Warranties normally provide a contractual right for the correction of defects, notwithstanding any other contract provision. Warranties also establish a time period for exercising this right. The

Government should take advantage of commercial warranty provisions normally offered by contractors rather than designing unique warranty provisions. However, the use of warranties is not mandatory; they should be used only when they are in the best interests of the Government.

**Wide Area Work Flow (WAWF):** Web-based system that enables contractors to transmit invoices and shipping notices electronically and enables DoD to electronically record inspection, receipt, acceptance, and invoice approval. WAWF distributes data to downstream systems, including entitlement (payment) systems, accounting systems, property records, and others.

**Work Plan:** Guideline for monitoring contract performance.

## **Index**

### **A**

- A-76 study 213
- Acceptance certificate 3, 109
- Accounting 42, 83, 87, 127, 155, 157, 207, 261, 262, 329, 331, 344, 350
- Acquisition and cross-servicing agreement 184, 185
- Acquisition planning 22, 70, 76, 93, 152, 162, 252, 291, 292, 293
- Acquisition process 3, 11, 16, 38, 51, 64, 66, 70, 74, 75, 76, 250, 251, 294, 325
- Acquisition Review Board 75
- Acquisition strategy plan 216
- Acquisition team 11, 60, 70–74, 76, 252, 312, 325
- Acts of God 142, 152, 202
- Administrative contracting officer 21, 44, 71, 73, 98, 115, 325, 340, 342
- Afghanistan 8, 97, 313
- After action report 248
- Allowable cost 80, 326
- Alternative dispute resolution 4, 111, 144, 326
- Amendment 88, 89, 187, 188, 229, 231, 232, 249, 271, 326
- Anti-Deficiency Act 106, 307
- Architect-engineer contract 180
- Army or Defense Knowledge Online 31, 307
- Audits 116, 133, 135, 154, 156, 157, 203, 206, 225, 262, 309, 328, 331
- Automated Requirements Roadmap Tool 160–162, 267
- Award fee plan 302
- Awards and certificates 59

### **B**

- Badging 17, 36, 135
- Base operations 185

Basic ordering agreement 89, 349  
Berry Amendment 187, 188  
Best value 88, 275  
Bid 24, 29, 56, 59, 60, 82, 85, 86, 140, 156, 177, 214, 219, 261, 326, 327,  
336–338, 344, 346  
Bilateral modification 101, 326  
Blanket purchase agreement 88, 89  
Board of Contract Appeals 144  
Bonds 174, 181, 204, 261  
Bribery 4, 39, 42, 47, 62–64  
Budget 4, 198, 255, 265, 279  
Buy American Act 186–188

## C

Commercial Activities Management Information System 213  
Continuity book 247  
Central Contractor Registration 115  
Certificate  
    Of acceptance 3, 109  
    Of training 31, 56, 111, 193, 195, 295  
    Of service report 158  
Certificates and awards 59  
Certification 16, 32, 43, 85, 87, 115, 155, 179  
Chain of command 4, 17, 28, 47, 137, 310  
Change  
    Bilateral 101, 121, 326, 337  
    Constructive 29, 46, 103, 104, 121, 122, 327  
    Unilateral 100–102, 121, 337, 349  
Change order 46, 101, 103, 326, 349  
Changes clause 84, 102, 103, 121, 182, 326, 349  
Civil Augmentation Program 168, 307, 313, 326, 327



Civil Rights Act 204  
Civil Service Personnel 164  
Claim 4, 36, 39, 40, 50, 52, 111, 117, 119, 120, 138, 143, 146, 165, 181,  
192, 259, 327  
Clarifications 273, 274  
Classified information 37, 44, 45, 119, 278, 307, 310  
Closeout 3, 37, 38, 76, 93, 94, 99, 109, 119, 122, 248  
Command and control authority 29  
Commander's coins 59  
Commercial item 80, 81, 85–87, 130, 235, 236, 253, 254, 264, 265, 277,  
327  
Commercial standards 199, 213, 215, 217, 218  
Common access card 31  
Competition 67, 197, 207, 249, 250, 270, 271, 275, 282, 299, 320, 327,  
334, 336, 341, 347  
Competition in Contracting Act 270  
Competitive range 249, 251, 274–276  
Comptroller General 60  
Conference report 39  
Congress 8, 38, 60, 63, 113, 164, 312, 334, 340  
Constructive change 29, 46, 103, 104, 122, 327  
Consumer Price Index 263  
Continuity *See* Turnover  
Contract administration office 294, 328  
Contract administration plan 328  
Contract administration team 137, 193  
Contract completion date 40, 112, 178  
Contract data requirements list 85, 193, 221, 301, 328  
Contract discrepancy report 155, 328  
Contract file 15, 21, 38, 44, 52, 119, 125, 145, 146, 274, 297, 338, 348  
Contract incident report 222, 223

- Contract language rules 87
- Contract line item number 114, 117, 209, 235, 236, 328
- Contract number 39, 81, 82, 88, 114, 117, 146, 159, 209, 224, 296, 309
- Contract performance report 195
- Contract provisions *See* Terms and conditions
- Contract scope 14, 38, 42, 47, 49, 84, 102, 103, 105, 121, 122, 125, 134
- Contract specialist 71, 265
- Contract type
  - Construction 4, 8, 11, 78, 169, 174–182, 184–186, 194, 203, 208, 211, 250, 254–256, 261, 327, 328, 340, 342, 348
  - Cost 156, 207, 210
  - Cost plus fixed fee 262
  - Cost reimbursement 79, 80, 115, 166, 206, 255, 263, 330
  - Firm fixed price 79, 294, 334
  - Fixed price 79, 80, 85, 115, 156, 157, 166, 178, 180, 207, 208, 209, 211, 255, 262, 263, 290–292, 332
  - Indefinite delivery 88, 126, 335, 343
  - Labor-hour 115, 154, 166, 336
  - Letter 336, 349
  - Nonpersonal services 164, 165, 170, 337, 340
  - Personal services 49, 55, 164, 165, 170, 339, 340
  - Requirements 335, 343
  - System support 347
  - Time and materials 115, 154, 166, 292, 348
- Contracting authority 30, 36
- Contracting office 9, 14, 15, 24, 25, 29, 51, 65, 89, 111, 223, 256, 265, 294
- Contractor delay assessment 201
- Contractor discrepancy report 229, 241
- Contractor employees 39, 42, 46, 48, 55, 57, 59, 61, 62, 63, 165, 195, 226, 227

- Contractor Performance Assessment Reporting System 129, 308
- Contractor performance assessment review 129, 200, 308,
- Contractor performance evaluation report 158
- Contractor quality control plan 155, 157, 162, 200, 342
- Contractor quality control system 131, 194
- Contractors accompanying the force 299, 308, 309
- Contractor training request 42, 52
- Conversations and discussions 15, 39, 49, 127, 145, 194, 275, 286, 287
- COR alternate 28, 300
- COR appointment/designation 20, 23–26, 29, 32, 46, 48, 72, 146, 295
- COR file 2, 22, 24, 26, 32, 36, 56, 127, 144–146, 149, 191, 193, 195,  
291–293
- COR letter of appointment/designation 2, 10, 21, 36, 76, 93, 110, 125,  
147, 193, 296
- COR performance assessment 26
- COR Standard 16, 20, 290, 300
- COR supervisor 9–11, 15, 20–26, 31, 46, 48, 55, 70, 72, 140, 149, 290,  
296, 297
- COR Tracking Tool 2, 20, 22, 25, 31, 32, 44, 111, 295–297, 330
- Corrective action 35, 46, 127, 132, 133, 136, 148, 154, 155, 158, 159,  
224, 225, 282
- Correspondence 2, 37–40, 144, 146, 157, 159, 193, 195, 279
- Corruption 4, 17, 64, 286
- Cost and price analysis 253, 274
- Cost or pricing data 59
- Costs
  - Allocable 80, 207, 326
  - Allowable 80, 206, 326, 330
  - Indirect 59, 206, 253, 254, 256, 261
  - Reasonable 42, 80, 106, 108, 122, 153, 156, 187, 203, 207, 210,  
255, 327, 333, 343

Cure notice 4, 111, 142, 330  
Customer complaint 128, 132, 156, 157, 159, 200, 330

**D**

Damages 4, 40, 105, 106, 111, 136, 168, 175–178, 181, 182  
Data item description 221  
Data rights 330, 331  
Davis-Bacon Act 256–259  
DD Form 250 3, 44, 110, 158, 194, 195, 229, 235, 236, 239–241  
DD Form 1155 110, 114, 229, 235, 239  
DD Form 2772 229, 241, 242  
Debarment 57, 61, 139  
Debriefing 17, 249, 251, 275–277  
Defense Acquisition University 2, 12, 160, 167, 291–293, 297–300,  
308, 309  
Defense Contract Audit Agency 116, 170, 211, 260, 262, 264, 309, 331  
Defense Contract Management Agency 14, 47, 73, 134, 153, 170, 260,  
264, 309, 328, 331  
Defense Production Act 201  
Defense Travel Management Office 260  
Deficiency report 157, 194, 195  
Deliverable list 302  
Delivery order 83, 87, 89, 114, 126, 145, 154, 193, 332, 338, 342, 343, 348  
Demobilization 28, 247, 248  
Department of Labor 128, 200, 204, 256, 258, 314  
Depreciation 261  
Disbursing officer 39  
Disciplinary action 35, 55, 57, 106, 107, 134, 266, 273  
Discussions with offerors 251, 274–276, 337  
Dispute 4, 36, 43, 45, 85, 94, 104, 106, 111, 119, 133, 143, 144, 149, 176,  
201, 202, 225, 326, 327, 332

Drawdown 248  
Drawings 40, 84  
Drug-Free Workplace 204  
Duncan Hunter National Defense Authorization Act  
for Fiscal Year 2009 61

## **E**

Earned value and financial management reports 299  
Economic price adjustment 80, 332  
Electrical 43, 50, 185  
Emergency medical support 185, 244  
Environmental plan 195  
Environmental Protection Agency 128, 200  
Epidemic 142, 202, 333  
Equal Employment Opportunity 204  
Equipment 10, 15, 23, 49, 50, 76, 97, 105, 157, 164, 177, 184, 210, 211,  
214, 248, 253, 254, 256, 260, 261, 265, 296, 335, 336  
Equipment analysis data 214  
Equotable adjustment 84, 101, 121, 122, 149, 181, 332  
Escort 17, 134  
Ethics official 65, 332  
Evaluation factors 81, 86, 87, 268, 273, 275, 302  
Evaluation notice 251, 275  
Executive agency 333, 344  
Executive compensation 262

## **F**

Facility analysis matrix 214  
FedBizOpps 333, 347  
Federal Insurance Contributions Act 258  
Federal Supply Schedule 333

Final technical report 44  
Financial monitoring 205  
Floor checks 156, 203  
Food service 43  
Foreign contractors 115, 285  
Fraud 29, 39, 42, 47, 109, 139, 140, 141, 149, 291–293, 310, 311  
Freedom of Information Act 249, 278  
Free on board 334  
Freight embargo 142, 202, 333  
Funding form 229, 244, 302

**G**

General and administrative 254, 256, 261, 262, 265  
General Services Administration 187, 266, 312, 333, 334  
Gifts 4, 49, 62–67, 140, 284, 286  
Government Accountability Office 22, 144, 251, 277, 278, 334  
Government bill of lading 334  
Government Purchase Card 266, 335  
Gratuities 4, 49, 62–67, 286

**H**

Head of the Contracting Activity 278, 335  
Health and welfare 131, 148, 258  
Host Tenant Support Agreement 212

**I**

IHS Global Insights 264  
Incentive fee 85, 111, 302  
Inflation 263, 265, 266  
Information technology 262, 268, 335  
Inherently governmental functions 55, 62, 164

**Inspection**

- 100 percent 131, 148, 155, 156, 203
- Periodic 131, 148, 200
- Random sampling 130, 131, 148, 155, 156, 200, 342
- Inspection and acceptance 3, 25, 43, 81, 82, 110, 114, 336
- Inspector General 22, 47, 60, 141, 206, 310
- Insurance 174, 204, 258, 259
- Intellectual property 204
- International relationships 11
- Interpreter 286–288
- Investigation 38, 58, 146, 159, 177, 224
- Invitation for bids 336, 346
- Invoice 2, 3, 37, 42, 43, 99, 110, 111, 113–118, 122, 127, 140, 147, 156, 179, 194–196, 209–211, 229, 235, 236, 239, 241, 350
- Iraq 8, 97, 288, 313

**J**

- Joint Ethics Regulation 11, 49, 54, 303, 312
- Joint Travel Regulation 260
- Justification and approval 301, 336

**K**

- Kickback 63, 67, 286

**L**

- Laboratory test report 194
- Labor burden 256, 258
- Labor category 117, 156, 210, 256–258, 265, 267
- Labor dispute 43, 202
- Labor hours 42, 117, 210, 258, 336, 348
- Labor rates 59

Labor standard interviews 175, 203, 208  
Labor strike 201  
Leave 28, 55, 165, 257, 258  
Legal counsel 39, 47, 49, 65, 66, 70, 72, 76, 107, 140, 185, 262, 285,  
325, 336  
Legal review memorandum 302  
Letter of authorization 97, 229, 244, 245  
Letter of commendation 59  
License 43, 81, 135, 290, 293, 327  
Life cycle logistics 299  
Lines of command 30  
Litigation 38, 104, 119, 146, 176  
Local nationals 8, 281, 286

**M**

Mail and e-mail 31, 40, 58, 110, 159, 195, 222, 224, 236, 241, 248, 272,  
307  
Maintenance plan 195  
Market research and surveys 24, 93, 102, 197, 213, 249, 250, 252, 253,  
256, 260, 264, 266, 271, 299, 302, 311, 337  
Meeting minutes 121, 145, 157, 194, 247, 282  
Memorandum for the record 65, 145  
Mileage rates 260  
Monthly report 41, 116, 133, 194, 229, 243

**N**

Natural disaster 138, 142  
Need to know 38, 45, 51, 255  
Negotiation 93, 95, 101, 104, 108, 273, 275, 311, 331, 337  
Nomination 2, 20, 22, 24, 26, 29, 31, 32, 292–294  
Notice of award 193



Notice of termination 25, 349  
Notice to proceed 193, 201

## **O**

Occupational Safety and Health Administration 128, 200  
Offeror 60, 61, 85-87, 214, 218, 219, 249, 255, 267, 268, 272-277, 283,  
336-338, 341, 346  
Office of Federal Procurement Policy 62, 132, 312, 313  
Office of Government Ethics Form 450 21, 54, 55, 295  
Office supplies 261  
Onsite inspections 59, 156, 203  
Operational Contract Support 308, 338  
Operation Enduring Freedom 8, 288  
Option 4, 76, 100-102, 111, 121, 153, 155, 250, 263, 264, 311, 338, 349  
Organizational Conflict of Interest 62, 338  
Orientation 21, 93-96, 121, 155, 248, 311  
Other direct costs 108, 117, 206, 210, 211, 253, 254, 256, 260, 261, 265  
Overhead 59, 254, 256, 261, 262, 265, 336, 348  
Overtime 43, 117, 168, 210

## **P**

Packaging 81, 82, 87, 184, 344  
Packing 3, 82, 84, 87, 103, 109, 239, 248  
Partial payment 236, 239, 339  
Past performance 4, 96, 111, 129, 268, 269, 270, 275, 277, 310, 339  
Patents list 302  
Payroll 156, 175, 203, 206, 208, 254, 259  
Per diem rates 260  
Performance assessment 2, 14, 23, 24, 26, 129, 133, 148, 200, 296, 308  
Performance-based services acquisition 132, 221, 299, 312, 313, 315, 339  
Performance deficiency 35, 43, 85, 132

- Performance incentive 216, 217
- Performance objectives 159, 215, 339
- Performance report 44, 195
- Performance specification 339
- Period of performance 57, 80, 84, 100, 102, 114, 178, 226, 338
- Personal conflict of interest 61, 623, 315
- Personal security 4, 17
- Petroleum 80, 185
- Photographs 194
- Planned sampling *See* Inspection: Periodic
- Plumbing 43
- Post-award conference 38, 96
- Post-award duties 36
- Post-award phase 16
- Pre-award activities 51, 301, 302, 303
- Pre-award duties 12, 51, 301–303
- Pre-award process 22
- Pre-award survey 340, 344
- Pre-bid conference 24
- Pre-proposal conference 218
- Price estimate 253–256, 264
- Price, fair and reasonable 106, 108, 153, 327, 333
- Privacy Act 204
- Procurement Instrument Identification Number *See* Contract Number
- Procurement Integrity Act 4, 54, 59–61, 67, 303
- Procurement request 20, 340
- Procurement-sensitive 145, 255
- Procuring contracting officer 44, 71, 325, 340
- Profit or fee 78, 79, 89, 181, 253, 254, 256, 262, 263, 265, 332, 333, 336, 348
- Progress meeting 25

Progress payment 4, 111, 157, 178, 179, 182, 207, 340  
Progress report 4, 99, 126, 127, 147, 148, 179, 196–198, 271, 272  
Progress schedule 178, 194  
Prompt payment 113, 118, 311, 340  
Property  
    Contractor-acquired 42, 97, 330  
    Government-furnished 37, 73, 194, 215, 219, 335  
Property administrator 73, 76, 98  
Proprietary and classified information 37, 44, 60, 62, 145, 213, 279,  
    341  
Protest 201, 249, 251, 277, 278, 341  
Purchase order 88, 241, 340, 341  
Purchase record 248  
Purchase request 29, 301, 302

## **Q**

Quality assurance representative 73, 76, 325, 342  
Quality assurance plan 128, 132, 200, 216, 217, 342  
Quality assurance representative 73, 76, 325, 342  
Quality assurance specialist 70, 158, 159  
Quality assurance system 130  
Quality control plan *See* Quality assurance plan  
Quarantine 142, 202, 333  
Quotation 49, 86

## **R**

Ratification 29, 103, 105–108, 122, 342  
Reassignment 26, 29, 32, 297  
Receipt and acceptance 44, 179, 194, 241  
Receiving report 3, 36, 83, 109, 110, 132, 158, 229, 235, 236, 239, 241, 309  
Redeployment 3, 4, 17, 247, 248

Remedy 4, 61, 107, 111, 112, 135, 137, 139, 148, 155, 192, 193, 208  
Rent 260, 261  
Replacement in kind 185, 343  
Request for proposals 82, 93, 250, 251, 269, 341, 343, 346  
Requirements development 16, 21  
Requirements documentation 51  
Requirements package 51, 235, 301, 302  
Resource manager 46, 70, 325  
Risk management plan 17

**S**

Safety plan 195  
Sampling  
    100 percent  
    Periodic 200  
    Random 200  
Scope of work 18, 41, 205, 267  
Sealed bidding 82, 86, 326, 336–338, 344  
Security classification 223, 301  
Security clearance 43, 45, 295  
Security license 43  
Senior procurement executive 344  
Sensitive information 50, 51  
Service analysis matrix 212, 217  
Service Contract Act 256–258, 311  
Set-aside 344  
Shipping 3, 87, 109, 209, 239, 350  
Show cause 4, 111, 142, 344  
Simplified Acquisition Threshold 60, 154, 174, 181, 188, 253, 254–256,  
    270, 342, 345  
Site visit 17, 99, 116, 194, 195, 206

Small business 204, 250, 345  
Sole source 93, 275, 301, 345  
Source list 247, 302  
Source selection authority 251, 270, 276  
Source selection information 4, 278  
Source selection plan 216, 250, 302  
Souvenir 64  
Split requirement 302  
Standard Form 33 82, 229, 234  
Standard Form 1449 86, 110, 114, 229, 235–239  
Status report 31  
Stop work order 4, 41, 48, 111, 180, 205  
Stratified sampling *See* Inspection: Random sampling  
Subcontractor 4, 43, 57, 63, 140, 144, 168, 174, 179, 187, 189, 202, 224,  
226, 227  
Supplemental agreement 46, 101, 121, 326, 347  
Support agreement 185, 212, 219, 220  
Surge 212, 218  
Surveillance checklist 38, 157, 162, 191, 195  
Surveillance schedule 194, 195  
Suspension 41, 57, 61, 136, 139, 180–182, 349  
Synchronized Pre-deployment and Operational Tracker 41, 96, 97,  
121, 198, 203, 229, 244, 245, 314, 347  
Synopsis 250, 302, 347

## **T**

Task order 83, 87, 89, 114, 117, 126, 145, 154, 193, 209, 217, 338, 342,  
343  
Technical data 45, 330  
Technical evaluation reports 249, 273, 274  
Technical evaluation team 269, 273, 274, 276

- Technical rating 277
- Technical report 44
- Telecommunications 261
- Telephone conversations *See* Conversations and discussions
- Termination contracting officer 71, 348
- Termination
  - For cause 141–143, 297
  - For convenience 84, 141, 143
  - For default 143
- Without prejudice 297
- Termination letter 193, 297
- Test report 194, 195
- Test sample 197, 271
- Theater business clearances 31, 43
- Third country national 281
- Timecard 43, 52, 156, 165, 206
- Trade secret 279
- Trafficking in persons 56–58, 149, 153, 192, 198, 203, 204, 225, 226, 298, 307, 314
- Transition plan 220
- Transportation 4, 59, 64, 78, 115, 166, 185, 254, 314, 334, 344
- Travel 4, 37, 42, 52, 59, 64, 108, 140, 210, 244, 254, 260
- Trip report 39, 145, 194
- Turnover 2, 11, 26, 247

## U

- Unauthorized act 104, 294, 296
- Unauthorized commitment 21, 103–108, 122, 342, 349
- Undefinitized contract action 349
- Unemployment tax 259
- Unit price 87, 114, 235, 277, 329

Unsatisfactory performance 26, 37, 40, 45, 127, 131, 136  
Unsolicited proposal 49  
U.S. Agency for International Development 97, 314  
Utilities 177, 185, 215, 261

## **V**

Vendor list 247  
Visit request 38  
Vouchers 3, 115, 116, 122, 194, 241

## **W**

Wage determination 204, 256–258, 314  
Waiver 4, 20, 292, 293  
Warrant 71, 105, 205  
Warranty 4, 111, 118, 119, 122, 137, 193, 349, 350  
Weather 2, 136, 149, 152, 177, 194, 202, 333  
Wide Area Workflow 3, 44, 110, 111, 209, 211, 292, 293, 298, 314, 350  
Witness statement 194  
Work breakdown structure 212–214, 299  
Workers compensation 259  
Workload analysis matrix 214  
Workload data 213, 214, 219, 220  
Workload projections 218  
Work plan 195, 350

## **Acknowledgements**

Grateful acknowledgement is made to the following individuals who were involved in the writing, design, and production of this handbook.

### **Working Group**

CAPT Art Lopez, USN  
CAPT Greg Johnson, USN  
CDR Dave Kao, USN  
Mr. Hal McAlduff, DAU  
Col Ed Keller, DLA  
Lt Col Ronnie Doud, DLA  
LtCol Macon Robinson, USMC  
MAJ Anthony E. Hughley, USA

Mr. Charles D. (Dan) Matthews, USA  
MAJ David A. Ware, USA  
Ms. Christal Jones, DCMA  
Mr. Robert Ketchum, DCMA  
Ms. Linda Pickelman, DCMA  
Lt Col Gregory Mazul, USAF  
Lt Col Tom Hoskins, USAF

### **Project Manager and Support**

Lieutenant Colonel Judy Anderson, OSD(AT&L)  
Lieutenant Colonel Ann Christianson, OSD(AT&L)  
Amy Pitts, LMI

### **Handbook Editors and Contributing Editors**

Sallie Chafer, TQM

### **Artwork and Typesetting**

Diane Donohoe, LMI  
Kurt Kraus, LMI

### **DVD Editing and Production**

David Albrecht, LMI  
Chris Coy, LMI

### **Version 2 – September 2012**

Defense Procurement and Acquisition Policy  
Contingency Contracting  
3060 Defense Pentagon, Room 3B855  
Washington, DC 20301-3060





# Defense Contingency COR Handbook

This second edition of the Defense Contingency COR Handbook provides the basic knowledge and tools needed by contracting officer's representatives (CORs) to effectively support contingency operations. The handbook is designed specifically to address the realities faced by CORs in operations outside the continental United States. The information in this handbook is extracted from numerous sources within the Defense acquisition community. Those sources include the Federal Acquisition Regulation; the Defense Federal Acquisition Regulation Supplement; the Joint Ethics Regulation; Department of Defense directives, instructions, publications, and policies; and countless CORs and contingency contracting officers who have learned hard lessons in deployed environments.

The handbook's size reflects its comprehensive nature. It is intended to provide as much information as possible for the COR who may not have access to other resources. It is not meant to be read cover to cover. Instead, it is organized to aid the COR in finding exactly what he or she needs for the situation at hand.

Questions concerning the use, update, request for, or replacement of this handbook or the attached DVD should be sent to: Defense Procurement and Acquisition Policy, Contingency Contracting, 3060 Defense Pentagon, Room 3B855, Washington, DC 20301-3060; Commercial Phone: 571-256-2945; Fax: 571-256-7004; Email: [ContingencyContracting@osd.mil](mailto:ContingencyContracting@osd.mil).